



SHREE RAMA MULTI-TECH LIMITED

Regd. Office: 301, Corporate House, Opp. Torrent House, Income Tax, Ahmedabad – 380 009
Phone: 079 – 2754 6800, 2754 6900, **Email id:** cslegal@srmtl.com,
Website: www.srmtl.com, **CIN:** L25200GJ1993PLC020880

NOMINATION AND REMUNERATION POLICY

PREAMBLE:

This Nomination and Remuneration Policy is approved by the Board of Directors pursuant to the Companies Act, 2013 read with the rules made thereunder as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments or modifications thereof. This revised 'Nomination and Remuneration Policy' has been approved by the Board of Directors at its meeting held on 13th February, 2019 and shall be effective from 1st April, 2019.

DEFINITIONS:

“Company” or “SRMTL” shall mean Shree Rama Multi-Tech Limited

“Executive Directors” shall include Managing Director, Whole-Time Director, Manager and such other Directors appointed by the Company, from time to time, who are in whole-time employment of the Company.

“Key Managerial Personnel” (KMP) means:

- Managing Director or Chief Executive Officer or Manager;
- Whole-Time Director;
- Chief Financial Officer;
- Company Secretary;
- such other officers, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- such other officer as may be prescribed under the applicable laws

“Non-Executive Directors” shall mean the Directors other than the Executive Directors of the Company.

“Promoter” and “Promoter Group” shall have the same meaning as assigned to them respectively in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or amendments thereof.

“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.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. This would comprise all members of management one level below the Managing Director/ Whole-Time Director including the Company Secretary and Chief Financial Officer of the Company.



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CONSTITUTION OF THE COMMITTEE:

- a) The Board of Directors shall constitute the **Nomination and Remuneration Committee** as follows:
- the Committee shall comprise of at least three directors
 - all directors of the Committee shall be non-executive directors and
 - at least fifty percent of the directors shall be Independent Directors
- b) The Chairman of the Committee shall be an Independent Director, however, the Chairperson of the Company, whether executive or non-executive, may be appointed as a member but shall not act as Chairman of the Committee.

TERMS OF REFERENCE OF THE COMMITTEE:

The role of the Nomination and Remuneration Committee shall, inter-alia, include the following:

- a) to formulate the 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;
- b) to formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- c) to devise a policy on diversity of Board of Directors;
- d) to identify the 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 of Directors their appointment and removal;
- e) to determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors;
- f) to ensure succession planning for appointment or replacing Board of Directors and senior management;
- g) to recommend to the Board of Directors, all remuneration, in whatever form, payable to Directors, Key Managerial Personnel and Senior Management;
- h) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel of the quality required to run the company successfully;
- i) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- j) remuneration to key managerial personnel and senior management 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;



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EVALUATION:

The Committee shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors of the Company to be carried out either by Board, by the Committee or by independent external agency and review its implementation and compliance.

APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTOR/ KMP/ SENIOR MANAGEMENT:

- *Criteria for appointment or removal of Board of Directors and Senior Management Personnel:*

The Committee shall consider following criteria with respect to appointment or removal of Board of Directors, Key Managerial Personnel and Senior Management Personnel:

- a) Identify and ascertain the person who may be appointed as Director, Key Managerial Personnel or in Senior Management and recommend his/her appointment.
- b) A person should possess relevant qualification, expertise and experience in respect of the position for which he/she is considered for appointment.
- c) The Committee shall observe and comply with the Company's Policy in respect of the appointment or removal of the senior management personnel.
- d) The Committee may recommend to the Board of Directors, with the reasons, removal of Director(s) or Key Managerial Personnel(s) due to reasons for any disqualifications mentioned in the Companies Act, 2013 or SEBI Regulations or under any other applicable laws, or for such other appropriate reasons, in the best interest of the Company.
- e) The Committee shall observe and comply with the provisions of the Companies Act, 2013 and SEBI Regulations or any other applicable laws, in respect of terms of appointment or removal or remuneration payable to the Board of Directors and Key Managerial Personnel.
- f) The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 or SEBI Regulations or any other applicable laws or as per Company's policy. The Board of Directors, in case of Directors and KMP, and the Managing Director, in case of Senior Management Personnel, may retain them in the same position/ remuneration or otherwise even after attaining the retirement age, in the best interest of the Company, if recommended by the Committee as per the Company's policy.



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- Term/ Tenure:

- a) **Executive Directors:**

The Company shall appoint or re-appoint any person as its Executive/ Non-Executive Chairman or Managing Director or Whole-Time Director or Manager for a term not exceeding five years at a time, subject to the applicable provisions of the Companies Act. No re-appointment shall be made earlier than one year before the expiry of his/her term.

- b) **Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment in accordance with the provisions of Companies Act, 2013 or SEBI Regulations or other applicable laws.

- Remuneration to Executive Directors:

- a) The fees or compensation or remuneration payable to the Executive Directors, whether or not, the Executive Directors are promoters or members of promoter group, shall be in accordance with the provisions of the Companies Act, 2013 and rules made there under or SEBI Regulations or other applicable laws.
 - b) The Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration payable to the Executive Directors.

- Remuneration to Non-Executive/ Independent Directors:

- a) The Committee shall recommend the remuneration payable to any Non-Executive Director of the Company in accordance with the provisions of the Companies Act, 2013 or SEBI Regulations or other applicable laws.
 - b) The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. Any revision in the sitting fees shall be recommended by the Nomination and Remuneration Committee to the Board of Directors for its approval.
 - c) Any remuneration paid to Non-Executive/ Independent Directors for services rendered by him/her shall not be considered as part of his/her remuneration, if the following conditions are satisfied:
 - i. the services rendered are of professional nature; and
 - ii. in the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.



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• Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to KMP and Senior Management Personnel shall be determined by the Committee in consultation with the Managing Director of the Company in accordance with the Company's policy and laws applicable to the Company.
- b) The remuneration of KMP or senior management shall consist of fixed pay by way of monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.
- c) The Incentive pay may be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

AMENDMENT:

This Revised Policy may be further amended from time to time by the Board of Directors.

GENERAL:

In case of any inconsistency between the terms of this Policy and any existing or newly enacted law, rule, regulation or standard including amendments thereof governing the Company, such law, rule, regulation or standard including amendments thereof will take precedence over this Policy and procedures until such time this Policy is changed to conform to the law, rule, regulation or standard including amendments thereof.

IMPLEMENTATION:

The Board of Directors may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
