

THE HIGHLAND PRODUCE COMPANY LIMITED

Nomination and Remuneration Policy

Constitution

The Nomination and Remuneration Committee consists of three members namely Mr.Dilip Thomas , Mr. S. Ganesan and Mr.K.Ashok

Terms of Reference

Terms of reference of the Nomination and Remuneration Committee include:

- To identify persons who are qualified to become Directors , Key Managerial Personnel and who may be appointed in Senior Management in accordance with the criteria laid down in this policy and recommend to the Board the appointment , Remuneration and removal of Directors and Senior Management and shall carry out evaluation of Director's performance.
- To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To formulate criteria for evaluation of Independent Directors and the Board and to devise a policy on Board diversity, composition, size, etc. and providing feed back and recommendations for improvement.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy

- 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 the approvals obtained from the Members of the Company.
 - 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.
- 2) Remuneration to Non- Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors be paid sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013.
 - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

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- c) An Independent Director shall not be eligible to get Stock Options and shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- 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 pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
 - c) 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.
