

RTS POWER CORPORATION LIMITED

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Remuneration Policy for Directors, Key Managerial Personnel and other employees

Annexure "D" to Directors' Report

Introduction

The Company gives importance of meeting the business objectives along with fulfilling of individual objectives of employees and their aspirations . The Company has accordingly formulated the Remuneration Policy for its Directors, Key Managerial Personnel and other employees ensuring that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and employees of the qualities required to run the company successfully;
- (b) that relationship of remuneration to performance is clear and meets the appropriate performance benchmarks; and
- (c) remuneration of Directors, Key Managerial Personnel and employees 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.

Policy

This Policy sets out a broad guidelines for the Nomination and Remuneration Committee (NRC) for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company and for the Board to finally determine the same.

A. Remuneration of Executive Directors and Key Managerial Personnel

- (1)(a). The Board shall review and approve the remuneration as recommended by NRC to be payable to the Executive Directors of the Company within the overall limits under the Companies Act and Schedule thereto, which shall be finally approved by the shareholders
- (1)(b) (i) While recommending to the Board the remuneration payable by the Company to

Executive Directors in case of absence or inadequacy of profits of the Company , NRC shall :-

- (a) take into account. financial position of the Company , trend in the industry , appointee's qualification , experience. past performance , past remuneration, etc.
- (b) be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders

(ii) In case of absence or inadequacy of Profit , the Board shall fix the remuneration of the Executive Directors , keeping in view the recommendation of NRC, but within the limits specified in the Companies Act and Schedule V thereto , at such amount or percentage of profits of the Company , as it may deem fit and while fixing the remuneration , the Board shall have regard to –

- (a) the financial position of the company;
- (b) the remuneration or commission drawn by the individual concerned in any other capacity;
- (c) the remuneration or commission drawn by him from any other company;
- (d) professional qualifications and experience of the individual concerned;
- (e) such other matters as may be prescribed under the Companies Act and Schedule thereto

(2) The remuneration structure of the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Salary
- (ii) Perquisites and Allowances
- (iii) Retiral benefits
- (iv) Annual Bonus

(3) The Board shall also review and approve the remuneration as recommended by NRC to be payable to the Key Managerial Personnel of the Company.

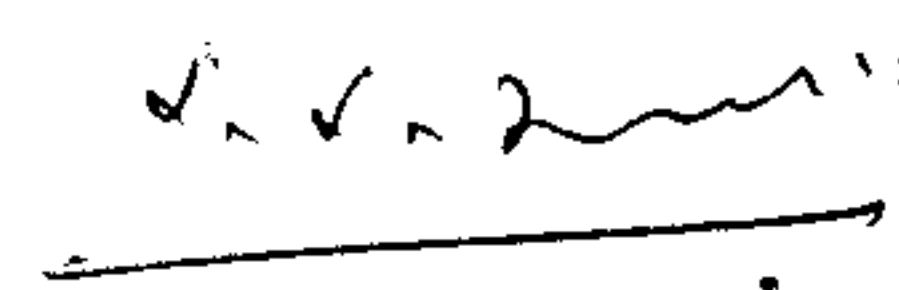
(4) The Annual Plan and Objectives for Executive Directors, Key Managerial Personnel and Senior Executives shall be reviewed by the NRC and Annual increments (increases in their salaries) will be recommended by the NRC to the Board for its approval based on their achievements against the Annual Plan and Objectives.

B. Remuneration to other Employees

Employees shall get remuneration according to their nature of jobs, qualifications, work experience, competencies as well as their roles and responsibilities in the organization. Annual increments shall be based on various factors, such as, their performance in the last year, job profile, skill sets, seniority, experience, attitude, behavior pattern, commitments to their jobs, etc. Their promotions in respective deserving cases according to the needs of the Company will also be based on the abovesaid criteria.

Registered Office:
56 Netaji Subhas Road, 2nd Floor
Kolkata-700001
Dated : 12th August, 2016

For and on behalf of the Board of Directors



S S Jain
Chairman