

REMUNERATION POLICY

In terms of the provisions of the Companies Act, 2013 read with other applicable provisions, the Nomination & Remuneration Committee of the Board of Directors have framed and implemented a similar policy relating to appointment & remuneration policy for Executive & Non-Executive Directors, Key Managerial Personnel (KMP) and other Senior Employees.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Non-executive Directors of the Company with Independent Directors forming a majority and is in compliance with the provisions of the Companies Act, 2013. The Chairperson of this Committee is an Independent Director.

The Committee, constituted by the Company on 16th March, 2015, in accordance with the provisions of Section 178 of the new Companies Act, 2013 adopting standard terms of reference.

Role and Responsibilities

The Committee ensures the following:

1. Appointments are made on merit, against objective criteria, selecting the best candidate for the position.
2. Reviews retirement and resignation from the Board/Committees and/or from the Company
3. Advice and ensure proper succession plan for KMPs and Senior Employees

Criteria for Appointment and Independence of Directors

The Committee draws up a specification for the role considering the requirement, balance of skills, knowledge and experience of its existing members and the diversity of the Board. The recruitment process then focuses on appointing candidates who meet the criteria, who have the relevant professional knowledge, professional qualifications and experience. Successful candidates are likely to have demonstrable leadership qualities and interpersonal communication skills, act with integrity and have adequate business exposure. It is also ensured that the proposed appointees have sufficient time available to devote to the role, are compliant with the rules, policies and values of the Company and do not have any conflicts of interest.

Remuneration Policy

The Committees philosophy is to attract, retain and motivate individuals who have the ability to successfully implement the Company's business strategy.

a) Remuneration Policy for Non-Executive Directors

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or its Committees at rates which are within the limits prescribed under the Companies Act, 2013. The level of remuneration is set to attract and retain Nonexecutive Directors of the necessary skill and experience by offering them

Market competitive remuneration.

Nonexecutive Directors do not participate in Board discussions which relate to their own remuneration. They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other ad hoc meetings. None of the Nonexecutive Directors is entitled to receive compensation for loss of office at any time or participate in any bonus scheme, share plans or retirement plans.

Nonexecutive Independent Directors are appointed in compliance with the provisions of the Companies Act 2013 and must adhere to the Code for Independent Directors laid down under Schedule IV to the Companies Act, 2013 and retain their independence during the entire tenure of appointment as an Independent Director.

The terms of service of Nonexecutive Independent Directors are contained in letters of appointment issued to them after their appointment at a general meeting of the Company
Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

b) Remuneration Policy for Executive Directors

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain Executive Directors of the necessary skill and experience by offering them market competitive remuneration reflecting their individual experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration. In considering any increase in base salary the Committee will mainly consider the role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness.

Executive Directors are not entitled to sitting fees for attending meetings of Directors nor are they entitled to receive compensation for loss of office at any time. As per the provisions of the Companies Act, 2013

Executive Directors are entitled to avail themselves of 22 days leave in a year and unavailed leave can be encashed as per the rules of the Company at the end of financial year.

c) Remuneration to Senior Management personnel

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain senior management with the necessary skills, professional qualifications, experience, international exposure and compliance with the rules and policies of the Company. Market competitive remuneration is offered to individuals reflecting their experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration. In considering any increase in base salary the Committee will mainly consider the role changes in job scope, responsibility and complexity and the need to maintain market competitiveness.

The terms of service of senior management personnel are contained in appointment letters issued by the Company. The Committee will periodically review the contractual terms, rules and policies of the Company to ensure these reflect best practice and are compliant with various regulations. Normally senior management personnel are appointed until their retirement when they reach the age of 58 years, with review at the end of each year.

Remuneration arrangements of senior management personnel consist of the same elements as those of other employees i.e. Basic Salary, HRA and other allowances, retirement benefits (i.e. provident fund, superannuation and gratuity as per the Company's Schemes applicable to all employees) and perquisites as per Rules of the Company applicable to all employees according to their seniority.

As applicable to all employees, senior management personnel are entitled to avail themselves of 22 days leave in a year and unavailed leave can be encashed as per the rules of the Company at the end of financial year.