

AUSOM ENTERPRISE LIMITED
(FORMERLY KNOWN AS CORE EMBALLAGE LIMITED)
CIN: L67190GJ1984PLC006746

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NOMINATION AND REMUNERATION POLICY

INTRODUCTION

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy (“the policy”).

The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

APPLICABILITY

The policy shall be applicable to

a) Key Managerial Personnel, which means;

- i. Chief Executive officer and/or Managing Directors
- ii. Whole Time Director
- iii. Chief Financial Officer
- iv. Company Secretary, and such other person as may be prescribed

b) Independent Director, which means

A director referred to in the Section 146(6) of the Companies Act, 2013.

c) Senior Management, Which means

Personnel of the Company who are members of its core management team excluding Board of Director. This would also include all members of management one level below the executive directors including all functional heads.

ROLE OF THE COMMITTEE

1. Formulate the criteria for determining qualification, positive attribute and independence of a director.
2. Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and senior management personnel or other employees.
3. Formulation of criteria for evaluation of independent directors and Board.
4. Recommendation to Board, appointment and removal of Directors, Key managerial and Senior Management personnel.
5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

CRITERIA FOR BOARD MEMBERSHIP

DIRECTORS

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

INDEPENDENT DIRECTOR

Independent Director is a director who has no direct or indirect material relationship with the company or any of its officers, other than as a director or shareholder of the company.

Independent Director shall meet all criteria specified in Section 149 (6) of the Companies Act, 2013 and rules made there under and Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

TERM/TENURE

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

REMUNERATION POLICY

DIRECTORS

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole-time Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders by way of special resolution will be obtained wherever applicable in case of remuneration to non-executive directors.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non- Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees. No commission is being paid to them.

KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the Company.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

AMENDMENT TO THE POLICY

The Board of Directors on its own and /or as per recommendations of Nomination and Remuneration Committee can amend this policy, as when deemed fit.
