

EXXARO TILES LIMITED



**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION
AND OTHER DETAILS:**

**(Approved by the Board of Directors of the Company at its meeting held on
05th January 2021)**

**Exxaro Tiles Limited
Regd. Office: Survey No: 169 &
170, Vavdi Harsol Road, Mahelav,
Talod, Sabarkantha-383305,
Gujarat**



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Introduction:

Exxaro Tiles Limited (the “**Company**”) has always considered its human resource as its prime driving force. The Company has adopted an HR policy which covers a whole gamut of HR functions such as the recruitment, promotion, training and development. These policies have been adopted by the Board of Directors of the Company (“**Board**”) and amended from time to time by the competent authority. The Company’s Board has constituted a Nomination and Remuneration Committee (the “**Committee**”) consisting of three or more non-executive directors out of which not less than one-half are independent directors and the Chairman of the said Committee is an independent director. The Company, taking forward its compliance with the regulatory requirements has formulated a Nomination and Remuneration Policy (the “**Policy**”) pursuant to the requirements of Section 178 of the Companies Act, 2013 read along with rules framed there under, as amended from time to time (the “**Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”).

The objective:

The policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

Criteria Directors’ Appointment:

The following shall be followed/ kept in view, to the extent possible and practicable while selecting any person for a position of a Director of the company.

(a) The appointment of any director should be such as to help maintain/achieve diversity of thought, experience, knowledge, perspective in the Board of Directors.

(b) A candidate proposed for appointment as a director should be possessed the highest personal and professional ethics, integrity and values.

(c) Director must be willing to devote time for the affairs and activities of the board and its committee(s) and otherwise to enable the board of directors to discharge its functions and duties effectively;

(d) Director shall possess appropriate skills, experience and knowledge in fields such as finance and financial advisory, law, management, sales, marketing, administration, corporate governance, taxation, research, regulatory affairs, aluminium/steels & foils, technical operations and any other discipline related to the Company’s business.



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(e) A candidate proposed for appointment as independent director shall:

(i) be independent of management;

(ii) be having no direct or indirect material relationship with the Company or any of its officers, other than as a director or shareholder of the Company.

(iii) be such that brings in appropriate balance of skills, experience and knowledge in the Board of Directors;

(iv) be satisfy criteria of independence as mentioned in the Companies Act, 2013 and the Listing Agreement from time to time.

(f) For independent directors, requisite professional qualification in the area of expertise is preferred. However, experience and expertise in a given field should be determining factor.

(g) A candidate proposed for position of executive director may be from the promoter group or outside. Such candidate should have enough experience or potentially fit for the executive responsibilities.

Remuneration Policy:

Directors:

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole time Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable in case of remuneration to non-executive directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to whole time Director. Salary is paid within the range approved by the Shareholders. The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non-Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders.



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The remuneration by way of commission paid to the Independent Non-Executive directors is determined periodically & reviewed based on the industry benchmarks.

Key Managerial Personnel and Other Employees:

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

Observance of the Policy:

Besides the Board of directors, this Policy will also be followed by the Nomination and Remuneration Committee.