Groww

Billionbrains Garage Ventures Limited

Nomination & Remuneration Policy

(pursuant to Section 178(3) of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Table of Contents

1. Background:

This Nomination and Remuneration Policy ("Policy") has been prepared in accordance with the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The objective of this Policy is to establish a transparent framework for the nomination, evaluation, and remuneration of the members of the Board of Directors ("Directors"), Key Managerial Personnel ("KMPs"), and Senior Management Personnel ("SMPs") of Billionbrains Garage Ventures Limited ("Company").

Unless otherwise defined, terms used in this Policy shall carry the meanings assigned to them under the SEBI Listing Regulations. In the absence of a definition therein, the applicable provisions of the Companies Act, 2013 and associated rules, notifications, and circulars, as amended from time to time, shall apply.

This Policy shall be effective from the date of listing of the Company's equity shares on the stock exchanges.

2. Applicability and Definitions:

This Policy applies to:

- Members of the Board of Directors
- Key Managerial Personnel (KMPs)
- Senior Management Personnel (SMPs)

Key Definitions:

Key Managerial Personnel (KMPs):
- Chief Executive Officer or Managing Director or Manager
- Whole-Time Director
- Company Secretary
- Any officer not more than one level below the Directors, designated by the Board as KMP
- Any other officer as may be prescribed

Malus:
A provision that permits the Company to reduce or cancel unvested or future compensation (e.g., bonuses, stock options) in cases of significant underperformance, misconduct, or policy violation.

Clawback:
A provision that allows the Company to recover previously paid compensation, bonuses, or incentives in events such as fraud, misconduct, or financial misstatements.

3. Nomination and Remuneration Committee (Committee/ NRC):

The Board shall constitute a Nomination and Remuneration Committee comprising at least three non-executive directors, with not less than two-thirds being independent directors. The Chairperson of the Committee shall be an independent director and shall not be the Chairperson of the Company.

4. Role of Nomination and Remuneration Committee (NRC)

The NRC shall:

- Formulate criteria for determining qualifications, positive attributes, and independence of a director, and recommend a remuneration policy for directors, KMPs, and other employees.
- Ensure that:
    - Remuneration is sufficient to attract, retain, and motivate the talent required for the Company's success.
    - Remuneration is linked to performance benchmarks.
    - There is an appropriate balance between cash compensation and long-term incentives in line with Company objectives.
- Define the evaluation criteria for performance assessment of the Board and Independent Directors.
- Identify qualified individuals for appointment as Directors and in Senior Management, and recommend their appointment or removal.
- Decide on the continuation or extension of an Independent Director's term based on their performance evaluation.
- Recommend all forms of remuneration payable to Senior Management.
- Assist the Board in succession planning for Directors, KMPs, and SMPs.
- Ensure a fair and transparent nomination process to support Board diversity in terms of skills, experience, background, gender, and perspective.
- Devise a formal policy on Board diversity.
- Discharge any additional responsibilities mandated by the Board, SEBI Listing Regulations, or applicable laws.

5. Appointment and Removal of Directors, KMPs, and SMPs:

Appointment Criteria and Qualifications:

i. The NRC shall evaluate the integrity, qualification, expertise, and experience of individuals considered for appointment as Directors, KMPs, or SMPs and recommend their appointment to the Board.

ii. For appointment of Senior Management and Key Managerial Personnel, the person should possess adequate qualifications, expertise and experience for the position he / she is considered for appointment.
At the time of appointing individuals to Key Managerial Personnel (KMP) or Senior Management Personnel, the HR Head shall brief the NRC on the interview process, candidate background, and overall fit.

iii. The Company shall not appoint or continue a Managing Director beyond the age of 70 unless approved by shareholders through a special resolution, with justification provided.

Independent Director:

a. Subject to the provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re- appointment on passing of a special resolution by the Company and disclosure(s) of such appointment in the Board's report.

b. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for reappointment after a three-year cooling-off period. During the cooling-off period, they shall not be appointed in or associated with the Company in any capacity.
Any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under the aforesaid criteria.

Removal:

In case of disqualification under the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations and the prevailing policy of the Company, the NRC may recommend removal of a Director, Key Managerial Personnel, or Senior Management Personnel, to the Board, with reasons recorded in writing.

Retirement:

The Key Managerial Personnels and Senior Management Personnels shall retire as per the applicable provisions of the Companies Act, 2013, Rules made thereunder and the prevailing policy of the Company. They may be retained post-retirement at the same or revised terms if deemed beneficial for the Company.

6. Provisions relating to remuneration of Directors, KMPs, SMPs:

a. Directors: Executive Directors (Managing Director ,KMP / SMP or Whole Time Director):

1. At the time of appointment or re-appointment, the remuneration shall be agreed upon by the Board and NRC, within statutory limits and subject to shareholder approval where required. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting as per the requirement of the Companies Act, 2013.
2. The remuneration of the is broadly divided into fixed, and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:
    i. performance benchmarks

ii. balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.
iii. scope of responsibilities and industry benchmarks
iv. the Company's performance vis-à-vis the annual operating plan achievement and individual performance.

