

## **NOMINATION AND REMUNERATION COMMITTEE POLICY**

In compliance with Section 178 of the Companies Act, 2013 and the Listing Regulations the Board has formed the “Nomination and Remuneration Committee”. The terms of reference of the Committee inter alia, the following:

- (a) Chairperson: Chairperson of the Committee shall be an Independent Director as may be elected by the members of the Committee.
- (b) Quorum: Quorum for Meeting of the Committee shall be a minimum of two (2) members provided one (1) of them shall always be an Independent Director.
- (c) Frequency of meetings: The Committee may meet at such times and at such intervals as it may deem necessary.
- (d) Role: The Role of the Committee shall include inter-alia the following:
  - Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
  - Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director’s performance;
  - Devising a policy on Board diversity;
  - Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
  - Such other matters as may be prescribed under the Companies Act, 2013, Listing Regulations and by the Board of Directors of the Company from time to time.
- (e) Invitees: The Committee may invite such executives of the Company and such other persons as it may consider appropriate.
- (f) Secretary to the Committee: The Company Secretary shall be the Secretary of the Committee who shall flag actions and serve as executive support to the Committee.

### **Criteria of selection of Non-Executive Independent Directors**

The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management. The NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. *Qualification, expertise and experience of the Directors in their respective fields;*
- ii. *Personal, Professional or business standing;*
- iii. *Diversity of the Board.*

The Diversity of the Board aims to:

- enhance the quality of performance of the Board,
- usher in independence in the performance of the Board,
- achieve sustainable and balanced performance and development in the Company,
- support the attainment of strategic objectives of the Company,
- remove the gender bias in the Board, and,
- Compliance of applicable law/s and good corporate practices.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

**Criteria of selection of Non-Executive and Executive Directors**

For the purpose of selection of the Non-Executive and Executive Directors, the incumbent shall possess relevant expertise, experience and leadership qualities required for that position. The NRC will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013.

**Criteria of selection of Senior Management personnel (including KMPs)**

For the purpose of selection (including internal selection) of the senior management personnel (including KMPs), criteria such as relevant expertise, experience, qualifications are taken into consideration. The age of retirement from the company's service shall be 60 years.

**PERFORMANCE EVALUATION OF BOARD/DIRECTOR'S**

Pursuant to the provisions of the Companies Act, 2013, the Board will carry out annual performance evaluation of its own performance, its Committee's and the Directors individually covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc.,

A separate exercise to evaluate the performance of individual Directors including the Chairman of the Board/ Committees will be evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.