

## NOMINATION AND REMUNERATION POLICY

### Introduction

The Company considers human resources as its invaluable assets. The Company formulated a policy in terms of the provisions of the Companies Act, 2013 to pay equitable remuneration to all Directors and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the company. This policy on nomination and remuneration of Directors and other employees has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

### Objectives

The key objectives are:

1. To guide the Board in relation to appointment and removal of Directors and Senior Management.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Senior Management and other employees.
3. Formulation of criteria for evaluation of Independent Director and other Directors on the Board.
4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
5. To recommend to the Board on remuneration payable to the Directors and Senior Management.
6. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
7. To develop a succession plan for the Board and to regularly review the plan.

### Definitions

1. "Act" means the Companies Act, 2013 and rules framed thereunder as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Directors" means Directors of the Company.
4. "Senior Management" means the personnel of the Company who are members of its core management team excluding Executive Directors but not including the functional heads.

### Policy for appointment and removal of Director and Senior Management

1. Appointment Criteria and qualifications
  - a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his / her appointment.
  - b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d. A whole-time Director of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However they can be appointed as Director in any Company with the permission of the Board of Directors of the Company.

## 2. Term/ Tenure

- a. Managing Director/Whole-time Director
  - i. The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b. Independent Director
  - i. 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 of such appointment in the Board's report.
  - ii. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
  - iii. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## 3. Evaluation

- a. The Board of Directors shall carry out evaluation of performance of every Director and Senior Management Personnel at regular intervals (yearly).

## 4. Removal

- a. Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

## 5. Retirement

- a. The Directors and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### Policy for remuneration to Directors/Senior Management Personnel

1. Remuneration to Managing/Whole-time/Executive Director and Senior Management Personnel
  - a. The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
2. Remuneration to Non- Executive / Independent Director
  - a. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
3. Policy Review
  - a. This policy is framed based on the provisions of the Companies Act, 2013 and the rules made there under.
  - b. This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors.