



DATAMATICS GLOBAL SERVICES LIMITED

NOMINATION AND REMUNERATION POLICY

Sr. No	Particulars	Page No.
1.	Introduction	1
2.	Objective	2
3.	Definitions	3
4.	Applicability	4
5.	Role of Committee	5
6.	Meetings of the Committee	7
7.	Appointment and Removal of Director, KMP'S and Senior Management	8
8.	Remuneration	10
9.	Amendment	12



1. Introduction

Datamatics Global Services Limited, through the Nomination and Remuneration Committee, has designed the remuneration policy in order to attract, motivate and retain the executive talent needed to achieve superior performance in a competitive market.

This Nomination and Remuneration Policy is in compliance with the provisions of Section 178 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with the rule 6 of the Companies (Meeting of the Board and its powers) Rules, 2014 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Agreement, as amended from time to time.



2. Objective

The key objectives of this policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To ensure that the Directors, Key Managerial Personnel and senior executives of high caliber are attracted and retained and are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications and positive attributes of the employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the IT- ITES industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel, and to define the relationship of remuneration to performance clearly which meets appropriate performance benchmark.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- In the context of the aforesaid criteria the following policy has been re-formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on January 31, 2019.



3. Definitions

“**Act**” means The Companies Act, 2013 and Rules made thereunder, as amended from time to time.

“**Company**” means Datamatics Global Services Limited.

“**Board**” means Board of Directors of the Company.

“**Directors**” means Directors of the Company.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board from time to time.

“**Key Managerial Personnel**” means –

- (i) Whole-time director;
- (ii) Chief Executive Officer or the Managing Director or the Manager;
- (iii) Chief Financial Officer;
- (iv) Company Secretary; and
- (v) Such other officer as may be prescribed.

“**Senior Management**” shall mean officers/personnel of the Company who are members of its core management team including Company Secretary and Chief Financial Officer and shall comprise of all functional heads and officers/personnel reporting to or one level below the Chief Executive Officer (CEO). This shall neither include the Board of Directors nor the administrative staff like executive assistants to CEO.

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.



4. Applicability

This Policy is applicable to:

- Director [Executive director and Non-Executive Director(s)];
- Key Managerial Personnel(s); or
- Senior Management.

This Policy shall also apply to all future employment agreements with members of Company's Senior Management and Key Managerial Personnel.

This policy shall be effective from January 31, 2019.



5. Role of Committee

The role of the Committee shall *inter-alia*, include the following:

- Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills;
- Formulation of the criteria for determining such as qualifications, positive attributes and independence of a Director;
- Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying 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;
- Recommend to the Board all matters relating to the compensation (including annual increments, incentives and revision in salary) payable by the Company to the Senior Management;
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the policy, the Committee shall ensure that:
 - (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.

- To consider any other matters as may be requested by the Board; and

- To perform such other functions as may be necessary or appropriate for the performance of its duties.



6. Meetings of Committee

The NRC Committee shall meet at such times and at such intervals as it may deem necessary. The quorum for any meeting of the NRC Committee shall be either two members or one third of the members of the NRC Committee whichever is greater, (any fraction rounded off to the next whole number) but there shall be at least one independent member present in the meeting. All matters will be determined by a majority vote of the members present.



7. Appointment and Removal of Director, KMP'S and Senior Management

A. Appointment criteria and qualifications:

The criteria adopted by the Nomination and Remuneration Committee for appointment of personnel as a Director or KMP or Senior:

1. Qualifications:

- He / She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- He / She shall not be disqualified under the Companies Act, 2013 read with rules framed thereunder and SEBI Listing Regulations or any other enactment for the time being in force.

2. Positive attributes:

- He / She should be a person of integrity, with high ethical standard.
- He / She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation.
- He / She should be having courtesy, humility and positive thinking.
- He / She should be knowledgeable and diligent in updating his/her knowledge.
- He / She should have skills, experience and expertise by which the Company can benefit.



- In respect of Executive Directors, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

3. Independence:

- Independent Directors should also fulfill the criteria for being appointed as an Independent Director prescribed under the Companies Act, 2013 read with Schedule IV to the said Act and SEBI Listing Regulations.

B. TERM/ TENURE:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

C. REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

D. RETIREMENT:

The Whole-time Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.



8. Remuneration

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 thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Company shall pay the remuneration by way of salary, perquisites and allowances (both fixed and variable component) to its Managing Director / Whole-time Directors.
- c) Perquisites and retirement benefits are paid according to the Company policy, and applicable laws and regulations as applicable to Managing Director / Whole-time Directors.
- d) 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 may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be determined by the Board of Directors.
- b) The Non-executive/Independent Directors are entitled to remuneration by way of commission for every financial year upto limit of 0.25% of net profits of the Company, as approved by the shareholders of the Company.



- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company, if any.

- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of 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.

- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

- c) The Incentive pay shall be decided annually or at such intervals as may be considered appropriate, based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided.



9. Amendment

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Amendment may be necessary, among other reasons, to maintain compliance with local, state, central and federal regulations and/or accommodate organizational changes within the Company.