

**NOMINATION AND REMUNERATION POLICY**

**VOLTAMP TRANSFORMERS LIMITED  
("VTL")**

**NOMINATION AND REMUNERATION POLICY**  
**(NR Policy)**

Voltamp Transformers Limited (“the Company”) has constituted Nomination and Remuneration Committee (“Committee”) pursuant to the provisions of section 178 of the Companies Act, 2013 and rules made thereunder and clause 40 of the Listing Agreement. This Policy has been formed for nomination and deciding remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company, by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 20<sup>th</sup> May, 2015.

**OBJECTIVE**

The Policy has been formed with an objective that the remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company is appropriate considering short and long term performance objectives appropriate to the working of the Company and the same is suitable based on the Company’s size, financial position and practices prevailing in peer companies in the industries, with a view to ensure long term sustainability of the Company.

**APPLICABILITY**

The Remuneration Policy shall be applicable to all Directors, KMPs and Other employees, present as well as future and shall be of guidance for the Board.

**SCOPE & FUNCTIONS**

The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management, in accordance with the criteria laid down, and recommend to the Board, their appointment and removal and shall carry out evaluation of every Director’s performance.

The Committee shall ensure that

- 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;

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- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and officials working at senior management level 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:

**RETIREMENT & REMOVAL**

The Directors, KMPs and other employees of the Company, shall retire as per the applicable provisions of the regulations and the prevailing policy of the Company and / or the provisions of the Companies Act, 2013 & applicable Acts, Rules and Regulations, if any. The removal of Director and KMP shall be subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

**REMUNERATION TO MANAGING DIRECTOR**

- At the time of appointment or re-appointment, the remuneration (including perquisites, commission, etc.) to be paid to the Managing Director, shall be recommended by the Nomination & Remuneration Committee and approved by the Board. The overall remuneration shall be in accordance with the terms and conditions and overall limit prescribed as per the applicable provisions of the Companies Act, 2013 and the rules made thereunder and schedules thereto and shall be subject to prior / post approval of the shareholders of the Company and Central Government, if required.
- If, in any financial year, the Company has no profits or the profits are inadequate, the Company shall pay remuneration to the Managing Director/s in accordance with the provisions of Schedule V of the Companies Act, 2013 OR with the previous approval of the Central Government, if required.

**REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR**

- The Non-executive Directors of the Company shall be paid sitting fees as per the applicable regulations and as approved by the Board of Directors from time to time.

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**REMUNERATION TO KMP AND OTHER EMPLOYEES**

The KMPs and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may be approved by the Committee, if required. The break-up of pay scale and quantum of perquisites including employer's contribution to P.F., pension scheme, etc. shall be as per the Company's HR policies.

**AMENDMENT**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, the same shall be recorded in the minutes of the Committee and Board.