



RATTANINDIA POWER LIMITED

(CIN: L40102DL2007PLC169082)

Registered Office: M - 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

Tel: 011-30252900, Fax: 011-30252901

Website: www.rattanindia.com, E-mail: ir@rattanindia.com

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND KEY MANAGEMENT PERSONNEL AND THEIR REMUNERATION

Introduction

The Nomination and Remuneration (N&R) Committee has in compliance with the provisions of Section 178 of the Companies Act, 2013 and the Rules framed thereunder and the Listing Agreement with the Stock Exchanges, formulated a policy dealing with the manner of selection of Board of Directors, Managing Director, Executive Directors and Senior Management Personnel and their remuneration.

Criteria for selection of Non- Executive Directors/ Independent Directors

The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Power generation, banking, finance, taxation, law, governance and general management.

In case of re-appointment of Non- Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013 or under any other statute.

Directors' Remuneration

The Committee will approve the remuneration payable to the Managing/Executive Directors subject to the provisions of the Companies Act, 2013, Listing Agreement with Stock Exchanges and other applicable laws & regulations.

In determining the remuneration payable to such directors the committee shall have adequate regard to:

- (a) the relationship of remuneration and performance benchmark set by the management;
- (b) the business performance of the company;
- (c) the contribution made by such directors and the employees at various levels, to the growth of the Company and the need to strike a proper balance between the hierarchical levels, expected performance and the actual contribution made as against the same.

The Committee will recommend to the Board appropriate sitting fees to various non-executive directors for its approval, for the meetings of the Board attended by them and the same shall be paid to such directors unless waived by them.

Eligibility criteria & Remuneration of Key Managerial Personnel (other than the Managing or Executive Directors), Senior Management Personnel and Functional Heads

The eligibility criteria for appointment of key managerial personnel, senior management personnel and functional heads shall be in accordance with the job description of the relevant position.

In particular, the position of Key Managerial Personnel should be filled by senior personnel having relevant qualifications and experience.

The remuneration structure for Key Managerial Personnel, Senior Management Personnel and Functional Heads shall be as per the Company's remuneration structure taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board shall carry out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees based on which the necessary remedial measures if any warranted, shall be taken.