



NOMINATION AND REMUNERATION **POLICY**

Approved by:	Board of Directors
Effective date:	17th January 2015
1st revision on:	23rd July 2016
2nd revision on:	1st February 2019
3rd revision on:	6th February 2025



1. Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel ("SMP") and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with the stock exchanges (as amended from time to time), this policy on Nomination, Remuneration and Board Diversity has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

This Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, Regulation 19 under the Listing Regulations and other applicable provisions, as amended from time to time.

The objective of this policy is to:

- a. lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive including Independent Directors), KMP and persons who may be appointed in senior management positions.
- b. provide framework for remuneration of the Directors, KMP, Senior Management Personnel & other employees and align with the Company's business strategies, values, key priorities and goals.
- c. lay down approach for Board diversity.
- d. formulate the procedures and lay down criteria for performance evaluation of the Board, Committees, Independent and Non-Independent directors.

2. Criteria for Board Membership, Senior Management Personnel & employees and Board diversity

A. Board Membership

- a. The Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations/ Human Resources or other disciplines related to the Company's business.



- b. The Director should possess the highest personal and professional ethics, integrity and values.
- c. Must be free from any disqualifications as provided under Companies Act, 2013 & Rules framed thereunder and Listing Regulations.
- d. Must have attributes to bring independent judgment to Board's deliberations and decisions. Possesses requisite qualities to safeguards the interest of all stakeholders.
- e. Must possess relevant experience at policy-making and operational levels in large organizations at leadership position with significant international activities.
- f. The Director shall not have any material interest in the Company or any of its officers, other than as a Director or shareholder of the Company. Wherever required the Director should disclose the nature of his interest, if there are reasons to believe there is or a likelihood of potential conflict of interest.
- g. The Independent Director shall fulfill the criteria specified in Schedule IV & Section 149(7) of the Companies Act, 2013 and rules made thereunder and of Listing Regulations as amended from time to time.
- h. In case of re-appointment of Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level and other criteria as may be mentioned in the Remuneration policy.

B. Criteria for selection of KMP & Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013 as well as Listing Regulations. NRC shall, before making any recommendation to the Board for appointment, consider following attributes of the candidate:

- The candidate should have a required level of qualification and experience which in the opinion of the management and Committee are relevant for the Company's business;
- The candidate should possess the positive attributes such as leadership skills, decision making skills, effective communication, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.



C. Appointment of other Employees

The appointment of other employees shall be made based on the experience, qualification, expertise of the individual as well as the roles and responsibilities required for the position and shall be approved by the respective functional head, the Human Resource Department under the overall control/supervision of the Managing Director.

D. Board Diversity

- a. Selection of Board members shall be based on a range of diversity perspectives. NRC shall assess composition of the Board and identify diversity requirements in terms of skill-set, competencies and expertise considering company's business complexities and growth plans
- b. Meritocracy, educational background, ethnicity, professional experience, skills, knowledge, experience and gender diversity shall take precedence over caste, creed, religion or race for selection and nurturing talent.

3. Remuneration Policy

The Remuneration policy for the Directors, KMP, Senior Management Personnel and other employees is designed in a way to attract talented executives and remunerate them fairly and responsibly, this being continuous ongoing exercise at each level in the organization.

The Remuneration Policy is generally based on industry benchmarks, the Company's performance *vis-à-vis* the industry, peer group comparison, factors like inflation rate in the country and performance of the employees. Remuneration may comprise of fixed Component viz. salary, perquisites and allowances and a variable component based on the targets achieved

(i) Executive/Managing Director

The NRC shall recommend to the Board remuneration, including commission if any based on the net profits of the Company for the Executive Directors within the maximum limits as set under the Companies Act, 2013, and Rules made thereunder and subject to the approval of the shareholders as and when applicable. .

The Company pays remuneration by way of salary, perquisites, and allowances (fixed component) and commission (variable component) to its Executive Director.



Perquisites and retirement benefits are paid according to the Company policy, and applicable laws and regulations as applicable to all employees.

(ii) Independent & Non-Executive Directors

Independent & Non-Executive Directors are appointed for their professional expertise and skills in their individual capacity as independent professionals. Independent & Non-Executive Directors are presently receiving sitting fees (including reimbursement of expenses for attending meetings) for attending the meeting of the Board and Board Committees.

Commission, if any, based on the net profits of the Company for the Independent & Non-Executive Directors may be paid within the limits as set under the Companies Act, 2013, and Rules made thereunder and subject to the approval of the shareholders as and when applicable.

(iii) Key Managerial Personnel (other than Managing Director/Whole-time Director) and Senior Management Personnel

The remuneration of other KMP and Senior Management Personnel shall be in the form of salary, performance incentives, stock options etc wherever applicable.

They may also be entitled to customary non-monetary benefits such as company car and Company health care, telephone and accommodation as per the policy of the Company.

The components of the total remuneration may vary for different grades and are governed by the industry pattern, qualification and experience/merits, performance of each employee. The Company, while deciding the remuneration package may take into consideration current employment scenario and remuneration package of the industry and its peer group.

The annual variable pays of the KMP & Senior Management Personnel, if paid, as recommended by the NRC will be linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed at the beginning of the year.

(iv) Other Employees

The remuneration including revision in remuneration of other employees shall be decided by the Human Resources Department in consultation with the functional head within the overall framework of compensation and appraisal practices of the Company and under the overall authority of the Managing Director.



(v) Directors And Officers Liability Insurance Policy

The Company shall provide an insurance cover to Directors, KMPS & SMPS for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust shall not be treated as a part of remuneration paid to them.

4. Removal

Due to reasons of 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, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Review & Amendment

This policy shall remain in force unless modified by the NRC / Board of Directors.

In case of any subsequent amendment / modification in the Listing Regulations, Act and/or other applicable laws which may be inconsistent with any of the provisions of this policy than such provision(s) of the policy will automatically stands modified/ amended to that extent.

This policy has been amended, approved and adopted by the Board of Directors at their meeting held on 6th February 2025.
