

AIRAN LIMITED
(L74140GJ1995PLC025519)

Nomination, Remuneration & Performance Evaluation Policy



NOMINATION AND REMUNERATION POLICY

PREFACE

This Nomination, Remuneration & Performance Evaluation Policy has been formulated in terms of provisions of Section 178 of the Companies Act, 2013 and as per Regulation 19 in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees and on performance evaluation of each Director, the Board and its Committees has formulated/amended by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

DEFINITIONS

1. “Act” means Companies Act, 2013
2. “Company” means Airan Limited or “AIRAN”
3. “Nomination and Remuneration Committee” means the Committee of the Board constituted by the Board of Directors of “AIRAN” in accordance with provisions of Section 178 of the Companies Act 2013 and rules made thereon read with regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. Board means Board of Directors of Airan Limited
5. Directors means Directors of “AIRAN”
6. Key Managerial Personnel (KMP) means
 - Managing Director, or Executive Director,
 - Chief Executive Officer or
 - Manager and in their absence, a Whole-time Director;
 - Chief Financial Officer;
 - Company Secretary; and
 - Such other officer as may be prescribed.
7. “Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.
8. “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
9. Independent Directors : Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

OBJECTIVE

- To establish a framework for the remuneration of directors, key managerial personnel and other employees.
- To lay down criteria for identifying persons who are qualified to become directors and who may be appointed as KMP and senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal.
- To determine criteria for evaluation by Board of its own performance and that of its committees and individual directors.
- To attract, retain and motivate the Directors, KMPs and Senior Management Personnel.

CONSTITUTION

The Board has constituted the “Nomination and Remuneration Committee” with the requirements under the Companies Act, 2013 (“Act”) and SEBI LODR as:

S.no	Name	Designation	Position in the committee
1	Mrs. Sarita Aggarwal	Non Executive Director	Chairperson
2	Mrs. Anju Pravinkumar Deora	Non Executive Independent Director	Member
3	CA Siddharth Sampatji Dugar	Non Executive Independent Director	Member
4	Mrs. Bhoomika Aditya Gupta	Non Executive Independent Director	Member

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

ROLE OF THE COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- To formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy.
- Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- To devise a Policy on Board diversity.
- The Committee shall, while formulating the policy under Section 178(3) ensure that—

(i). 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;

(ii). relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii). 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.

- 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.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- 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 his / her appointment, as per Company's Policy.
- 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.
- Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time
- The Company shall not appoint or continue the employment of any person as Managing Director or Executive Director or whole time director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

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

b) 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 seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

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.

REMUNERATION

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and with the approval of members as and when required.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors
 - c) The Executive Directors shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- 2) Remuneration to Non- Executive / Independent Directors:
 - a. The Non- Executive / Independent Director may receive sitting fees for attending meetings of Board or Committee thereof as may be approved by the board.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- b. Remuneration /Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- c. An Independent Director shall not be entitled to any stock option of the Company
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause mentioned above.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive if any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Committee shall also determine Employee Stock Option/ Purchase Schemes and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

FRAMEWORK FOR SEPARATE MEETING OF INDEPENDENT DIRECTORS

- As required by the provisions of Schedule IV to the Act, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.
- The meeting shall:
 - i. Review the performance of Non-independent Directors and the Board as a whole;
 - ii. Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
 - iii. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

REVIEW/ AMENDMENTS

Subject to the approval of Board of Directors, the "Nomination and Remuneration Committee" reserves its right to review and amend this Policy or replace the Policy entirely with a new Policy, if required, to ascertain its appropriateness as per the needs of the Company. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. All such amendments/modifications shall take effect from the date stated therein.

MINUTES OF COMMITTEE MEETINGS

Proceedings of all meetings must be minute and signed by the Chairperson / Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting. The Company reserves the right to modify the aforesaid Policy as and when required to adopt the best practices in the Industry and to comply with the requirements of the applicable legislations.

DISCLOSURE

In accordance with the requirement under the Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015, disclosures will be made in the Board Report regarding the manner in which the

performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

This Policy shall be hosted on the website of the Company

