

BOARD DIVERSITY AND REMUNERATION POLICY

Kalyani Investment Company Limited recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, industry experience, background and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

(I) CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTOR :

1. Qualifications of Director :

A director shall possess appropriate skills, experience and knowledge in one or more fields of engineering, finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

2. Positive attributes of Directors:

An director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

3. Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors.

(II) REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES :

A. Non-Executive Directors :

Non-Executive Directors shall be paid a sitting fee for every meeting of the board or committees thereof attended by them as member, as may be determined by the Board of Directors from time to time.

Non-Executive Directors shall be paid commission upto an aggregate amount not exceeding 1% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time.

The Company has no stock options plans.

B. Managing / Executive Director & Key Managerial Personnel & Other Employees :

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

The Remuneration to Managing / Executive Director shall take into account the Company's overall performance, MD's / ED's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The company has no stock options plans and hence, such instruments do not form part of his remuneration package.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

[As approved by the Board of Directors of Kalyani Investment Company Limited at their meeting held on 3rd February, 2015, based on the recommendation of the Nomination & Remuneration Committee]

For Kalyani Investment Company Limited

Amit B. Kalyani
Chairman

Pune
3rd February, 2015