



CMMH/BSE/2020-21/17

June 24, 2020

BSE Limited,  
Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001

Dear Sirs,

**Sub: Scrip Code: 523489-Outcome of Board Meeting pursuant to Regulation 30 of SEBI (LODR) REGULATIONS, 2015 – Intimated.**

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The following business have been approved by the Board of Directors of our company in their meeting held on Wednesday, June 24, 2020:

**Approval of Audited Financial Results:**

The regular operations of the company were seriously affected by the outbreak of COVID19 Pandemic and the resulting lockdown and only limited operations are running during the lockdown period to cater the businesses in essential services ensuring safety of the employees. Given the evolving scenario and uncertainties with respect to its nature and duration, management will continue to monitor any material changes to future economic conditions and the impact thereof on the company.

Pursuant to Regulation 33 of SEBI(LODR)Regulations, 2015 the Board of Directors of our company had approved the Audited Financial Results for the year ended 31<sup>st</sup> March, 2020. The approved Audited Financial Results along with audit report for the year ended 31<sup>st</sup> March, 2020 and declaration on the report of auditors with Unmodified opinion are enclosed as Annexure.

The Board of Directors has not recommended any Dividend for the year 2019-20.

The financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company for the first time adopted Ind AS for the financial year commencing from April 2017.

The Company is mainly in the business of "Hospitals". Hence there is no separate reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

The financial figures for the quarter ended 31<sup>st</sup> March, 2020 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

The Board of Directors decided to conduct the next Annual General Meeting on Wednesday, 16th September, 2020. The Book-Closure for the purpose of Annual General Meeting will be from 09.09.2020(Wednesday) to 16.09.2020(Wednesday).

The Board of Directors based on the recommendation made by the Nomination & Remuneration Committee approved re-appointment of Mr.A.N. Radhakrishnan as Chairman & Managing Director of the Company for a further period of three years from 17.09.2020 subject to approval by the shareholders in the ensuing Annual General Meeting on a remuneration of Rs.75,000/- per month.(Inclusive of all).

The Board of Directors also approved the retirement and re-appointment of Mrs.R.Gomathi(DIN:02900460) as Woman Director subject to approval in the ensuing Annual General Meeting.

The Board of Directors also reviewed the Nomination and Remuneration Policy.

The meeting commenced at 16.00 Hours and concluded at 17.30 Hours.

Please take this on record.

Thanking You,

Yours faithfully,

For CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED.

  
(R.DEENADAYALU)

Company Secretary and Compliance Officer  
M.No.F3850/Mobile No.9283112100



**CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LTD.**

(Formerly Known as Devaki Hospital Limited)

**ISO 9001 : 2008 / ISO 14001 : 2004 CERTIFIED HOSPITAL**

Old No.149, New No. 72, Luz Church Road, Mylapore, Chennai - 600 004.

Ph: +91 44 - 42 938 938 | Fax: +91 44 - 2499 3282 | cmmhospitals@gmail.com | www.cmmh.in

CIN: L85110TN1990PLC019545

GSTIN: 33AAACD2694N1ZF



**CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED**

(Formerly known as Devaki Hospital Limited)

CIN:L85110TN1990PLC019545

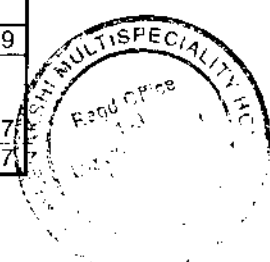
Regd. Office: New No.70 (Old No. 148), Luz Church Road, Mylapore, Chennai - 600 004

Phone: +91 44 42938938, Fax: +91 44 24993282, E-mail: cmmhospitals@gmail.com, Website: www.cmmh.in

**Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2020**

PART I						(Rupees. in lakhs)
Sl. No	Particulars	Quarter ended			Year ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Revenue</b>					
	a) Net Income from Operations	647.59	675.69	548.12	2561.14	2220.65
	b) Other Operating Income	3.72	3.79	3.68	15.19	15.26
	c) Other Income	19.28	22.97	11.84	73.04	49.82
	<b>Total Revenue (1)</b>	<b>670.59</b>	<b>702.45</b>	<b>563.64</b>	<b>2649.37</b>	<b>2285.73</b>
<b>2</b>	<b>Expenses</b>					
	a) Cost of material consumed	0	0	0	0	0
	b) Purchase of Stock-in-trade	174.15	162.32	125.92	634.05	545.95
	c) Changes in inventories of Stock in trade	(3.56)	(5.00)	13.16	(5.10)	17.21
	d) Employee benefits expenses	208.12	189.53	132.83	662.09	481.31
	e) Finance costs	34.16	34.22	34.70	138.68	136.21
	e) Depreciation & amortisation expenses	31.98	31.29	30.30	124.37	119.67
	f) Other expenses	250.92	249.33	253.45	1040.37	980.51
	<b>Total expenses (2)</b>	<b>695.77</b>	<b>661.69</b>	<b>590.36</b>	<b>2594.46</b>	<b>2280.86</b>
<b>3</b>	<b>Profit / (Loss) before Exceptional Items (1-2)</b>	<b>(25.18)</b>	<b>40.76</b>	<b>(26.72)</b>	<b>54.91</b>	<b>4.87</b>
<b>4</b>	<b>Exceptional Items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>5</b>	<b>Profit / (Loss) before Tax (3+4)</b>	<b>(25.18)</b>	<b>40.76</b>	<b>(26.72)</b>	<b>54.91</b>	<b>4.87</b>
<b>6</b>	<b>Tax Expenses</b>					
	a) Current Tax	0	0	0	0	0
	b) Deferred Tax	0	0	0	0	0
<b>7</b>	<b>Net Profit / (Loss) after Tax (5-6)</b>	<b>(25.18)</b>	<b>40.76</b>	<b>(26.72)</b>	<b>54.91</b>	<b>4.87</b>
<b>8</b>	<b>Other Comprehensive income / (loss)</b>					
	a) Items that will not be reclassified subsequently to profit or loss					
	i) Remeasurement of net defined benefit liability / assets	2.07	0	(4.66)	2.07	(0.62)
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b> (Comprising profit / (loss) and other comprehensive income for the period)	<b>(23.11)</b>	<b>40.76</b>	<b>(31.38)</b>	<b>56.98</b>	<b>4.25</b>
<b>10</b>	<b>Paid up Equity Share Capital (Face Value Rs.10/- per share)</b>	<b>746.89</b>	<b>746.89</b>	<b>746.89</b>	<b>746.89</b>	<b>746.89</b>
<b>11</b>	<b>Earning Per Share (EPS) (not annualised)</b> (Face Value of Rs.10/- per share)					
	(a) Basic EPS (in Rs.)	(0.34)	0.55	(0.36)	0.74	0.07
	(b) Diluted EPS (in Rs.)	(0.34)	0.55	(0.36)	0.74	0.07

*For and on behalf of*



Statement of Assets and Liabilities as at 31st March, 2020 (Rs. in lakhs)			NOTES:
	31.03.2020 Audited	31.03.2019 Audited	
<b>A ASSETS</b>			<p>1. The entire operations of the Company relate to only one segment viz: Hospital.</p> <p>2. The above results have been reviewed and recommended for adoption by the Audit Committee and approved by the Board of Directors at their meeting held on 24.06.2020.</p> <p>3. The figures for the quarter ended 31st March,2020 and 31st March,2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the 3rd quarter of the relevant financial year.</p> <p>4. The financial results have been prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.</p> <p>5. Figures of the previous year / quarter have been regrouped wherever necessary.</p> <p>6. The Board of Directors as recommended by the Nomination &amp; Remuneration Committee approved re-appointment of Mr. A.N. Radhakrishnan, Chairman &amp; Managing Director for a further Period of 3 years from 17.09.2020 on a remuneration of Rs. 75,000/- per month subject to approval in the ensuing Annual General Meeting.</p> <p>7. The Financial Results would be uploaded and available for viewing on the Company's website www.cmmh.in and on the web site of the Stock Exchange- BSE Limited www.bseindia.com</p>
<b>1 Non current assets</b>			
Property,Plant and Equipment	1385.55	1407.11	
Capital work-in-progress	11.98	11.98	
Other non current assets	25.07	24.49	
	<b>1422.60</b>	<b>1443.58</b>	
<b>2 Current Assets</b>			
Inventories	68.40	63.30	
Financial Assets			
Trade Receivables	105.84	82.82	
Cash and cash equivalents	91.41	99.23	
Other Financial Assets	249.21	219.78	
Other Current Assets	7.50	9.83	
	<b>522.36</b>	<b>474.96</b>	
<b>Total Assets</b>	<b>1944.96</b>	<b>1918.54</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity ShareCapital	746.89	746.89	
Other Equity	-1102.95	-1159.94	
	<b>-356.06</b>	<b>-413.05</b>	
<b>2 Liabilities</b>			
Non Current Liabilities			
Financial Liabilities			
Borrowings	1147.64	1147.64	
Provisions	57.67	50.43	
	<b>1205.31</b>	<b>1198.07</b>	
Current Liabilities			
Financial Liabilities			
Borrowings	0	73.54	
Trade Payables	114.27	123.79	
Other current liabilities	964.99	927.08	
Provisions	16.45	9.11	
	<b>1095.71</b>	<b>1133.52</b>	
<b>Total Equity and Liabilities</b>	<b>1944.96</b>	<b>1918.54</b>	

