

**NOMINATION &
REMUNERATION POLICY**

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The Andhra Sugars Limited has always recognised Human Resource as its most valuable asset to bring value addition to the Company. The Andhra Sugars Limited aims to have a transparent fair and reasonable process for determining the need to have appropriate persons to manage various positions with adequate remuneration package for retaining and encouraging high quality talent.

Section 178 of the Companies Act, 2013 provides that every listed Company shall constitute a Nomination and Remuneration Committee consisting of 3 or more Non-executive Directors, of which not less than one half shall be Independent Directors.

To align with the above provisions, the Board of Directors at its meeting held on 26th May, 2014 constituted Nomination & Remuneration Committee comprising of following Independent Directors as its Members :-

Sri A. Ranga Rao
Sri V.S. Raju
Sri P.A. Chowdary

Terms of reference of this Committee shall be:

Identification of persons who are qualified to become Directors & Senior Management personnel.

Formulating & Recommending to the Board the Nomination & Remuneration Policy for Directors, Key Managerial Personnel & other employees.

In this back drop Nomination Remuneration Committee has formulated this Nomination and Remuneration Policy to ensure the fulfillment of the following objectives.

THE ANDHRA SUGARS LIMITED

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 the industry.

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 attract retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

This Nomination & Remuneration Policy covers Nomination & Remuneration.

NOMINATION :

With regard to Nomination, the Nomination & Remuneration Committee shall.

- ❖ Identify the persons who are qualified to become Directors, persons who may be appointed as Key Managerial Personnel and Functional Heads, assess the desired competencies and skills required with reference to areas, such as, gender, age, qualifications and experience and other positive attributes.
- ❖ From time to time assess the extent to which the required skills are represented on the Board.