



## NOMINATION AND REMUNERATION POLICY

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## **T. V. Today Network Limited**

Registered Office: F-26, First Floor, Connaught Circus, New Delhi 110001,

CIN No. L92200DL1999PLC103001, Telephone Number: 0120-4807100,

Fax Number: 0120-4325028, Website: [www.aajtak.intoday.in](http://www.aajtak.intoday.in), Email:investors@aajtak.com

### **NOMINATION AND REMUNERATION POLICY**

#### **1. INTRODUCTION**

This nomination and remuneration policy ("Policy") has been formulated by the Company's Nomination and Remuneration Committee ("Committee") and approved by the Board of Directors in terms of the relevant provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation")

#### **2. OBJECTIVE AND PURPOSE OF THE POLICY**

The primary function of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation.

The Key Objectives of this Policy are:

- i. Guiding the Board in relation to appointment and removal of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMP) and to ensure that such appointments and removals, as the case may be, are in compliance with applicable provisions of the Act and SEBI Regulations;
- ii. To set out criteria for the remuneration of Directors, KMP and SMP;
- iii. To set out the criteria for evaluation of performance of (a) Board as a whole; (b) Committees of the Board; and (iii) the individual Directors including the chairperson and the Independent Directors;
- iv. To adopt best practices to attract and retain talent by the Company and to ensure long term sustainability of talented managerial personnel and create competitive advantage;
- v. To ensure diversity of the Board of the Company;
- vi. To set out criteria for the remuneration of such other Employees of the Company as Nomination and Remuneration Committee may deem fit.

#### **3. APPLICABILITY**

This Policy is Applicable to:

- i. Directors (Executive, Non-Executive and Independent)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Other employees as may be decided by the Nomination and Remuneration Committee

## 4. DEFINITIONS

1. **“Board”** means the Board of Directors of the Company.
2. **“Company”** means **“T.V. Today Network Limited”**.
3. **“Independent Director”** means a director who has been appointed as such and who satisfies the criteria and conditions laid down in the Act and Listing Regulations
4. **“Key Managerial Personnel”** or **“KMP”** means Key Managerial Personnel as defined under the Act and the Rules made there under.
5. **“Listing Regulations”** means SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.
6. **“Nomination and Remuneration Committee”** or **“Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of Listing Regulations.
7. **“Policy”** or **“This Policy”** means, **“Nomination and Remuneration Policy.”**
8. **“Senior Management Personnel (SMP)”** for this purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act and/or Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

## 5. CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The constitution of the Nomination and Remuneration Committee shall be in accordance with the Act and Listing Regulations.

## 6. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SMP

### A. APPOINTMENT CRITERIA AND QUALIFICATIONS

Subject to the applicable provisions of the Act, the Listing Regulations, other applicable laws, if any and HR Policy, the Committee shall work with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

- i. A person in order to be eligible for appointment as Independent Director, shall fulfill the criteria of Independence as defined in the Act and Listing Regulations.
- ii. The potential candidate should possess adequate qualifications, experience and expertise for Appointment to the position of Directors, KMP's and SMP. The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.
- iii. Letter of Appointment shall be issued based on the recommendations of the Committee on the basis of guidelines for the same under the Act and the Company's Policy.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager/who has attained the age of seventy years. Provided that the term of any Director may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- v. The maximum number of public companies in which a person can be appointed as a director shall not exceed the maximum number as prescribed under the Act and Listing Regulations. For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are subsidiary company of a public company shall be included.

## **B. TERM/ TENURE**

### **1. Managing Director / Whole-time Director / Manager (Managerial Personnel)**

The Company shall appoint or re-appoint any person as its Managing Director/Whole-time Director/Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### **2. Independent Director**

- i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- iii. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is not more than the limits prescribed under the Listing Regulations.