For and on behalf of Board of Directors of  
**CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED**

*A N Radhakrishnan*

Place: Chennai  
Date: 24th June, 2020

**A N RADHAKRISHNAN**  
Chairman & Managing Director



**CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED**

(Formerly known as Devaki Hospital Limited)

**CIN:L85110TN1990PLC019545****Regd. Office: New No. 70 (Old no.149), Luz Church Road, Mylapore, Chennai - 600 004**

Phone: +91 44 42938938, Fax: +91 44 24993282, E-mail: cmmhospitals@gmail.com, Website: www.cmmh.in

**Extract of Audited Financial Results (Standalone)  
for the Quarter and Year ended 31st March, 2020**

(Rupees in lakhs)

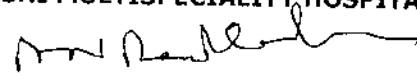
Particulars	Quarter ended 31-Mar-2020 Audited	Year ended 31-Mar-2020 Audited	Quarter ended 31-Mar-2019 Audited
Total Income from Operations (net)	670.59	2649.37	563.64
Net Profit / (Loss) from Ordinary Activities after tax	-25.18	54.91	-26.72
Total comprehensive income	-23.11	56.98	-31.38
Equity Share Capital (Face value of Rs.10/- per share)	746.89	746.89	746.89
Reserves (excluding Revaluation Reserve as shown in the Balance sheet of previous year) *			
Earnings Per Share before extraordinary items (7468920 equity share of Rs.10/- each) (not annualised)			
Basic (in Rs.)	-0.34	0.74	-0.36
Diluted (in Rs.)	-0.34	0.74	-0.36
Earnings Per Share after extraordinary items (7468920 equity share of Rs.10/- each) (not annualised)			
Basic (in Rs.)	-0.34	0.74	-0.36
Diluted (in Rs.)	-0.34	0.74	0.36

\* Reserves (excluding revaluation reserve) as on 31st March, 2020 and 31st March, 2019 are (-) Rs.1102.95 lakhs and (-) Rs.1159.94 lakhs respectively.

**Notes:**

- 1 The above results have been reviewed and recommended for adoption by the Audit Committee and approved by the Board of Directors at their meeting held on 24.06.2020.
- 2 The figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the 3rd quarter of the relevant financial year.
- 3 The above is an extract of the detailed format of Financial Results for the Quarter / Year ended on 31.03.2020 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarter / Year ended Financial Results are available on the Stock Exchange Website (www.bseindia.com) and on the Company's website (www.cmmh.in)

For and on behalf of Board of Directors of  
**CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED**



**A N RADHAKRISHNAN**  
**CHAIRMAN & MANAGING DIRECTOR**

Place: Chennai

Dated: 24th June, 2020





**Independent Auditor's Report Standalone Financial Statements**

TO THE BOARD OF DIRECTORS,  
M/s CHENNAI MEENAKSHI MULTISPECIALITY HOSPITALS LIMITED

**Opinion**

We have audited the accompanying standalone quarterly financial results of **M/s CHENNAI MEENAKSHI MULTISPECIALITY HOSPITALS LIMITED** (the company) for the quarter ended March 31, 2020 and the year to date results for the period from April 01, 2019 to March 31, 2020 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to March 31, 2020

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the standalone financial results

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Place: Chennai

Date: 24.06.2020

FOR MRC & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No.: 0040055



*G. Chiranjeevulu*

G. CHIRANJEEVULU, FCA  
PARTNER

Membership No. 215032  
UDIN: 20215032AAAABZ8041



CMMH/BSE/2020-21/18

June 24, 2020

BSE Limited,  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001

**Scrip Code: 523489**

Dear Sirs,

**Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI(LODR)Regulations, 2015 .**

**Declaration – Unmodified Audit Report:**

We hereby declare that the Statutory Auditors of the Company M/S. MRC and Associates, Chartered Accountants (FRN.004005) have issued Audit Report on Audited Financial Results of the company for the financial year ending 31<sup>st</sup> March, 2020 with **Unmodified** opinion.

