

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT AND THEIR REMUNERATION

DIRECTORS

The Nomination and Remuneration committee (NRC) determines the criteria for appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of individual Board member, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, professional ethics and integrity.

Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman/MD/CFO will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of The Companies Act, 2013 and Rules made there under.

KEY MANAGERIAL PERSONS (KMPs)

The authority to identify right candidates for the appointment of Chief Financial Officer and Company Secretary is vested with the Managing Director. The HR will facilitate in identifying the candidates internally or externally.

SENIOR MANAGEMENT PERSONNEL

The Senior Management Personnel are appointed and removed/relieved with the authority of MD & CFO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed/relieved during a quarter shall be presented to the board as part of the update on Corporate Governance.

REMOVAL OF BOARD OF DIRECTORS AND KMPs

If a Director or a KMP is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations hereunder or due to non-adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director or a KMP subject to the compliances of the applicable statutory provisions.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

The Non-Executive Independent Directors are paid sitting fees within the limits prescribed under The Companies Act, 2013 for attending Board and Committee Meetings. They are also paid commission not exceeding 1% of the net profits of the Company in each Financial Year subject to a ceiling of Rs.7,50,000/- per Independent Director.

EXECUTIVE DIRECTORS

The remuneration to Managing Director and Whole-Time Director shall be recommended by NRC to the Board. The remuneration consists of fixed compensation and other perquisites as approved by the Board and within the overall limits specified in the Shareholders resolution.

REMUNERATION TO SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The Company follows an extensive performance management system to review the performance of the Employees/Senior Management and provide rewards on the basis of meritocracy. The overall remuneration to the employees includes a fixed component (Guaranteed pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as the Company

believes employees at higher positions have far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements:

- Performance
- Potential
- Criticality
- Longevity in grade

The remuneration for KMPs - CFO and CS will be proposed by the MD and the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of Section 203 of The Companies Act, 2013 the Board shall approve the remuneration at the time of their appointment. Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate. The CFO shall make a presentation to the NRC on the proposed annual increments based on the performance of the Company, general trends in the industry etc. Eligible employees will be rewarded with the annual increment.