

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

The Board of Directors have approved the policy formulated by the Nomination and Remuneration Committee on the nomination and remuneration of directors, key managerial personnel and senior management.

The remuneration policy of Ceeta Industries Limited (“the Company”) is designed to improve productivity, retain and motivate manpower of the Company. It reflects the Company’s objectives for good corporate governance as well as sustains long term value creation for members and stakeholders.

2. DEFINITIONS

2.1 Act means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.

2.2 Board means Board of Directors (BOD) of the Company.

2.3 Directors mean Directors of the Company.

2.4 Key Managerial Personnel (KMP) means

2.4.1 Chief Executive Officer (CEO) or the Managing Director (MD) or the Manager;

2.4.2 Whole-time director (WTD);

2.4.3 Chief Financial Officer (CFO);

2.4.4 Company Secretary (CS); and

2.4.5 Such other officer as may be prescribed.

2.5 Senior Management means personnel who are members of its core management team excluding the Board of Directors and including the Functional Heads of the Company.

3. GUIDING PRINCIPLES

The level and composition of remuneration so determined by the Committee shall be reasonable and adequate to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance to achieve the Company’s target.

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with the rules thereto and Clause 49 of the Listing Agreement as amended from time to time and as per the applicability of the same to the Company by the said law for the time being in force.

4. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following-

- a) To formulate a criteria for determining qualification positive attributes and independence of directors;
- b) To carry out evaluation of Independent Directors and the Board;
- c) To recommend to the Board policy relating to remuneration of Directors, KMP & other employees.
- d) To carry out any other function as is mandated by the Board from time to time and to perform such other functions as may be necessary or appropriate for the performance of its duties.

5. CHAIRMAN

- a) The Chairman of the Committee shall be an independent director.
- b) In the absence of the Chairman, the member of the Committee present at the meeting shall choose one amongst them to act as Chairman.

6. COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. VOTING

Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting will have a casting vote.

8. APPOINTMENT CRITERIA

Appointment of KMP and senior management and cessation of the service are subject to the recommendation of the Committee and approval of the Board of Directors.

The Committee shall consider qualifications for Independent Directors as per the applicable provisions of the Companies Act, 2013 and rules made there under.

For nominating a person as Director, KMP or at senior management level the committee shall review the ethical standards of probity and rectitude, qualification, competence and experience of the person and consequently put forward to the board his /her designation.

The Company shall ascertain the fact that the person so delegated as director / KMP/ Senior Management personnel shall not be ineligible under the Companies Act , 2013 rules made there under, listing agreement or any other enactment for the time being in force and be so elected as per procedure laid down under the same

The term of office of the Directors shall be determined in accordance with the Companies Act, 2013 rules made there under as revised from time to time.

9. REMUNERATION

Non-Executive Directors (NED) may be remunerated in the form of sitting fees for attending the Board Meetings as fixed by the Board of Directors from time to time subject to statutory provisions.

While deciding the remuneration of Managing Director and Executive Directors, the Committee considers pay and employment conditions in the industry, merit and seniority of the concerned person.

The remuneration of Managing Director, whole time directors are subject to approval of the Board of Directors and shareholders as may be required and the limit laid down under the Companies Act, 2013 from time to time.

10. REWARD POLICIES

Remuneration package for Managing Director are designed subject to the limits laid down under the applicable provisions of the Companies Act, 2013 to remunerate him fairly and reasonably.

The Managing Director remuneration may comprise of salary, allowances, perquisites and performance based commission, reward apart from retirement benefits as per the rule of the Company.

The Managing Director may be entitled to some customary non- monetary benefits such as the Company's car, furnished accommodation, leave travel, health care benefits, club fee etc.

11. OTHER EMPLOYEES

The remuneration of the other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of hiring. In addition to basic salary they are also provided allowances, perquisites and retirement benefits as per schemes of the Company and statutory requirements, wherever applicable. Policy of motivation/reward payments are applicable to the category of personnel as in case of those in the management level.

12. DISCLOSURE OF INFORMATION

The information of remuneration may be disclosed in the Company's annual financial statements as per statutory requirements.