

NOMINATION AND REMUNERATION POLICY

The objectives of the Policy

- 1) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- 2) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- 3) To carry out evaluation of the performance of Directors.
- 4) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 5) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Remuneration to Non-Executive Directors :

- i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
- ii) Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

Remuneration to other Employees :

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Remuneration Policy for Directors, Key Managerial Personnel and other Employees :

1. Introduction :

TAJGVK Hotels & Resorts Limited (TAJGVK) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives :

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration 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.

2. Scope and Exclusion :

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References :

In this Policy, the following terms shall have the following meanings :

“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; and (v) such other officer as may be prescribed under the Companies Act, 2013.

4. Policy

Remuneration to Executive Directors and Key Managerial Personnel :

The Board, on the recommendation of the, Nomination and Remuneration (NRC) Committee, shall review and approve the remuneration payable to the Whole- time Directors of the Company within the overall limits approved by the shareholders.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Whole Time Directors)
- (iv) Retiral benefits
- (v) Annual Performance Bonus

5. Policy for Selection of Directors and determining Directors’ Independence

1. Introduction

TAJGVK Hotels & Resorts Limited (TAJGVK) believes that an enlightened Board consciously creates a culture of leadership to provide a long term vision and policy approach to improve the quality of governance. Towards this, TAJGVK ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

TAJGVK recognizes the importance of Independent Directors in achieving the effectiveness of the Board. TAJGVK aims to have an optimum combination of Executive, Non-Executive and independent Directors.

2. Scope and Exclusion:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

“Director” means a director appointed to the Board of a company.

“Nomination and Remuneration Committee” (NRC) means the committee constituted by Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and as per the provisions of Listing Agreement. “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015 and as per the Equity Listing Agreement executed with Stock Exchanges.

“Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015 and as per the Equity Listing Agreement executed with Stock Exchanges.

4. Policy

Qualifications and criteria

The Nomination and Remuneration Committee (NRC), and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board members, the NRC Committee may take into account factors, such as :

- General understanding of the Company
- Business dynamics, global business
- social perspective
- Educational and professional background
- Standing in the profession
- Personal and professional ethics, integrity and values
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his / her written consent to act as a Director;

- Shall endeavour to attend all Board Meetings and wherever he/she is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his / her concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his / her shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

The NRC shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

5. Criteria of Independence

The NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The Company complies / follows the criteria of independence, as laid down in Companies Act, 2013 read with provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Independent Directors shall also abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicating inter-se Board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

The Company has a Broad policy for evaluation of all Board Members on an annual basis. The evaluation done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

Every Financial year under review, the Board of Directors, Audit Committee, Nomination & Remuneration Committee, CSR Committee would meet review and evaluated the performance of each Member of the Committee(s) respectively and the Board of Directors evaluated the performance of each Independent Director and also the Chairman of Board and Managing Director of the Company.