

JINDAL INDIA THERMAL POWER LTD.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The Company believes in the conduct of the affairs of its business should be in a fair and transparent manner.

VIGIL MECHANISM

Vigil Mechanism is hereby formulated to report genuine concerns or grievances of Directors and Employees.

OBJECTIVE

To encourage the Employees to report to the management about suspected unethical or immoral behaviours, malpractices, wrongful conduct, fraud violation of the Company's policy including Code of Conduct, violation of law or questionable accounting or auditing matters by any employee/ director of the Company without any fear of retaliation

SCOPE

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, violation of any law/regulations/Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, financial irregularities, including fraud, or suspected fraud, criminal offence, pilferation of confidential/propriety information, breach of Code of Conduct or rules, any other unethical, biased, favored, imprudent event and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers.

PROCEDURE

Any Director or Employee may report his/her genuine concern or grievance to **Mr. Punit Gupta (DIN 00011483)**, Executive Director.

In case complaints relates to the Executive Director and Non-Independent Directors, and further in an exceptional and appropriate case, an employee may report his/her concern to **Mr. Debiprasad Bagchi (DIN 00061648)**, Chairman of the Audit Committee. The Contact details of the Executive Director and the Chairman of the Audit Committee are given below:

Mr. Punit Gupta,

DIN - 00011483

(Executive Director)

Jindal India Thermal Power Ltd.

Sector B-1, Local Shopping Complex

Plot No.12, Vasant Kunj, New Delhi-110070

Email:punit_gupta@jindalgroup.com

Ph.No 011-26139739.

Mobile: 9717955662

Mr. Debiprasad Bagchi

DIN - 00061648

Chairman-Audit Committee,

Jindal India Thermal Power Ltd.

Plot No. 12, Sector-B-1, Local Shopping Complex,

Vasant Kunj, New Delhi-110070.

Email: dpbagchi@gmail.com

Ph.No 9818264645

The Executive Director or the Chairman of the Audit Committee, as the case may be, on receipt of complaint shall have the matter investigated in a fair and unbiased manner.

- The management will order appropriate action on the basis of findings as a result of the investigation.
- Every quarter a summary of all the complaints received will be put up to the Chairman of the Audit Committee.

PROTECTION

- No unfair treatment, discrimination, harassment, victimization or any other unfair employment practice will be meted out under the Vigil Mechanism.
- Identity of the employee making the disclosure shall be kept confidential to the extent possible and permitted under law. The employees are cautioned that their identity may become known for reasons e.g. during the investigations carried out by the Investigators.
- While Management is determined to give appropriate protection to the genuine Whistle Blower, the employees at the same time are advised to refrain from using this facility for furthering their own personal interest. If proved, in such cases disciplinary action will be taken.

JINDAL INDIA THERMAL POWER LIMITED

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EMPLOYEES.

BACKGROUND.

Jindal India Thermal Power Limited (hereinafter referred as the 'Company') has always worked with an objective to provide a sustainable social environment to move human society towards a sustainable future. In addition, its deep understanding and commitment to responsibilities, has enabled the Company to ensure constant improvement upon its delivery systems, innovate action and endeavours to exceed the expectations of its customers, employees and all other stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013.

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

1. *Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.*
2. *The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.*
3. *The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.*
4. *The Nomination and Remuneration Committee shall, while formulating the policy ensure that:—*
 - A. *the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;*

- B. *relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.*
- C. *Such policy shall be disclosed in the Board's report.*

PRESENT POSITION OF DIRECTORS & KMP OF THE COMPANY

- *The Company has constituted a Nomination and Remuneration Committee of the Board of Directors (Board).*
- *At present there are total Nine Directors on the Board of which five are Executive, two are Independent and two are Non-Executive Directors.*
- *The Board appoint Chairman at its meeting.*
- *Key Managerial Personnel (KMP) consists of CEO, Chief Financial Officer and Company Secretary or as may be decided by the Board of Directors of the Company.*

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- *Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.*
- *Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior management positions and determine appropriate compensation package for them.*
- * *Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.*
- *Formulation of criteria for evaluation of Independent Directors and the Board.*
- *Devising a policy on the Board diversity.*
- *Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive/Whole Time Directors on an annual basis or as may be permissible by laws applicable.*
- *Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.*

- *Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.*

OBJECTIVE AND PURPOSE OF THE POLICY

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 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.

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 Jindal India Thermal Power Limited.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL (KMP) MEANS-

- (i) 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 occupying the position of Chief Executive Officer (CEO) of any unit / division or Vice President including Vice President of any unit / division of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

APPLICABILITY:

The Policy is applicable to Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel.

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

Appointment:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.
- The candidate for a position at KMP or Senior Management level is met by the Head – HR and the interview is targeted at assessing the candidate on his/her functional and leadership capabilities and cultural fitment to the organization.
- The HR head ensures that the person possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- The Whole-time Director/designated head assesses the shortlisted candidates for the position of KMP or Senior Management Level.
- The selected candidate's details and the proposed compensation is shared with the Nomination and Remuneration Committee for their review and suggestions. The same is informed to the Board at the next Board Meeting.

Term / Tenure:

- The tenure for Directors shall be governed by the terms defined in the Companies Act, 2013.
- The tenure for other KMP and Senior Management Personnel will be governed as per Policy of the Company.

EVALUATION OF THE PERFORMANCE OF DIRECTORS:

The Committee shall evaluate the performance of each Board of Directors of the Company with reference of the authority under the Nomination and Remuneration Policy of the

Company framed in accordance with the provisions of section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code of Conduct of the Directors.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based the criteria.

Following criteria are to be considered:-

- *Responsibilities and duties ;*
- *Time & efforts devoted;*
- *Value addition;*
- *Profitability of the Company & growth of its business;*
- *Analysing each and every position and skills for fixing the remuneration yardstick ;*
- *Standards for certain functions where there is a scarcity of qualified resources.*
- *Ensuring tax efficient remuneration structures.*
- *Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home Remuneration is not low.*
- *Other criteria as may be applicable.*

Consistent application of remuneration parameters across the Organisation. Provisions of law with regard making payment of remuneration, as may be Applicable, are complied.

Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

EMPLOYEE ENTITLEMENTS

The Company will comply with all legal and industrial obligations in determining the appropriate entitlement to long service, annual, personal and other leave.

HR DEPARTMENT

The HR department of the company will monitor the day to day compliance with this policy.

MODIFICATION

The Nomination & Remuneration Committee or the Board of Directors of the Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with the regulations and / or accommodate organizational changes within the Company.