



TIRUPATI TYRES LIMITED

CIN: L25111MH1988PLC285197

Address: Unit No. 606, Reliables Pride, Anand Nagar, opp. Heera Panna, Jogeshwari (W), Mumbai, Maharashtra, 400102

Mail id: tirupatityres1988@gmail.com, Website: www.tirupatityres.com, Phone No.: 022-26204220

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

BACKGROUND

The policy on appointment and remuneration of Directors, Key Managerial Personnel and other employees ("the Policy") provides an underlying basis and guide for human resource management, thereby aligning plans for strategic growth of the **Tirupati Tyres Limited ("the Company")**. The policy has been prepared pursuant to the provision of Section 178(4) of the Companies Act, 2013 ("the Act") and Regulation 19(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

OBJECTIVES

The objective of 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.

SCOPE

The Board has constituted the "Nomination and Remuneration Committee" in line with the requirements under the provisions of the Companies Act, 2013. This Policy sets out the broad guiding principles for the Committee for recommending to the Board the appointment and remuneration of the directors, key managerial personnel, and senior managerial personnel of the Company.

DEFINITIONS

"Director" means a director appointed to the Board of the Company.

"Key Managerial Personnel" means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer as may be prescribed under the Companies Act, 2013.

POLICY

Appointment of Directors/ Key Managerial Personnel/ Senior Management Personnel

The Nomination and Remuneration Committee, inter alia, considers qualifications, positive attributes, areas of expertise and number of Directorships and Memberships held in various committees of other companies by such persons contributing to the Company's business and policy decisions.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTOR & IN SENIOR MANAGEMENT



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In accordance with the provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee is required to formulate the criteria for determining the qualification, positive attribute and independence of a Director.

The criteria adopted by the Nomination and Remuneration Committee are as under:

- 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 person should be the person of high integrity, ethical standards, devote the sufficient time to the Company, and have the required skills, expertise and experience and shall perform duties in a bona-fide manner.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS INDEPENDENT DIRECTOR

The criteria adopted by the Nomination and Remuneration Committee are as under:

- An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.
- An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.
- An Independent director should meet the requirements of Section 149 of the Companies Act, 2013.

REMUNERATION TO DIRECTORS/ KEY MANAGERIAL PERSONNEL

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.



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The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Whole-time Director. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee.

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.

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, qualification & experience / merits, performance of each employee.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

EVALUATION

The Committee shall carry out evaluation of performance of every Director at regular intervals and at least on an annual basis.

REMOVAL

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



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RETIREMENT

The Director, Key Managerial Personnel 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 or Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

AMENDMENTS AND UPDATES

The Nomination and Remuneration Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate, which shall be in accordance with the provisions of the Act & SEBI Listing Regulations. In case of any modifications, amendments or inconsistencies with the Act and SEBI Listing Regulations, the provisions of the applicable prevailing laws and the rules made thereunder would prevail over the Policy.