3. Remuneration shall be also considered in form of long term incentive plans for key employees (including the Executive Directors (including Managing Director), based on their contribution, position and length of service, in the nature of ESOPs but excluding promoters (unless and otherwise permitted by applicable laws) or such other plans as per the prevailing policy of the Company.

b. Non-Executive Director:

i. The Non-Executive Independent Director may receive fees for attending a meeting of the Board or Committee. They may be paid sitting fees for attending meetings of the Board or its Committees, subject to a maximum of ₹1,00,000 (Rupees One Lakh) per meeting.
ii. A Non-Executive Director may be paid commission on an annual basis or such other remuneration permissible under the Companies Act 2013 and SEBI Listing Regulations, of such sum as may be approved by the Board on the recommendation of the Committee.
iii. The amount of commission shall be determined by the Board on the recommendation of the Committee, and shall reinforce the principles of collective responsibility of the Board.
iv. While recommending the quantum of commission, the Committee shall consider the overall performance of the Company and the significant responsibilities handled by the Director.
v. The total commission payable shall remain within the prescribed limits set under the Companies Act, 2013.
vi. The commission shall be payable on a pro rata basis to those Directors who occupy the office for part of the year.
vii. Independent Directors shall not be entitled to stock options under any employee stock option schemes ("ESOP") of the Company, unless specifically permitted by applicable regulations

c. Promoter, Key Managerial Personnel & Senior Management Personnel:

The remuneration to the KMPs and SMPs (other than promoters) will be based on following guidelines:

i. Maintaining a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company
ii. Compensation should be reasonable and sufficient to attract, retain and motivate KMPs and SMP
iii. Remuneration packages shall consist of a fixed component and a performance-linked variable pay, based on both individual achievements and Company-wide performance.

iv. Long-term incentive plans (such as ESOPs or equivalent schemes) may be considered for key employees based on their role, contribution, and length of service, subject to applicable laws and the prevailing policy of the Company

All Whole-Time Directors of the Company are classified as promoters and, in view of prevailing regulatory restrictions, equity-linked compensation instruments cannot presently be granted to promoters; accordingly, the Committee approves a performance-linked compensation framework variable/cash-based;

In line with the Company's existing rewards philosophy focused on driving performance, this framework establishes a performance-linked compensation structure for all whole time directors that:

- Aligns compensation with overall company performance
- Ensures adherence to applicable regulatory requirements
- Maintains internal parity while ensuring cost discipline

Performance Metric:

The primary metric for determining variable compensation under this framework is:

- Year-on-Year (YoY) PBT Growth
- Any other performance criteria determined by the Nomination Remuneration Committee

Payout Framework:

Actual payout shall be determined based on year-on-year (YoY) PBT growth. Total payout will be 0.25% to 1.00% per promoter.

Payment Terms:

- The final payout amount shall be computed post finalization of audited financial statements.
- Long term incentive compensation, under the aforesaid framework, viz Twenty-five percent (25%) of the said amount shall be paid as four (4) equal installments
- in the event any Whole-Time Director ceases to be in employment of the Company at any time, such director shall be eligible to receive a proportionate payout for the period served during the relevant year, provided, however, that no further payouts shall accrue or be payable in respect of any period following such cessation.
- Each installment is contingent upon the employee being in active employment with the Company on the respective payout date

Guardrails:

Compensation to Whole Time Directors shall remain within applicable regulatory limits under the SEBI Listing Regulations and the Companies Act, 2013 (indicatively viz up to approximately 5% individually and collectively upto 10% of PBT or such limits as may be prescribed).
Compensation shall be broadly aligned with comparable CXO roles in the market, while remaining linked to Company performance.

7. Malus & Clawback

Malus Provision:

The Company may reduce, cancel, or forfeit future or unvested compensation, including but not limited to bonuses, stock options, and other performance-related compensation, in the event of significant underperformance, violation of Company policies, or misconduct. The Malus may be triggered by, but is not limited to, the following circumstances:

- Material financial restatements, misrepresentation of financial performance, or breach of regulatory compliance;
- Failure to meet agreed-upon performance targets or KPIs as outlined in the individual's compensation agreement;
- Misconduct, unethical behavior, or violation of the Company's code of conduct or any applicable laws.

The Malus provision enables the Company to reduce, cancel, or forfeit unvested or future compensation as deemed appropriate by the Nomination and Remuneration Committee. This provision serves as a safeguard to ensure that performance-related compensation is aligned with the long-term interests of the Company and its stakeholders.

Clawback Provision:

The Company reserves the right to Clawback any compensation, bonuses, or performance-related awards that have already been paid to an individual in the event of misconduct, financial restatements, or other circumstances that undermine the integrity of the performance metrics on which the compensation was based. The clawback may be triggered by, but is not limited to, the following circumstances:

- Discovery of material errors in the financial statements or performance metrics that resulted in the payment of a bonus or incentive that would not have been paid if the correct information had been available;
- Misconduct, fraudulent actions, or violations of Company policies that lead to significant financial or reputational damage to the Company;
- Any other event that materially affects the individual's performance or contribution to the Company, as determined by the Nomination and Remuneration Committee.

If any of these events occur, the Company may require the individual to repay all or a portion of the compensation, including but not limited to any bonus, incentive payment, stock options, or other rewards previously granted. The Clawback provision is intended to ensure accountability and fairness in the reward system, promoting long-term sustainable growth and safeguarding the interests of the Company and its stakeholders.

The cases pertaining to Director, KMPs or SMPs shall be determined by NRC. Cases pertaining to other employees shall be reviewed and determined by the Head - Human Resource. Errors of judgment shall not be construed as breaches as may be determined by NRC.

8. Disclosures:

As required under the SEBI Listing Regulations, this Policy shall be disclosed on the Company's website and web-link shall be provided in the annual reports.

9. Policy Review and Amendment:

This Policy shall be reviewed periodically and updated as needed based on regulatory changes or evolving business requirements.

Any amendments to applicable laws, including the Companies Act and SEBI Listing Regulations, shall automatically be reflected in this Policy.

10. Version Control

Sr. No.	Versions	Approval date	Approved by
1	Version 1	April 08, 2025	Board of Directors
2	Version 2	April 20, 2026	Board of Directors