Please take the above information on record as per the requirements of Listing Regulations.

Thanking You,

Yours faithfully,

**For CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED.**

(A.N. RADHAKRISHNAN)  
CHAIRMAN AND MANAGING DIRECTOR  
DIN:01508867



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# CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED

## NOMINATION & REMUNERATION POLICY

### INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the Sec 178(3) the Companies Act, 2013 and as per the listing agreement, this policy on nomination and remuneration of Directors, Managerial Personnel, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

### OBJECTIVE:

The objective and purpose of this policy are:

- 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 determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

### CONSTITUTION OF THE COMMITTEE:

The Board of Directors of the Company shall constitute the committee consisting minimum three non-executive directors of which not less than one half are Independent Directors. The Chairperson of the Committee should be an Independent Director and he/she will not hold the Chairperson of Audit Committee

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.





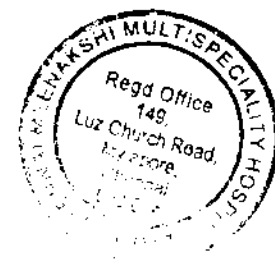
#### DEFINITIONS:

- "Board" means Board of Directors of the Company.
- "Directors" means Directors of the Company.
- "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- "Company" means Chennai Meenakshi Multispeciality Hospital Limited.
- "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- "Managerial Personnel" means Managerial Personnel or Persons, applicable under section 196 and other applicable provisions of the Companies Act, 2013.
- "Key Managerial Personnel (KMP)" means-
  - (i) Executive Chairman and / or Managing Director;
  - (ii) Whole-time Director;
  - (iii) Chief Financial Officer;
  - (iv) Company Secretary;
  - (v) Such other officer as may be prescribed under the applicable statutory provisions/ regulations.
- "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 whose monthly remuneration package exceeds Rs.2,00,000/-.

#### APPLICABILITY:

The Policy is applicable to

- Directors (Executive and Non Executive)
- Managerial Personnel
- Key Managerial Personnel
- Senior Management Personnel



MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY  
THE NOMINATION AND REMUNERATION COMMITTEE:

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR  
MANAGEMENT:

• *Appointment criteria and qualifications:*

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position 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.

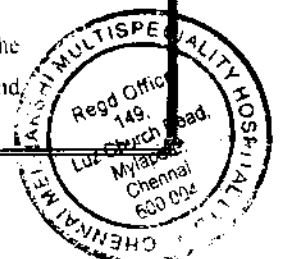
• *Term/ Tenure:*

1. Managerial Personnel:

- The Company shall appoint or re-appoint any person as its Executive Chairman or Managerial Personnel/ KMP for a term not exceeding three years at a time.

2. Independent Director:

- 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



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.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

• *Evaluation:*

The Board shall carry out evaluation of performance of every Director, Managerial Person, KMP and Senior Management Personnel at regular interval (yearly).

• *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, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Managerial Personnel or KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

• *Retirement:*

The Director, Managerial Personnel or 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 Director, Managerial Personnel, KMP and Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**POLICY RELATING TO THE REMUNERATION FOR THE MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL:**

• *General.*

1. The remuneration/ compensation/ commission etc. to the Managerial Personnel, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.

3. Increments to the existing remuneration/ compensation structure may be



recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel. Increments will be effective from 1st October in respect of a Whole-time Director and 1st April in respect of other employees of the Company.

4. Where any insurance is taken by the Company on behalf of its Managerial Personnel, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees 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.

• *Remuneration to Managerial Personnel, KMP and Senior Management Personnel:*

1. Fixed pay:

The Managerial Personnel, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F. pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013.

3. Provisions for excess remuneration:

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government

• *Remuneration to Non- Executive/ Independent Director:*

1. Remuneration/Commission:

The remuneration/ commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

*The key features of this Company's policy shall be included in the Board's Report.*