## **C. REMOVAL**

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing for removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

## **D. RETIREMENT**

The Director, KMP and SMP shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, and SMP in the same position/ remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

# **7. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP, SMP AND OTHER EMPLOYEES**

## **1. REMUNERATION TO EXECUTIVE DIRECTORS AND KMP**

### **• PROVISIONS AND FACTORS**

- i. The remuneration/compensation/commission etc. to Executive Directors and KMP will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/commission etc. shall be subject to the approval of the shareholders of the Company.
- ii. The remuneration and commission to be paid to Executive Directors shall be as per the statutory provisions of the Act and the rules made there under for the time being in force.
- iii. Increments to the existing remuneration/compensation structure of Executive Directors and KMP shall be recommended by the Committee to the Board. In case of Directors increments should be within the slabs approved by the Shareholders.
- iv. Where any insurance is taken by the Company on behalf of its Executive Directors and KMP for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

While determining the remuneration of the Executive Directors, following factors shall be considered:

- a. Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent),
- b. Based on the role played by the individual in managing the Company including responding to the challenges faced by the Company,
- c. Reflective of size of the Company, complexity of the sector/ industry/company's operations and the Company's capacity to pay,
- d. Consistent with recognized best industry practices.

- **FIXED PAY**

- a. Executive Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force.
- b. In addition to the fixed basic pay, Executive Directors and KMP shall also be eligible for perquisites, allowances and benefits to enable the recipient a certain level of lifestyle.

- **VARIABLE COMPONENTS**

The Executive Directors and KMP may be paid performance linked variable pay which will be based upon the individual and company performance for the year.

- **PROVISIONS FOR EXCESS REMUNERATION**

- a. If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act, he/she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company.
- b. The Company may waive recovery of such sum refundable to it with the approval of the shareholders of by special resolution within two years from the date the sum becomes refundable and such other approvals, as may be required under the Act.

## **2. REMUNERATION TO NON-EXECUTIVE/ INDEPENDENT DIRECTOR**

- **REMUNERATION/ COMMISSION**

The remuneration/commission shall be in accordance with the statutory provisions of the Act and the rules made thereunder for the time being in force.

- **SITTING FEES**

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof as approved by the Board on the recommendation of the Committee.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- **STOCK OPTIONS**

An Independent Director shall not be entitled to any stock option of the Company.

## **3. REMUNERATION TO SMP**

- The Committee has authorized the Managing Director to determine from time to time the remuneration payable to SMP including their increments in consultation with Human Resource Department. The powers of the Nomination and Remuneration Committee in this regard have been delegated to the Managing Director.

- The Board of Directors shall from time to time be intimated of the remuneration payable to the SMP.
- Where any insurance is taken by the Company on behalf of its SMP for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### **I. FIXED PAY**

SMP shall be eligible for a fixed monthly remuneration and shall be eligible for perquisites, allowances and benefits to enable the recipient a certain level of lifestyle.

#### **II. VARIABLE COMPONENTS**

The SMP may be paid performance linked variable pay which will be based upon the individual and company performance for the year.

### **8. CRITERIA FOR EVALUATION OF DIRECTORS**

In compliance with Listing Regulations and the Act, Board shall evaluate its own performance along with that of its Committees. Further performance evaluation of all directors will be carried by the Nomination and Remuneration Committee, which shall be reviewed by the Board. The criteria for evaluation of the performance of the Board, its Committee and Individual Directors shall be framed by the Committee in consultation with the Board.

### **9. POLICY ON BOARD DIVERSITY**

The Company aims to enhance the effectiveness of the Board by diversifying it and obtain the benefit out of it by better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- i. Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- ii. For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination based on the following factors:



- **Gender** - The Company shall not discriminate on the basis of gender in the matter of appointment of director on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board.
- **Age** - Subject to the applicable provisions of Companies Act, 2013, age shall be no bar for appointment of an individual as director on the Board of the Company.
- **Nationality and ethnicity** - The Company shall promote having a boardroom comprising of people from different ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;
- **Physical disability** - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on Company's Board, if he/she is able to efficiently discharge the assigned duties.
- **Educational qualification**- The proposed candidate shall possess desired team building traits that effectively contribute to his/ her position in the Company. The Directors of the Company shall have a mix of finance, legal and management background, that taken together, provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, and investment.

## 10. POLICY REVIEW AND FUTURE AMENDMENT

The Nomination and Remuneration Committee shall review this Policy from time to time and recommend suitable changes as may be required for the approval of the Board.