

**NOMINATION AND REMUNERATION POLICY**

**OF**

**MIPCO SEAMLESS RINGS (GUJARAT) LIMITED**

## **NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time by the Nomination and Remuneration Committee and has been approved by the Board of Directors

### **OBJECTIVE**

The objective of this policy is:

- I. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Director ( Executive / Non Executive ) and recommend the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- II. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- III. To devise a policy on Board diversity.

### **DEFINITIONS**

“Act” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

“Board” means Board of Directors of the Company

“Company” shall mean Mipco Seamless Rings (Gujarat) Limited

“Committee” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable listing agreements and/or regulations.

### **ROLE OF COMMITTEE**

The role of the NRC will be the following:

- I. To formulate criteria for evaluation of Independent Directors and the Board.
- II. 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 the policy.
- III. To carry out evaluation of Director’s Performance
- IV. To recommend to the Board the appointment and removal of Directors and Senior Management.
- V. To perform such other function as may be necessary or appropriate for the performance of its duties.
- VI. To devise a policy on Board diversity, composition, size.

## **GENERAL**

This Policy is divided into three parts:-

Part A- covers the matters to be dealt with and recommended by the Committee to the Board

Part B- covers the appointment and nomination and

Part C-covers remuneration and perquisites

This policy shall be included in the Report of the Board of Directors.

## **PART - A**

### **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The following matters shall be dealt by the Committee:-

- a. Size and Composition of Board  
Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions with a variety of perspectives and skills, in the best interests of the Company as a whole;
- b. Directors:  
Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise on the Board and who will best compliment the Board;
- c. Evaluation of Performance:  
Make recommendations to the Board on appropriate performance criteria for the Directors. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

## **PART - B**

### **Policy for appointment and removal of Directors, KMPs and Senior Management**

Appointment criteria and qualifications

1. The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment of Director, KMP or Senior Management Level and recommend to the Board his/ her appointment.
2. A person to be appointed as Director should possess adequate qualification and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, experience possessed by a person is sufficient/ satisfactory for the concerned position.

### **Term/Tenure**

1. Managing Director/ Whole-time Director

The Company shall appoint or reappoint any person as its Managing Director and CEO or Whole-time 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.

2. Independent Director

An Independent Director shall hold office for a term upto 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 and disclosure of such appointment in the Board's Report.

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 to be associated with the Company in any other capacity, either directly or indirectly. However if a person who has already served as an Independent Director for five years or more in the Company as on 1<sup>st</sup> April, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he/she shall be eligible for appointment for more term of five years only.

**Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provision and compliance of the said Act, rules and regulations

**PART-C**

**POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

1. The Remuneration/ Commission etc to be paid to Managing Director/ Whole time Director, etc., shall be governed as per provisions of Companies Act, 2013
2. 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.
3. The Non Executive Independent Director may receive remuneration/ compensation/commission as per the provisions of Companies Act, 2013

**REVIEW AND AMENDMENT**

- a) The NRC or the Board may review the Policy as and when it deem necessary.
- b) The committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- c) The committee may delegate any of its powers to one or more of its members.