

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy ('The policy') has been formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time.

APPLICABILITY:

The policy has been formulated by the Nomination and Remuneration Committee ('The Committee') for nomination and remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees and approved by the Board of Directors.

OBJECTIVE AND PURPOSE OF THE POLICY

Based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the industry, the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other employees of the quality required to run the Company successfully and to ensure long term sustainability.

Relationship of remuneration to performance is clear and meets appropriate performance bench marks.

A. FUNCTIONS OF THE COMMITTEE

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Whole Time Directors/ Non-Executive Directors) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- The level and composition of remuneration is reasonable and sufficient to motivate Directors, Key Managerial Personnel and other Employees, of the quality required to run the Company successfully,
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To ensure that the Board comprises of a balance combination of Executive Directors, Non- executive Directors, Independent Directors including the Board diversity;
- Such other functions in accordance with the Companies Act, 2013 and the Listing Agreement, as may be amended from time to time.

B. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

1. APPOINTMENT

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his / her appointment, as per Company's

Policy.

- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise of a person is sufficient / satisfactory for the position.
- A whole time KMP of the Company shall not hold office in more than one Company except its subsidiaries. However, he can be appointed as a Directors in any Company, with the permission of the Board of Directors of the Company.

2. TERM / TENURE

a) Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director, Whole Time Director as per the provision of Companies Act, 2013. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Operations, Engineering or other disciplines related to the Company's business.

No Independent Director shall hold Office for more than two consecutive terms of up to maximum of five 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 and shall comply the provision of Section 149 read with Schedule IV of the Companies Act, 2013 and rules made there under.

3. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

4. REMOVAL

The Committee may recommend to the Board with reasons recorded in writing removal of a Director, KMP or one level below KMP subject to the provisions of the companies Act 2013 and all other applicable Acts, Rules and Regulations, if any.

5. RETIREMENT

The Director, KMP 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, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the

benefit of the Company.

C. POLICY FOR REMUNERATION TO DIRECTORS/KMP/ OTHER EMPLOYEES

i. NON-EXECUTIVE DIRECTORS (NEDs) / INDEPENDENT DIRECTORS

The Non-Executive Directors / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013.

- The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- Any profit linked commission if declared by the Board, subject to approval of the shareholders.

The existing sitting fees which forms part of the policy is annexed herewith.

ii. MANAGING DIRECTOR/ WHOLE TIME DIRECTOR

The remuneration/ compensation/ commission etc. to the Whole Time/ Executive/ Managing Director will be recommended by the committee and approved by the Board. The remuneration / compensation /commission etc shall be in accordance with the percentage /slabs/ conditions laid in the Companies Act, 2013 and shall be subject to the prior/ post approval of the Shareholders of the Company and Central Government, whenever required.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time Director in accordance with the provisions of Schedule-V of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

iii. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per Company's HR Policies and / or as may be approved by the Committee.
- If the remuneration of KMPs or any other officer is to be specifically approved by the Committee and or by the board under any Regulation, then such approval will be accordingly procured.

D. POLICY REVIEW

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the 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 or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

This policy is updated on 23rd March, 2015.
