MTA MT AUTOCRAFT	CORPORATE POLICIES	Policy. No: MTA/CORP/PL-022 Effective Date: 29-08-2025 Revision no.-00 Pages : 1-5

POLICY NAME: NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

This Nomination and Remuneration Policy ("Policy") is framed in compliance with the provisions of Section 178, Section 197, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder.

The purpose of this Policy is to establish a framework for:

- The nomination and appointment of Directors, Key Managerial Personnel (KMP), and Senior Management;
- Determining their remuneration based on performance, position, and industry benchmarks; and
- Ensuring fairness, transparency, and good governance practices in managing human resources.

APPLICABILITY

1. **"Director"** means a director appointed on the Board of MT Autocraft Systems Limited.
2. **"Independent Director"** means a Director referred to in Section 149(6) of the Companies Act, 2013.
3. **"Key Management Personnel"** means (i) Key Management Personnel as defined under regulation 2(k) of the Depository Regulations and (ii) Key Management Personnel as defined under regulation 2(o) of the Listing Regulations; and (iii) Key Managerial Personnel defined under Section 2(51) of the Companies Act.

2. OBJECTIVES OF THE POLICY

1. To lay down criteria for identifying, evaluating, and recommending persons for appointment or reappointment as Directors, KMP, and Senior Management.
2. To ensure that the level and composition of remuneration are reasonable and sufficient to attract, retain, and motivate qualified individuals.
3. To align remuneration with individual performance and the company's long-term business goals.
4. To ensure compliance with applicable legal and regulatory requirements.

	Prepared By	Approved By	Approved By
Name	Mrs. Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited	MT Autocraft Systems Limited Director

Director

3. DEFINITIONS

Unless the context otherwise requires:

- **"Act"** means the Companies Act, 2013 and rules made thereunder.
- **"Board"** means the Board of Directors of the Company.
- **"Committee" or "NRC"** means the Nomination and Remuneration Committee of the Company constituted in accordance with Section 178 of the Act.
- **"Key Managerial Personnel (KMP)"** means Managing Director, Chief Executive Officer, Company Secretary, Chief Financial Officer, and such other officers as prescribed under Section 2(51) of the Act.
- **"Senior Management"** means officers or personnel who are members of the company's core management team, one level below the Executive Directors, including functional heads including:

  1. Chief Executive Officer (CEO)
  2. Chief Financial Officer (CFO)
  3. Chief Operating Officer (COO)
  4. Chief Human Resources Officer (CHRO) or HR Heads
  5. Chief Information Officer (CIO) or Chief Technology Officer (CTO)
  6. Company Secretary and Compliance Officer
  7. President / Executive Vice Presidents / Senior Vice Presidents / General Managers
  8. Business Unit Heads or Functional Heads (e.g., Head of Marketing, Head of Legal, Head of Sales)

4. CONSTITUTION OF THE COMMITTEE

The Nomination and Remuneration Committee ("NRC") shall be constituted by the Board in accordance with Section 178 of the Act and shall comprise:

- At least **three non-executive directors**,
- Not less than **one-half** of them being **independent directors**.

Nomination and Remuneration Committee comprising the following members:

	Prepared By	Approved By	Approved By
Name	Mrs. Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director

S. No.	Name of Director	Category	Designation in Committee
1	Mr. Santosh Kumar Sandhu-Retd. IAS Officer	Independent Director	Chairperson
2	Mr. Harpreet Singh Nibber	Independent Director	Member
3	Mr. Anil Sehgal	Whole Time Director	Member

5. ROLE OF THE COMMITTEE

The NRC shall:

1. Formulate the criteria for determining qualifications, positive attributes, and independence of a director;
2. Identify and recommend to the Board, persons who are qualified to become Directors, KMP, and Senior Management personnel;
3. Recommend to the Board a policy relating to the remuneration for Directors, KMP, and Senior Management;
4. Ensure that remuneration policy and practices support the company's strategy and promote sustainable value creation;
5. Review succession planning for Board and Senior Management positions.

6. APPOINTMENT AND REMOVAL OF DIRECTORS, KMP, AND SENIOR MANAGEMENT

1. The Committee shall identify suitable candidates for appointment as Directors, KMP, or Senior Management personnel, based on qualifications, experience, integrity, and diversity considerations.
2. The Committee shall recommend appointment or removal to the Board, which shall take the final decision in accordance with the Act and the company's Articles of Association.
3. No person shall continue as a Director beyond the age limit prescribed under Section 196(3) of the Act, unless approved by the Board and shareholders, as applicable.

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Name	Mrs. Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director

7. CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, AND INDEPENDENCE OF A DIRECTOR

- A Director should possess appropriate qualifications, skills, and experience relevant to the company's business.
- An Independent Director should meet the criteria prescribed under Section 149(6) of the Act.
- The Committee shall consider diversity of thought, experience, knowledge, and gender when recommending appointments to the Board.

8. REMUNERATION POLICY

8.1 Remuneration to Executive Directors and KMP

- The remuneration shall be structured to ensure a balance between fixed and performance-linked components
- It shall reflect the individual's responsibilities, contribution, and performance, as well as the company's financial results.
- Remuneration shall comply with Section 197 and Schedule V of the Act.
- The Committee may recommend performance-based incentives and/or commission to Executive Directors, subject to overall limits.

8.2 Remuneration to Non-Executive / Independent Directors

- Non-Executive Directors may receive **sitting fees** for attending meetings of the Board and Committees, as approved by the Board within limits prescribed under the Act.
- Independent Directors shall not be entitled to stock options.
- The Board may approve payment of commission to Non-Executive Directors within the statutory limits, based on the company's performance.

8.3 Remuneration to Senior Management Personnel

- Remuneration shall be competitive and based on industry standards, role complexity, experience, and performance.
- Components may include fixed pay, variable pay, and benefits, as determined by the management and approved by the Committee.

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Name	Mrs. Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director

9. PERFORMANCE EVALUATION

The Committee shall formulate the criteria and process for performance evaluation of:

- The Board as a whole;
- Individual Directors (including Independent Directors); and
- Committees of the Board.

The evaluation shall be carried out annually, and the results shall be shared with the Board for consideration and appropriate action.

10. SUCCESSION PLANNING

The Committee shall review and recommend to the Board a succession plan for the continuity of leadership, particularly for the Executive Directors, KMP, and Senior Management roles.

11. DISCLOSURES

The salient features of this Policy and the web link to the Policy shall be disclosed in the **Board's Report** as per Section 178(4) of the Act.

12. AMENDMENTS

The Board of Directors, on the recommendation of the NRC, reserves the right to amend or modify this Policy to comply with any amendment to the Act or as deemed necessary in the interest of the company.

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Name	Mrs. Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director