

POLICY FOR REMUNARTION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

Remuneration philosophy

The chairman of the board is required to provide leadership and balance conflicts of interest, if any, so that decisions are taken in the best interests of the company and to ensures highest standards of governance, Likewise, the members of the audit committee have the onerous responsibility to respectively ensure adequacy of internal controls, robustness and financial policies and accounting principle and the compliance with applicable laws. The members of the audit committees required to spend considerable time for providing guidance to the Management is dealing with the major issues.

Remuneration

The remuneration of the Non-Executives Directors is determined within the limits prescribed under section 197 read with rules frame thereunder and Schedule V to the Companies Act,2013 (hereinafter collectively referred to as “the Act”)

The Non – Executives Directors of the company receive remuneration by way of sitting fess for attending the Board / Committee Meetings and commission as detailed hereunder:

1. Sitting fees for each meeting of the board of the committee of the board attended by the directors, of such sum as may be approved by the board of Directors within the overall limits prescribed under the Act;
2. Subject to the approval of the members in General Meeting, payment of commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee subject to the ceiling prescribed under the Act. Pursuant thereto, the total commission payable to the directors shall not exceed 1% of the net profit of the company.
3. The commission is generally paid on a uniform basis, to reinforce the principle of collective responsibility of the Board.
4. The Remuneration and Nomination Committee may recommend a higher commission for the chairman of the Board of the Directors, taking into consideration his overall responsibility.
5. In determining the quantum of commission payable to the directors, the Nomination and Remuneration Committee shall make its recommendation after taking into consideration the overall performance of the company and having regard to the onerous responsibilities required to be shouldered by the Directors etc.
6. The Remuneration and Nomination Committee may recommend to the Board, for the payment of an additional commission to those Directors who are members on the Audit Committee of the Board, subject to a ceiling on the total commission payable as may be decided.
7. In addition to the Remuneration paid under clause (ii) and (vi) above, the chairman of the audit committee shall be paid an additional commission, as may be recommended to the Board by the Nomination and Remuneration committee.

8. The commission shall be payable on a prorata basis to those Directors who occupy office for part of the year.
9. The independent Directors of the company shall not be entitled to participate in stockoption scheme of the company, if any, introduced the company.

Remuneration Policy for the Managing Director and Key Managerial Personnel

The company remuneration philosophy for the Managing Director and Key Managerial Personnel is broadly guided by the fact that the company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure which when benchmarked with comparable companies within the industry/ sector compares favourably so as to attract talent. At the same time the reward proposition is linked to the overall company's performance, individual performance, employee's potential criticality of the function and its importance for achieving a competitive advantage in business.

Remuneration Policy for the Managing Director and Key Managerial Personnel

1. The Managing Director shall be paid such remuneration as may be mutually agreed between the company (which includes the Remuneration and Nomination Committee and the Board of the Directors) and the Managing Director, within the overall limits prescribed under the Act.
2. The Remuneration shall be subject to the approval of the members of the company in general meeting.
3. The Remuneration of the Managing Director shall be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component viz. performance bonus and other long term incentives.
4. In determining the Remuneration and Nomination Committee shall consider the following:
 - a. The relation between remuneration and performance;
 - b. Balance between fixed and incentive pay reflecting short and long term performance objects appropriate to the working of the company and its goals;
 - c. Responsibilities required to be shouldered by the Managing Director, the industry benchmarks and current trends;
 - d. In keeping with best industry practices, to ensure that the remuneration is competitive and that it compares favorably with the industry.

Appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein- above, whilst recommending the annual increment and performance incentive to the Nomination and Remuneration Committee for its review and approval.