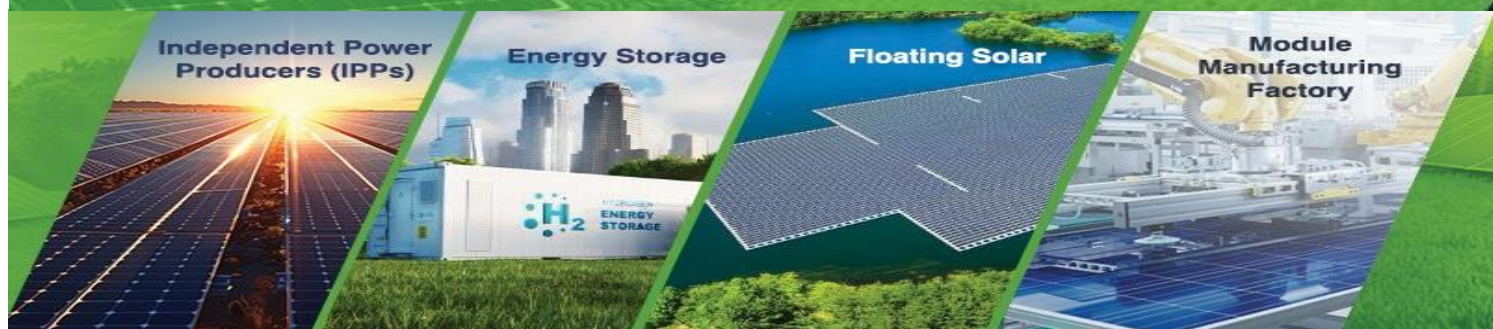


Nomination and Remuneration Policy

FOR A SUSTAINABLE FUTURE



Nomination and Remuneration Policy

Regd. Office : 501, Padma Palace, 86, Nehru Place, New Delhi-110019, India
Corp. Office : 4th Floor, A-45 to 50, Pioneer House, Sec-16, Noida-201301 (U.P.) India
Tel. (EPABX) : 91-11-30605500 Fax : 91-11-41619691 E-mail : info@worldsolar.in
CIN : U15100DL2013PTC255455

Website : www.worldsolar.in

Email : Info@worldsolar.in

Nomination and Remuneration Policy

Introduction

This policy is designed to comply with Section 178 of the Companies Act, 2013. It outlines the nomination and remuneration process for Directors, Key Managerial Personnel (KMP), and Senior Management, created by the Nomination and Remuneration Committee (NRC) and approved by the Board.

Definitions

- **Remuneration:** Any form of payment for services, including perks as defined under the Income-tax Act, 1961.
- **Key Managerial Personnel:** Includes:
 - Managing Director, President, COO (or a Whole-time Director in their absence)
 - Chief Financial Officer
 - Company Secretary
 - Other prescribed officers.
- **Senior Managerial Personnel:** Members of the core management team, typically at the level of General Manager and above.

Objectives

The policy aims to:

- Ensure remuneration is fair and attractive to retain qualified Directors.
- Clarify the link between remuneration and performance, meeting performance benchmarks.
- Balance fixed and variable pay to align with both short-term and long-term goals.

Role of the Committee

The NRC is responsible for:

- Setting criteria for Director qualifications and independence.
- Evaluating the performance of Directors and the Board.
- Identifying candidates for Directorships and Senior Management.
- Recommending appointments and removals to the Board.
- Advising on remuneration policies.
- Promoting Board diversity and overseeing succession planning.
- Performing other functions as needed.

Appointment and Removal

1. The NRC will assess the integrity, qualifications, and experience of candidates for Directors, KMP, and Senior Management.
2. The Committee decides if a candidate's qualifications are adequate.
3. A Whole-time Director cannot be over 70 years old unless shareholders approve a special resolution.

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Term / Tenure

1. **Managing Director/Whole-time Director:** Appointed for a maximum of five years.
2. **Independent Director:** Serves up to five consecutive years and may be re-appointed by special resolution; limited to two terms with a three-year cooling-off period.
3. An Independent Director can serve on up to seven listed company boards, or three if also a Whole-time Director.

Evaluation

The NRC will evaluate the performance of Directors, KMP, and Senior Management annually or as needed.

Removal

The NRC can recommend removal of a Director, KMP, or Senior Management, with documented reasons, following the Companies Act, 2013.

Retirement

Directors, KMP, and Senior Management will retire per applicable laws and company policies. The Board may choose to retain them after retirement.

Remuneration Policy

1. **Managing Director / Whole-time Directors:**
 - Governed by the Companies Act and recommended by the NRC.
2. **Non-Executive / Independent Directors:**
 - May receive sitting fees and permissible remuneration, subject to Board approval and statutory limits.
 - Cannot receive stock options or participate in share-based payment schemes.
 - Professional services by Independent Directors may be exempt from remuneration caps if qualifications are met.
3. **KMP and Senior Management:**
 - Comprise fixed pay and incentives, in line with the Companies Act and company policy.
 - Fixed pay includes salary and employer contributions to retirement funds.
 - Incentives are based on both individual and company performance, evaluated annually.

Implementation

The NRC may establish guidelines and procedures for effective policy implementation and delegate its powers as necessary.

