



Diligent Media Corporation Ltd

Remuneration Policy

1. OBJECTIVE

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Senior Management i.e. employees at one level below the Board of Directors and Key Managerial Personnel of the Company by remunerating them reasonably and sufficiently so as to run the operations of the Company successfully. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

2. GUIDING PRINCIPLES

The guiding principle of this Policy is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.

While designing the remuneration package, efforts shall be made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration their required competencies, qualifications, industry experience, effort required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that a significant part of the remuneration package should be linked to the achievement of corporate performance targets and creation of value for stakeholders.

2.1. