

**TIDEL PARK LIMITED**

**NOMINATION AND REMUNERATION POLICY**

**(duly approved by the Board of Directors in their 145<sup>th</sup> Board Meeting  
held on 15<sup>th</sup> May 2025)**

## **OBJECTIVE**

Nomination and Remuneration Policy herein is formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules made thereunder.

Major Principles and Objectives of the Company's remuneration Policy for Directors are as under

- ✓ To ensure that 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;
- ✓ 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 and recommend to the Board, all remuneration, in whatever form, payable to senior management;
- ✓ To provide for Board diversity;
- ✓ Aligning remuneration of Board of Directors with the longer term interests of the Company and its shareholders.

## **Role of the Committee**

The committee shall

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions and recommend the same to the Board, in accordance with the criteria laid/ Board Skill Matrix as approved by the Board.
3. Formulate policy on remuneration of the directors, key managerial personnel and senior management.

## **Policy for appointment and removal of Director, KMP and Senior Management Personnel**

### **a) Appointment criteria and qualifications**

- The Company is committed to acquire, develop and retain pool of high calibre talent, establish systems and practices for maintaining transparency, fairness and equity and provides for payment of competitive pay packages matching industry standards.

- The Company shall not appoint or continue the employment of any person as Director who has attained the retirement age, unless approved by the Board/ shareholders pursuant to the requirement of the Act
- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, in accordance with the criteria laid and recommend to the Board his/her appointment.

**b) Tenure**

- **Executive director** - The Company shall appoint or re-appoint any person as its 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.
- As per the Articles of Association (AoA) of the Company, TIDCO is entitled to nominate directors other than directors representing Government of Tamilnadu ELCOT, Financial Institutions. Foreign collaborators and Contractors etc., on the Board of Directors and from time to time to withdraw and renominate and to fill any vacancy caused by death or the resignation of such director or directors or caused by such director or directors otherwise ceasing to hold office.
- TIDCO may nominate one or more of the Directors of the Board to be the Chairperson, Managing and/or wholetime Director(s) for such period and upon such terms as it may think fit for the conduct or management of the business of the company subject to the control and supervision of the Board of Directors.
- **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.
- No Independent Director shall hold office for more than two consecutive terms, 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.

**Evaluation**

The Committee shall carry out an annual performance evaluation of the Board/ Committee, Chairman and individual directors, by itself or through the Board or an independent external agency and review its implementation thereof.

### **Removal**

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

### **Retirement**

Director, KMP and Senior Management shall retire as per the applicable provisions of the Act or as per the prevailing policy of the Company. The Board will have the discretion to retain a Director, KMP, Senior Management in the same position/remuneration or otherwise even after attaining the age of superannuation, for the benefit of the Company, subject to compliance with the applicable provisions of law

### **Constitution of Nomination and Remuneration Committee (NRC)**

Every Public limited Company with a Paid-up Capital of ₹ 10 Crore or more should constitute an NRC as per the Companies Act. Hence a NRC was constituted for the TTIDEL PARK which included members from the Board.

### **Employees**

All employees of TIDEL PARK are covered under this policy according to the guidelines provided below. Any exceptions will be specifically mentioned in the relevant section of the document. Others eligible for Sitting fee, carried Interest and Profit Share are mentioned separately in this document.

### **Remuneration of SMP, KMP (other than whole-time directors) and other employees**

SMP shall mean and include the employees identified under the code of conduct for Directors and Senior Management Personnel of the Company.

The key components of remuneration package of the SMPs, KMPs and other employees of the Company shall comprise of fixed salary, perquisites, variable pay in the form of performance bonus, certain retiral benefits, allowances and other benefits.

The fixed remuneration is determined based on market standards and the Company's specific needs from time to time. The Board of Directors evaluate the fixed remuneration annually based on the results from the previous period and with due consideration to the trend within the market standards.

The annual increments for the SMPs, KMPs and other employees shall be linked to the overall performance of the Company and as decided by the Board/Managing Director in consultation with their reporting managers, if any and Human Resources Department and based on recommendation of NRC. Employees must conduct themselves to ensure that no breach of Code of Conduct and applicable Codes is committed. Any such breach will have a direct bearing on their performance

**Authority:** Decisions pertaining to fixed pay, variable pay and bonus shall be decided as follows

Applicable Levels/Roles	Deciding Authority on quantum and timeframes	Escalations for compensation related grievances
Senior Management	Nomination and Remuneration Committee (NRC) with Board approval	Board of Directors
Other Employees	Senior Management with NRC approval	Managing Director

**Directors nominated by Government of Tamil Nadu** do not receive any sitting fees for attending the Board and Committee meetings.

**Non-Executive Directors including Independent Directors and Nominee Directors** are eligible for fixed amount of sitting fees for attending meeting of the Board of Directors and its committees.

#### **Sitting fees**

The Sitting fees presently payable to the Board of Directors for attending the meetings of the Board and its committees is based on the following criteria

- For attending the Board meetings Rs. 10,000/- per meeting
- For attending the Committee meetings Rs. 7,500/- per meeting

The Board has the flexibility to enhance the sitting fees upto the maximum limit allowed by the Companies Act, 2013 and Rules thereunder.

#### **Review of the Policy**

This Policy will be reviewed as and when required but at least once in 3 years.

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