



NOMINATION AND REMUNERATION POLICY

(Reviewed by the Board at its meeting held on 27 May 2022)

I. Preamble

The Nomination and Remuneration Policy of Alphageo (India) Limited, (the "Company") is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. This Remuneration Policy applies to directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

II. Objectives

The Key objectives of the Committee inter alia, includes formulation of a policy related to remuneration of directors, KMP and other employees ensuring:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

III. Constitution of the Nomination and Remuneration Committee.

The board of Directors of the Company constituted the Nomination and Remuneration Committee at the meeting held on May, 2014 and latest reconstituted on 04th February, 2022

The Board has authority to reconstitute this Committee from time to time.

IV. Definitions

- **"Act"** means Companies Act, 2013.
- **"Board"** means the Board of Directors of the Company.
- **"Company"** means Alphageo (India) Limited.
- **"Key managerial Personnel (KMP)"** in relation to a Company, means:
 1. Managing Director or Chief Executive Officer or Manager;
 2. Whole Time Director;
 3. Company Secretary;
 4. Chief Financial Officer;
 5. Such other officer as may be prescribed by the Act.

- **“Policy”** means Nomination and Remuneration Policy.
- **“Senior Management”** mean the personnel of the company who are 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.
- **“Committee”** means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board, in accordance with the Act and applicable SEBI (LODR) Regulation, 2015 and/ or regulations.
- **“Independent Director”** means a Director referred to in Section 149 (6) of the Companies Act, 2013 and its Rules and in Regulation 16 (1)(b) of SEBI (LODR) Regulations, 2015 as amended thereof

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 the SEBI (Listing Obligation and disclosure Requirement) Regulations 2015 as amended or any other applicable regulation.

V. Role of the Committee

The role of the NRC will be the following:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- To devising a policy on diversity of board of directors;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Developing a succession plan for the board and senior management and reviewing the plan whenever required.
- To carry out evaluation of Director’s performance.
 - a) Make recommendations to the board on appropriate performance criteria for the directors.
 - b) Formulate the criteria and framework for evaluation of performance of every director on the board or engage independent external agency in doing so.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

VI. Appointment and Removal of Directors, KMP and Senior Management

A. Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended for such role shall meet the description
- For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates
- The Company shall not appoint or continue the employment of any person as Managing Director /WTD/ executive Director who has attained the age of Seventy years or more and shall not appoint non-executive Director who has attained the age of Seventy Five years . Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of Seventy years/Seventy Five 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 extension of appointment beyond Seventy years/Seventy Five years as the case may be.
- 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.
- The Company shall not appoint any resigning independent director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director

B. Term/ Tenure:

1. Managing Director/ Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of terms.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

C. Removal:

Due to reasons for any disqualification mentioned in the act or under any other applicable Act, rules and regulations there under, the Committee may recommend to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

D. Retirement:

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

VII. Remuneration to the Managing Director, Whole-time Director and Senior Management Personnel

A. General Clause

- The remuneration/ compensation / commission etc. to the Whole time Director and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
- The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the percentage/ limits/ conditions laid down in the Companies Act, 2013 and the rules thereunder.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/Whole-time Director.
- When any insurance is taken by the Company on behalf of its Managing Director/Whole-time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall

not be treated as the part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

B. Remuneration

1. Fixed Pay:

The Managing Director/Whole-time Director and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites includes accommodation, medical benefits, leave travel concession, club fees, personal accident insurance, contribution to provident fund and superannuation fund, gratuity etc. shall be decided and approved by the Board/ the person authorised by the Board on the recommendation of the Committee and approved by the shareholders.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary & perquisites to its Managing Director/Whole-time Director not exceeding the limits as prescribed under Schedule V of the Act, or any modification or re-enactments thereof from time to time or as approved by Shareholders of the Company

3. Aggregate Remuneration:

The aggregate of remuneration, commission and perquisites payable to the Managing Director/Whole-time Director of the Company taken together during any financial year shall be in accordance with the provisions of Companies Act, 2013 and rules made thereunder and should be within limits approved by Shareholders of the Company.

VIII. Remuneration to Non-Executive / Independent Director:

A. Remuneration:

The Remuneration payable to each Non-executive director is based on remuneration structure as determined by board and is revised from time to time, depending on Company's Performance and the provisions of Companies Act and rules made thereunder, If in any financial year the Company has no profits or inadequate profits the Company shall pay to its non-executive directors/ Independent directors as per provisions of Schedule V of the Act.

B. Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceeds Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed Central Government from time to time.

C. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

IX. Revisions/ Amendments/Review:

The Policy will be reviewed / amended/ revised periodically the applicable guidelines by the Committee on its own or with the reference from the Board or to meet the statutory compliance from time to time. Such revisions will be recommended to Board for its approval and with the approval of the Board the Policy will be updated with the revisions/ amendments wherever required.

In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law

X. Disclosures:

The Policy will be disclosed on the Company's website and a web-link will be mentioned in the Annual Report of the Company.
