

NOMINATION AND REMUNERATION POLICY

Suyog Telematics Limited
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Vikhroli West, Mumbai-400083

As amended w.e.f. May 27, 2016

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee of Suyog Telematics Limited (“the Company”) was constituted on 29th July, 2013. The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments as may be introduced, in order to prescribe matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

The Key Objectives of the Committee would be to ensure:

- a) 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;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) 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:

2. DEFINITIONS

(a) Key Managerial Personnel: Key Managerial Personnel means—

- (i) Chief Executive Officer or the managing director or the manager;
- (ii) Company secretary,
- (iii) Whole-Time Director;
- (iv) Chief Financial Officer; and
- (v) such other officer as may be prescribed.

(b) Senior Management: Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

3. ROLE OF COMMITTEE

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) To recommend to the Board the appointment and removal of Senior Management
- c) To carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance.

- d) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) To develop a succession plan for the Board and to regularly review the plan;
- g) To formulate criteria for evaluation of performance of independent directors and the board of directors;
- h) To devise a policy on diversity of board of directors;
- i) To 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 of directors their appointment and removal.
- j) To suggest whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

4. MEMBERSHIP

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. MINUTES OF COMMITTEE MEETING

- Proceedings of all meetings must be recorded in the minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain

and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

- To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board;

12. REMUNERATION POLICY FOR DIRECTORS (Executive, Non – Executive and Independent)

- Directors will get remuneration in accordance with Section 197 of the Companies Act, 2013 and rules made thereunder and other laws as may be applicable.

- **Sitting Fees:**

Every Independent Director will get a sitting fees of Rs. 2,500/- for all the Board and Committee meetings held in a single day. Hence, if an Independent Director attends more than one Board and/or Committee meeting, he/she will be paid a consolidated fee of Rs. 2,500/- for all such meetings. If any alternate director is appointed, then such director will be entitled to sitting fees for the relevant meeting (s).

13. The policy shall be disclosed in the Annual Report of the Company and shall also be displayed on the website.

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