

ELGI ULTRA LIMITED

CIN: U29309TZ2017PLC029610

Regd. Office : INDIA HOUSE, 1443/1, Trichy Road, Coimbatore - 641 018, Tamilnadu, India.

Phone : +91 422 2304141 Fax : +91 422 2301377

Website: www.elgiultra.com E-mail: info@elgiultra.com

NOMINATION AND REMUNERATION POLICY

Introduction:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee in Compliance with Section 178 of the Companies Act, 2013 and the rules made thereunder and 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**” (KMP) means:

- i) Managing Director, or Chief Executive Officer or Manager
- ii) Chief Financial Officer;
- iii) Company Secretary;
- iv) a Whole-time Director;
- v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi) such other officer as may be prescribed.

“**Senior Managerial Personnel**” means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Objectives of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.



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- iii. Identify persons who are qualified to become Director(s) and persons who may be appointed in Key Managerial positions and Senior Management positions in accordance with the criteria laid down in this policy.
- iv. specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder.

Term / Tenure:

The term / tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

Evaluation:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

The Committee shall also specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the



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Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Remuneration:

Remuneration to Managing Director / Whole-time Directors:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under and the approvals obtained from the members of the Company.

Remuneration to Non- Executive / Independent Directors:

The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. 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.

Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



For ELGI ULTRA LIMITED

**(B. BALAKRISHNAN)
MANAGING DIRECTOR**

