

Remuneration Policy

a. Objective

The objective of the Remuneration Policy of Company is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives.

b. The Nomination & Remuneration Committee

Nomination & Remuneration Committee (Committee) is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel (KMP) and Senior Executives of Company.

c. Remuneration for Non-Executive Directors

Non-Executive Directors (NED) are remunerated by way of Sitting Fee for each meeting of the Board attended by them.

d. Remuneration for Executive Director, Key Managerial Personnel (KMP) and Senior Executives

The following elements are considered for determining the Remuneration of Directors, KMP and Senior Executives:

- The remuneration policy reflects a balance between the interests of Company's main stakeholders as well as a balance between the Company's short term and long term goals. The Management of Company strives for sustainability while maintaining a balance between economic gain, respect for people and concern for the environment.
- To ensure that highly skilled and qualified KMPs /Senior Executives can be attracted and retained, the Company aims for a remuneration level comparable to other companies that are similar to the Company in both size and complexity.
- In designing and setting the levels of remuneration for the Directors, KMPs and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the Corporate Governance regulations, societal and market trends and the interests of all stakeholders.
- The total compensation of the Managing Director, Whole Time Directors, KMPs and Senior Executives may consist of both a Base Salary and a Variable income. Both the Base Salary and the Variable income are reviewed periodically.

e. Remuneration for other Employees

Remuneration of middle and lower level employees of the Company consists mostly of fixed pay and a reasonable performance pay which is reviewed on an annual basis. Increase in the remuneration of employees is effected based on an annual review taking into account performance of the employee and the performance of the Company.

f. Remuneration for Workmen

Remuneration of workmen employed by the Company consists of fixed pay and performance incentives, which is negotiated and agreed upon on periodical basis. Increase in the remuneration of workmen is effected based on a review of performance of the Company and increase in the general price levels /cost of living index, etc.

g. Employee Stock Options

The Company may introduce employee stock options to inculcate a sense of ownership among the employees of the Company.

h. Alignment of Remunerations

The Committee strives to achieve that the remunerations of the Directors, Senior Executives, middle and lower level employees of Company are aligned to each other.

i. Term of Appointment

Term of Managing Director is generally for a period of 3 years and renewed for similar periods from time to time. However, the Board reserves the right to increase /decrease the period as it may deem fit. Whereas, term of the other employees, generally is up to superannuation. The Company may also employ contractual employees as 'consultants' for shorter periods on need basis.

j. Post-retirement Benefits

All permanent employees are entitled for retirement benefits such as provident fund, superannuation fund and gratuity.

k. Severance Arrangements

Contracts of employment with Executive Directors and regular employees, provide for compensation of up to 3 months pay or advance notice of similar period.

l. Loans

The Company may grant Loan to Directors, KMPs and employees of the Company, on a case to case basis and on such Terms and Conditions on Recommendation of Nomination and Remuneration Committee. The Loan shall not at any point of time, exceed 20 times of his basic salary and the EMI shall not exceeding 40% of his basic salary.

h. Laws

All requirements of the law take precedence over the Policy.