

NOMINATION AND REMUNERATION POLICY

The objectives of this policy include:

- To lay down criteria for identifying who are qualified to become directors
- To formulate criteria for determining qualification, positive attributes and independence of director
- To determine the composition and level of remuneration, including reward linked with the performance which is reasonable to attract, retain and motivate Directors and KMP to work towards the long term growth and success of the company
- To frame guidelines on diversity of the Board.

“Director” means a Director of the Company. Whereas “Key Managerial Personnel” or KMP means-

- Managing Director or the Manager or Chief Executive Officer
- Whole-Time Director
- Chief Financial Officer
- Company Secretary and
- Such other officer as may be prescribed under the applicable law.

A) Criteria for identifying persons who are qualified to be appointed as a Director of the company:

Section 164 of the Companies Act provides for the disqualifications for appointment of any person to become Director of the company. Any person who in opinion of the Board of Directors is not disqualified to become a Director, and in opinion of the Board, possess the ability, integrity and relevant expertise and experience, can be appointed as the Director of the company

For appointing any Independent director qualifications mentioned in the Act and rules made thereunder (including but not limited to Section 149 of the Act and Rule 5 of the Companies (Appointment and qualification of Directors) Rules, 2014 and LODR. The nomination and remuneration committee shall identify integrity, qualification, expertise and experience of the person for appointment as the Director or KMP and recommend to the Board for appointment. Such person should possess adequate qualification, expertise and experience for position for appointment.

B) Board Evaluation:

As per the Company’s Board evaluation policy, approved by the Board of Directors and shall carry out the evaluation of performance of every Director or KMP at regular interval and at least on a yearly basis. The independent directors shall at its separate meeting review the performance of non-independent directors based on the parameters that are considered relevant by the Independent directors. The Board as a whole shall evaluate the performance of the Independent Director. During such evaluation the Director being evaluated shall be excluded from the meeting. The criteria for evaluating performance of KMP shall be as per the internal guidelines of the Company on performance management and development.

a) The duties of the Committee in relation to nomination matters include:

- To ensure that appropriate induction and training programme are in place for new Directors and members of Senior Management and to periodically review its effectiveness;
- To ensure that on appointment, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- To ensure that the Independent Directors continues to fulfill the Independence criteria as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- To determine the appropriate size, diversity and composition of the Board;
- To identify and recommend names of Directors who are to retire by rotation;
- To set up a formal and transparent procedure for selecting Directors for appointment to the Board;
- To evaluate the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- To develop a succession plan for the Board and Senior Management and to regularly review the plan;
- To recommend necessary changes in the Board;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To decide for extension or to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To consider any other matters as may be requested by the Board.

b) The duties of the Committee in relation to remuneration matters include:

- To recommend the remuneration payable to the Senior Management of the Company in accordance with the Remuneration Policy of the Company and while designing the remuneration package it must consider that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- To ensure that the remuneration to Directors, KMP and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To consider any other matters as may be requested by the Board.

C) Policy for Remuneration to Directors, Key Managerial Personnel and other Employees:

The remuneration/compensation to Managing Director/Whole time Director and remuneration to KMP will be determined by the Committee and recommended to the Board for the approval. The remuneration to the directors shall be as per the statutory provisions of

the Companies Act,2013 and the rules made thereunder for the time being in force. The increment to the existing remuneration payable to Whole-time Directors, KMP would be recommended by the Committee of the Board.

The company with the approval of the shareholders and Central Government may authorize the payment of the remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V. The company may with the approval of the shareholders authorize the payment of remuneration upto 5% of net profits of the company to its Managing Director/Whole time Director/Manager and 10% in case of more than one such official. The company may pay remuneration to its directors, other than M.D and Whole time director upto 1% of net profits of the company, if there is a managing director or whole time director or manager and 3% of the net profits in any other case.

The Independent Directors doesn't receive any sitting fees fir attending the meeting of Board or its committee.

D) Board Diversity:

With the view of achieving sustainable and balanced development, the company while appointing may consider the following criteria that is to appoint the persons who have adequate knowledge, experience, understanding as may be considered by the Board as relevant in its absolute discretion for the business.

The Board should have combination of Directors of different genders, from different areas, fields, backgrounds and skill as necessary.

The board shall have members who have accounting,financial expertise,corporate governance knowledge etc.