



Creative Castings Limited

NOMINATION AND REMUNERATION POLICY

(Approved by Board of Directors at their meeting held on 30th July, 2016 and effective from 30th July, 2016)

1. PRELUDE:

In terms of section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of the Board and its powers) Rules, 2014 the policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the company has been formulated by Nomination and remuneration committee of the Company.

This Policy shall act as a guideline inter alia for determining the qualifications, positive attributes, independence of Director, matters relating to the remuneration, appointment and removal of directors, Key Managerial Personnel (KMP), other senior Managerial Personnel and employees of the company.

2. DEFINITIONS:

- i. “Act”** means the Companies Act, 2013 and the Rules framed thereunder including circulars, clarifications issued from time to time;
- ii. “Board”** means Board of Directors of the Company;
- iii. “Committee”** means Nomination and remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act;
- iv. “Company”** means Creative Castings Limited;
- v. “Independent Director”** means a Director referred to in Section 149(6) of the Act;
- vi. “Key Managerial Personnel”** means:-
 - 1) the Managing Director or the Chief Executive officer of the company or the Manager and in their absence Whole-time Director;
 - 2) the Company Secretary; and
 - 3) the Chief Financial Officer.

Senior Management means the personnel who are the 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



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Unless the Context otherwise requires, words and the expressions used in this policy and not defined herein but defined in the Companies Act,2013 and the SEBI (Listing Obligations and Disclosure Requirements),2015 as may be amended from time to time shall have the same meaning respectively assigned to them therein.

3. OBJECTIVE OF THE POLICY:

- 3.1 To formulate the criteria for identification of the persons who are qualified to become independent directors and who may be appointed in senior management;
- 3.2 To formulate the criteria for determining qualifications, positive attributes and independence of Director;
- 3.3 To lay down a policy for remuneration of Directors, key Managerial Personnel, senior Management and competent employees of the company;
- 3.4 To ensure that level of composition and remuneration is reasonable and sufficient to attract, retain and motivate directors;
- 3.5 To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 3.6 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage;
- 3.7 To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

This policy is divided into 2 parts

- (a) **PART A**-Appointment of Director, KMP and Senior Managerial Personnel.
- (b) **PART B**- Remuneration of Director, KMP Senior Management and other employees.

PART-A

4. APPOINTMENT OF DIRECTOR KMP AND SENIOR MANAGERIAL PERSONNEL:

- 4.1 The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for the appointment as Director and KMP and recommend to the board his/her appointment.
- 4.2 The Committee will ensure that the person possess adequate qualification, expertise and experience for the position.



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- 4.3 Appointment of Independent Director will be subject to the Act read with schedule IV and rules made thereunder.
- 4.4 The Whole-time directorship 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 such extension.
- 4.5 A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

5. CRITERIA FOR DETERMINATION OF POSITIVE ATTRIBUTES, INDEPENDENCE AND QUALIFICATIONS OF DIRECTORS :

While nominating and recommending any person as Director, the committee members may keep in mind following guiding criteria for determination of positive attributes, independence and qualification of Directors

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Appropriate other qualification/experience to meet the objectives of the Company.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

6. CRITERIA FOR APPOINTMENT OF SENIOR MANAGERIAL PERSONNEL:

The following attributes may be taken into consideration for selecting suitable candidates for appointment as senior managerial personnel;

- 6.1 Qualifications, skills, industry experience, background and other qualities as may be required to operate successfully in the position.
- 6.2 Ability to contribute towards the success of the organization as a whole.
- 6.3 Ability of the appointee to represent a company.
- 6.4 Have strategic thinking and facilitation skills;
- 6.5 Leadership skills, Commitment to high standards of ethics and personal integrity.



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7. REMOVAL AND RETIREMENT:

The committee may recommend, to the board the reasons recorded in writing, Removal of director KMP or Senior Management personnel subject to the provisions of the Act and Human Resource policy, if any, of the Company and the retirement of the KMP (Other than directors) shall be determined as per the Act and prevailing Human Resource Policy, if any, of the Company.

PART B

8. REMUNERATION OF DIRECTOR, KMP SENIOR MANAGEMENT AND OTHER EMPLOYEES:

Managing Director/Whole-time director shall be eligible for remuneration as may be approved by shareholders of the company on the Recommendation of the committee and Board of Directors.

The remuneration payable to its directors including Managing Director s and Whole-time Directors, and its managers which shall not exceed 11% of the net profit as calculated in a manner laid down in section 198 of the Companies Act, 2013 which is subject to Schedule V of the Act.

The break-up of the pay-scale and quantum of allowances, including employer's contribution to P.F, pension scheme, medical expenses car & driver facility, etc. shall be decided and approved by the board on the recommendation of the committee.

9. MINIMUM REMUNERATION:

If, in any financial year, the company has no profits or the profits are inadequate, the Company shall pay remuneration to its Managing Director/Whole-time director in accordance with the schedule V and other provisions of the Act and if it is not able to comply with such provisions than with the previous approval of central government

10. ADMINISTRATION AND REVIEW OF THE POLICY:

The Committee shall be responsible for the administration, interpretation, application and review of the Policy.

11. REVIEW AND AMENDMENT:

The policy may be reviewed by Nomination and remuneration committee on need basis. The committee may review the policy due to change in law as may be felt



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appropriate by the committee and will recommend changes in policy to the board.

12. SUPERSEDING:

In case of any amendment, changes in the Act, SEBI (Listing Obligations and Disclosure Requirements), 2015 or any other law which makes it inconsistent with the provisions of this policy than the provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 or such other law shall prevail over the policy and the policy would be modified in the due course of time to make it consistent with law.

❧ END ❧