

MEMORANDUM

(Terms of appointment of Managing Director & CEO)

This memorandum sets out brief terms of appointment of Mr. Arvind Subramanian, Managing Director & CEO of the Company.

Appointment	Subject to approval of the Shareholders of the Company, the Board of Directors, pursuant to recommendation of the Nomination & Remuneration Committee, at its meeting held on 14 th May, 2020, appointed Mr. Arvind Subramanian, as an Additional Director and as the Managing Director designated as “Managing Director & Chief Executive Officer” (MD & CEO) for a period of 5 years with effect from 1 st July, 2020.
Duties & Powers	Subject to the superintendence, control and directions of the Board, the MD & CEO is entrusted with powers of management of the affairs of the Company and perform such duties as may be entrusted to him by the Board from time to time, in connection with the business of the Company and the business of one or more of its subsidiaries, including by serving on the boards of such subsidiaries.
Remuneration	<p>The Board of Directors, pursuant to recommendation of the Nomination & Remuneration Committee and subject to approval of the Shareholders of the Company, at its meeting held on 14th May, 2020, has approved remuneration to Mr. Arvind Subramanian, the MD & CEO for a period of 5 years with effect from 1st July, 2020 to 30th June, 2025. The broad terms of remuneration are as under:</p> <p>a. Salary: Basic salary of Rs. 8,75,000/- per month, in the scale of Rs. 8,00,000 per month to Rs. 18,00,000 per month.</p> <p>The initial basic salary of the MD & CEO shall be Rs 8,75,000 per month effective from the date of appointment.</p> <p>The annual increments will be decided by the Nomination and Remuneration Committee and will be merit-based and take into account the Company's performance as well.</p> <p>b. Perquisites, Allowances as determined by the Board subject to approval of shareholders of the Company.</p> <p>In addition to the basic salary referred to in (a) above, the MD & CEO shall be entitled to following perquisites:</p> <p>1. Housing: Furnished/unfurnished accommodation or House Rent Allowance in lieu thereof not exceeding 60% of the basic salary.</p> <p>2. Special / Other Allowances: Not exceeding 50% of the basic salary.</p>

	<p>3. Performance Pay: Such amount as may be determined by the Nomination and Remuneration Committee for each year, not exceeding 1.3 times of the basic salary per annum</p> <p>4. Personal Accident Insurance: Premium as per the Company's rules.</p> <p>5. Provident Fund / Gratuity / Leave Encashment:</p> <ul style="list-style-type: none"> a) Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company and shall not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; b) Gratuity / Ex-gratia as per the rules of the Company and the shall not be included in the computation of ceiling on the remuneration to the extent it is not taxable under the Income Tax Act, 1961; and c) Encashment of leave at the end of the tenure as per the rules of the Company and shall not be included in the computation of ceiling on remuneration. <p>6. Others:</p> <ul style="list-style-type: none"> (i) Provision of car for use on Company's business, mobile phone and telephone at residence as per the Company's rules and policies and the same would not be considered as perquisites. (ii) Such other allowances, benefits, amenities, and facilities as per the Company's rules and policies. <p>7. The value of the perquisites and Company furnished accommodation would be evaluated as per the Income Tax Rules, 1962 wherever applicable and at cost in absence of such Rule.</p> <p>8. Mr. Arvind Subramanian, prior to his appointment as MD & CEO in the Company, in his capacity as an employee of the Company, is in receipt of 6,000 Stock Options granted to him on 26th July, 2019 under ESOS-2012 all of which are yet to be vested. He shall be eligible for additional Stock Options / Restricted Stock Units (RSUs) as and when the event happens.</p> <p>9. Minimum Remuneration: Where in any financial year(s) during the tenure of the MD & CEO, the Company has no</p>
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	profits or its profits are inadequate or in the event the remuneration to MD & CEO exceeds limits set out in Section 197 and / or Schedule V to the Act, the Company may subject to receipt of the requisite approvals, pay to the MD & CEO minimum remuneration by way of Salary, Benefits, Perquisites, Allowances as specified above, for a period not exceeding 3 (three) years or such other period as may be statutorily permitted.
Nature of Employment	The nature of employment of MD & CEO is contractual and can be terminated by giving three months' notice from either the party. The terms does not provide for any severance fee.
Variation	The Board of Director and the Nomination and Remuneration Committee of the Board can vary the terms and conditions of the appointment and / or remuneration or any part thereof, including the basic salary within the approved scale, from time to time, as it may deem fit and as may be acceptable to the MD & CEO.