



NOMINATION AND REMUNERATION POLICY

The philosophy for remuneration of Directors, Key Managerial Personnel (“KMP”) and all other employees of the company (“Company”) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“Act”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“NRC”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (a) 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;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to Directors, Key Managerial Personnel and Senior Management 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

Key principles governing this remuneration policy are as follows:

- **Remuneration for Independent Directors and Non-Independent Non-Executive Directors**
 - Independent Directors (“ID”) may be paid sitting fees (for attending the Meetings of the Board and of committees of which they may be members)
 - Quantum of sitting fees may be subject to review on a periodic basis, as required.

In addition to the sitting fees, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board Committee meetings, General Meetings, Court Convened Meetings, Meetings with shareholders/creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a Director.

- **Remuneration for Whole – Time Director (“WTD”)/ Executive Directors (“ED”)/ KMP/ rest of the employees**

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

- ◇ Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)

- ◇ Driven by the role played by the individual
 - ◇ Reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay
 - ◇ Consistent with recognized best practices and
 - ◇ Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
 - ◇ The remuneration mix for the WTD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - ◇ Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - ◇ In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also offers social security coverage as applicable. Other benefits offered are Medical Insurance coverage, life, accidental and disability coverage. We also run Wellness Program for our employees under which doctors come and talk to them on topics such as lifestyle and health related issues, well-being etc.
 - ◇ The Company provides retirement benefits as applicable.
 - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides WTD/EDs such remuneration by way of an annual incentive remuneration/performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.
 - **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.