

## **NOMINATION, REMUNERATION AND EVALUATION POLICY**

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This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 (hereinafter as “the Act”) read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter as “SEBI Listing Regulations”).

This policy on nomination and remuneration of Directors, Key Managerial and Senior Managerial Personnel has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### **Definitions:**

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961;

“Key Managerial Personnel” means a person as defined under Section 2(51) of the Companies Act, 2013.

“Senior Managerial Personnel” shall mean President (Chief Operating Officer), Chief Marketing Officer, Chief Financial Officer, Company Secretary, President – New Business Initiatives, Dr. Rajkumar VP, Chief Human Resources Officer and such functional heads who are part of the core management team of the Company.

### **Objective:**

The objective of the policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required;
- relationship of remuneration to performance is clear and meets appropriate performance benchmark;
- that the Board comprises of directors with diverse background and varied experience and
- remuneration to directors, key managerial and senior managerial personnel 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.

### **Role of the Committee:**

The NRC shall be entrusted with the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a Policy relating to the remuneration of the directors, key managerial personnel and other employees.
- To formulate criteria for evaluation of Independent Directors and the Board of Directors.
- To devise a Policy on diversity of Board of Directors

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in this policy and their appointment and removal.
- Whether to extend or continue the term of appointment of the independent directors on the basis of the report of performance evaluation of independent directors. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

## **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGERIAL PERSONNEL**

The Committee shall identify the person based on his qualification, expertise and experience for appointment as Director, KMP or at Senior Management level and recommend his / her appointment to the Board.

### **TERM / TENURE**

#### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### **a) Independent Director:**

An Independent Director shall hold office for a maximum term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

No Independent Director shall hold office for more than two consecutive terms but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the SEBI Listing Regulations/the Act.

## **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Managerial Personnel subject to the provisions and compliance of the Act, rules and regulations and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Managerial Personnel shall retire as per the applicable provisions of the Act or prevailing terms and conditions relating to their appointment, as the case may be.

## **POLICY FOR REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGERIAL PERSONNEL**

### **1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Act and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors and the same shall not be subject to the approval of Audit Committee.

### **2) Remuneration to Non-Executive / Independent Directors:**

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Act. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Act) shall be subject to ceiling/limits as provided under Act and rules made there under or any other enactment for the time being in force.

The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### **3) Remuneration to Key Managerial and Senior Managerial Personnel:**

- a) The remuneration and the revision thereof for Key Managerial and Senior Managerial Personnel shall be in accordance with the annual performance appraisal programme of the Company. The appraisal programme shall be benchmarked on the basis of 'pay for performance'. The Committee shall review the appraisal guidelines/policy from time to time and shall have the powers to recommend changes therein.

The Managing Director of the Company shall carry out the appraisal which shall be broadly on the following parameters:

- i. A comparative benchmark with the industry standards.
- ii. Roles and responsibilities shared.
- iii. Co-relates with the performance of the executives.
- iv. Attract, retain and motive talent.
- v. Understanding the philosophy of the Company
- vi. Contribution to the business of the Company

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**The above policy was adopted by the Board of Directors at their meeting held on 10<sup>th</sup> February, 2015 and subsequently modified on 3<sup>rd</sup> May, 2017 and 10<sup>th</sup> November, 2020, 5<sup>th</sup> August, 2022 18<sup>th</sup> May, 2023 and 13<sup>th</sup> February, 2025**