



Nomination and Remuneration Policy

For Board of Directors and Key Managerial Personnel

July 23, 2021

1. Objective

The objective of this Policy is to clearly lay down the requirements of Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“SEBI Listing Regulations”), in the areas of Director’s appointment and their remuneration, criteria for determining their qualifications, their positive attributes and independence of Directors and others matters as provided under the said Section.

2. Scope & Coverage

2.1. The scope of this Policy will cover all Directors on the Board of the Company, including those who are identified as Key Management Personnel (KMP).

3. Appointment of Director

3.1. Appointment of Independent Directors shall be subject to approval by the Shareholders of the Company and also governed by the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

3.2. The tenure of Independent Directors shall not be for more than two terms of five years each. However, the Company would be at liberty to disengage a non-executive Independent Director earlier, subject to compliance of relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations.

4. Key Management Personnel

4.1. The following Executives are defined as Key Management Personnel (KMP), under this Policy :

- Managing Director/ Executive Director
- Chief Financial Officer
- Company Secretary

5. Remuneration Approach

5.1. While fixing the remuneration for the Directors and KMP, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.

5.2. The sitting fees for the Independent Directors and Non-Executive Directors (w.e.f. July 23, 2021)

Particulars	Sitting Fees per meeting (Rs.)
Board Meeting	75,000/-
Audit Committee Meeting	50,000/-

Nomination and Remuneration Committee Meeting	50,000/-
Stakeholders' Relationship Committee Meeting	50,000/-

- 5.3. The Independent Directors and Non-Executive Directors may be paid remuneration by way of commission based on the Net Profits of the Company, subject to a maximum of one percent (1%) of the Net Profit of the Company (on Stand-alone basis), as may be approved by the Board and the Shareholders, from time to time.
- 5.4. The approval of shareholders by special resolution shall be obtained every financial year, in which the annual remuneration payable to a single non-executive director exceeds 50% of the total annual remuneration payable to all non-executive directors.
- 5.5. In addition to the remuneration, the Company shall make arrangements or reimburse the actual cost of travel, hotel and other incidental expenses of Non-Executive Directors including Independent Directors for attending the Board or Committee Meetings of the Company.
- 5.6. The compensation structure of KMPs will be benchmarked with industry salary trends and will have components of fixed/base salary as well as variable pay.
- 5.7. Promoters, Founder-Directors and Non-Executive Independent Directors of the Company will not be eligible for Stock options.

6. Criteria for determining Qualifications

- 6.1. Non-Executive Independent Directors are expected to bring in objectivity and independency during Board deliberations around the Company's Strategic approach, performance and risk management. They must also ensure very high standards of financial probity and corporate governance.
- 6.2. The Independent Directors are also expected to commit and allocate sufficient time to meet the expectations of their role as Non-Executive Independent Directors, to the satisfaction of the Board.
- 6.3. Conflict of Interest : The Directors shall not involve themselves in situations, which directly or indirectly may conflict with the interests of the Company. It is accepted and acknowledged that they may have business interests, other than those of the Company. As a pre-condition to their appointment as Directors, they shall be required to declare any such conflicts to the Board, in writing in the prescribed format, at the time of their appointment.

- 6.4. Each Director will be issued with clear guidelines on their roles, duties and responsibilities as Directors. The key elements in which every Independent Director will be expected to contribute are: Strategy, Performance, Risk, People, Reporting and Compliance.
- 6.5. The functions and responsibilities of Independent Directors shall be to :
- review the Company's strategy, annual financial plan and monitor the performance
 - review Management performance and compensation
 - review and decide on succession planning of Executive Officers of the Company
 - advice and counsel the Management
 - monitor and manage potential conflicts of interest of the Management
 - oversee and ensure the integrity of financial information and legal compliance
- 6.6. Confidentiality : The Independent Directors will be required to maintain utmost confidentiality of all confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information acquired by them during their appointment with the Company and should not disclose them, either during their appointment or after their cessation as Director (by whatever means) to third parties, without prior clearance from the Board/Managing Director of the Company, unless required by law.
- 6.7. The Directors should also comply with the Company's Code of Conduct for Directors, which relates to non-disclosure of price sensitive information and non-dealing in the securities of the Company. Consequently, they should avoid making any statements or performing any transaction that might result in breach of these requirements without prior clearance from the Chairman or the Company Secretary.
- 6.8. Induction/Training of the Board : Every new Independent Director of the Board needs to attend an Orientation Program organized by the Company. Presentations will be made by Executive Directors/Senior Managerial personnel thereat, providing an overview of strategy, operations and functions of the Company. It will also provide an opportunity to the Directors to interact with senior leadership of the Company and help them to get ground level information on the Company's Products offering, Markets, Organization Structure, Finance, HR, Technology, Quality facilities and Risk Management.
- 6.9. Dealing in Shares & Code of Conduct : In order to uphold ethical standards of integrity and probity, KMPs and their immediate relatives are prohibited

from dealing in the Company's shares during the period of closure of the trading window. Further, for the purpose of complying with the 'Insider Trading Guidelines', the Directors, KMPs and their immediate relatives, are required to pre-clear all trades (buy/sell/gift) from the Compliance Officer. They are also required to comply with the Company's 'Code of Business Conduct and Ethics' Policy .

6.10. Evaluation : The Company has adopted a policy on Board Evaluation as provided under Companies Act, 2013 and as per the SEBI Listing Regulations, which entails an annual evaluation of the performance of the Board as a whole, the Board Committees and Directors. Thus, the Directors' appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

6.11. Insurance : The Company will cover the Directors under a Directors' & Officers' Liability Insurance Policy, with adequate cover, and maintain the same for the full term of the Independent Directors.

7. Amendment History

7.1. Company has amended Nomination & Remuneration Policy on June 1, 2015 as required under 'Disclosures on Corporate Governance' – (Schedule V, Part II, Section II).

7.2. Revised Nomination and Remuneration Policy is being placed before the Board of Directors of the Company for their approval at its meeting held on August 13, 2019.

7.3. Revised Nomination and Remuneration Policy is being placed before the Board of Directors of the Company for their approval at its meeting held on July 23, 2021.