



ADOR FONTECH LIMITED

Regd. office: Belview 7 Haudin Road Bangalore 560 042; CIN: L31909KA1974PLC020010
Web: www.adorfon.com; Email: customerservice@adorfon.com, investorservice@adorfon.com

MANAGEMENT DEVELOPMENT, NOMINATION AND REMUNERATION COMMITTEE

Broad terms of reference

Shall identify persons who are qualified to become Directors and who may be appointed in Senior Management Positions; shall carry out evaluation of their performance; partake in their development by attending to their training requirements; recommend their remuneration including increments & incentives.

The Committee shall take cognizance of the following:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and Key managerial personnel, of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks. It involves balance between fixed and incentive pay, reflecting on short term and long-term performance/objectives that are appropriate to the working of the Company.

Composition

The Committee shall comprise of at least three Directors, all of whom shall be non-executive and at least half shall be independent. The Chairman of the Committee shall be an Independent Director.

Meetings

Annual meetings and meetings at such intervals as may be deemed essential/requisite. Current practice on appointments

(i) Executive Directors

As regards appointment of Executive Directors and their terms/conditions of appointment and remuneration (based on industry standards and expected contribution to the organisation), the recommendations of the Committee are validated by the Board and thereafter subjected to the approval of Shareholders.

(ii) Non-Executive Directors

Non-Executive Directors and Independent Director's appointment are based on their qualifications, experience/expertise and approved by the Shareholders on the recommendation of the Board.

Role of the Committee

The role of the Committee shall inter-alia include the following:

- (i) Chalk out strategic and development programmes for the organization for the Company as a whole and in terms of different functional areas/streams.
- (ii) Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- (iii) Formulation of criteria for evaluation of independent Directors and the Board.
- (iv) Devising a policy on Board diversity.
- (v) Identifying 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. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Disclosure

The Committee's charter will be published on the Company's website and the same will be updated whenever any amendment/changes/modifications/corrections are made to the charter.