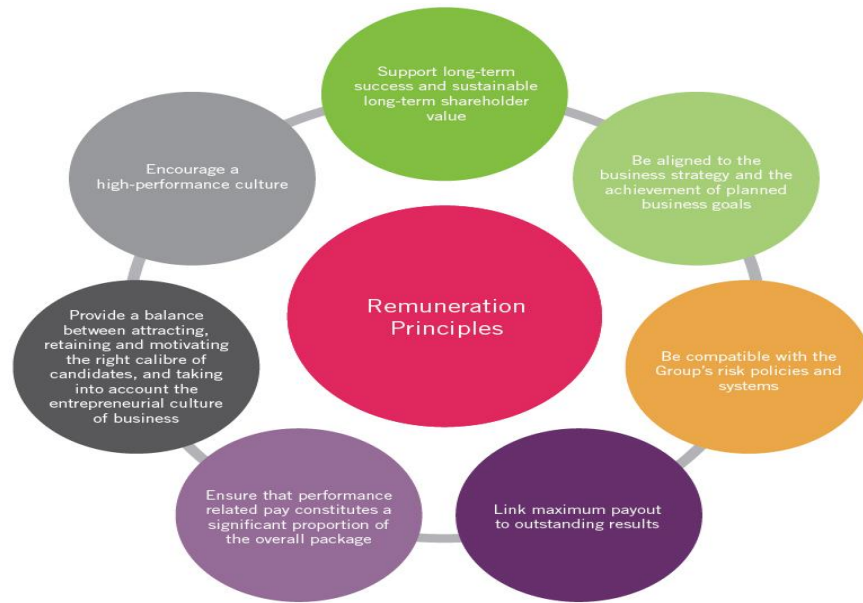




Nominations and Remuneration Committee Charter



NOMINATION AND REMUNERATION COMMITTEE: POLICY AND PROCEDURES (REVISED) JINDAL HOTELS LIMITED

ADDITIONS/ AMENDMENTS PURSUANT TO SEBI (LODR), 2015 (Amendment) Regulations, 2018

With Amendments made by SEBI in LODR, the Company has amended the above policy as mentioned and shall remain in force with effect from 01.04.2019, as amended from time to time.

INTRODUCTION:

It is the endeavor of Jindal Hotels Limited (“Company”) that its Nomination & Remuneration Policy should represent the mode in which the Company carries out its business practices i.e. fair, transparent, inclusive and flexible.

The Nomination and Remuneration Committee is formulated in compliance with **Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulation, 2015 and amendments 2018.**

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower by creating a congenial work environment, encouraging initiatives, personal growth and team work, and

inculcating a sense of belonging and involvement. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

OBJECTIVES OF THE POLICY:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay short and long-term performance objectives appropriate to the working of the company and its goals.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions.
- To determine remuneration based on the Company's size and financial position, cost of living, and trends and practices on remuneration prevailing in peer companies, in the tile industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

DEFINITIONS:

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

“Company” means Jindal Hotels (India) Limited.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Independent Director” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“Committee” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and amendments if any .

“Key Managerial Personnel” means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

“Senior Management” means Senior Management 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.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

APPLICABILITY:

The Policy is applicable to

- a) Directors (Executive and Non Executive including Independent directors)
- b) Key Managerial Personnel
- c) Senior Management Personnel

CONSTITUTION OF COMMITTEE:

Members of the Nomination & Remuneration Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors. Chairman of the Committee shall be an Independent Director. Chairman of the Nomination and Remuneration Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries. The Chairman of the Company may be appointed as member of the Committee. The Quorum for a meeting of the NRC shall be either two members or one third of the members of the Committee whichever is greater, including at least one independent director in attendance . The NRC Committee shall meet at least once in a year.

The Nomination and Remuneration Committee as constituted by the Board on 27th May, 2014 comprises of the following Directors:

Sr. No.	Name	Position
1.	Mr. Mukund Bakshi	Chairman (Independent Non Executive Director)
2.	Mr. Ambalal Patel	Member (Independent Non Executive Director)
3.	Mr. Jatil Patel	Member (Independent Non Executive Director)

The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 [& amendments ,if any] and other applicable statutory requirements.

ROLE AND POWERS OF THE COMMITTEE:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. Ensure that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors.
4. Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability.
5. Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines.
6. Decide / approve details of fixed components and performance linked incentives along with the performance criteria.
7. Devise a policy on Board diversity.
8. Formulate the criteria for evaluation of performance Independent Directors and the Board.
9. The Nomination and Remuneration Committee shall, formulate the Remuneration Policy of the Company.
10. To recommend to the Board , all remuneration , in whatever form, payable to senior management.

11. The Nomination and Remuneration Committee shall assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management.

MEETINGS:

The meetings of the committee shall be held from time-to-time as determined by the needs of the Board or the committee. The committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The committee is governed by the same rules regarding meetings as are applicable to the Board.

MINUTES:

The committee will maintain written minutes of its meetings, including formal telephonic meetings, which will be filed with the minutes of the meetings of the Board, and will also comprise the record of any action taken by written consent.

COMPENSATION:

Members of the committee shall receive such sitting fees (i.e 20,000/- per meeting or as may be revised from time to time) as may be determined by the Board.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT:

1. Appointment Criteria and Qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
 - a) The Company shall not appoint or continue the employment of any person as Whole-time Director, Managing Director or manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
 - b) The Company shall not appoint a person or continue the directorship of any person a non executive director who has attained the age of 75 years unless a special resolution is passed to that effect, in which case the NRC to justify for appointing such a person.

2. Term / Tenure

- a) Managing /Whole-time /Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five/ three years at a time.

- 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 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 of upto maximum of 5 years each, 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 be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGENT PERSONNEL:

1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

General Provisions:

1. The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director, Managing Director or manager shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director ,Managing Director or manager.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

1. Fixed pay:

The Whole-time / Executive / Managing Director, Manager , KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the provisions of Schedule V of

the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If any Whole-time / Executive / Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/ she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

2. Remuneration to Non- Executive / Independent Director

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

1. General Provisions

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

DUTIES IN RELATION TO NOMINATION MATTERS:

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The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation
- Determining the appropriate size, diversity and composition of the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;

- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- Considering any other matters as may be requested by the Board.

REVIEW AND AMENDMENT:

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Effective date: 1st April, 2019

Place: Vadodara

Date : 22nd January 2019

Signature:

Mukund Bakshi
Chairman
Nomination & Remuneration Committee

Signature:

Piyush Shah
Managing Director
Jindal Hotels Limited

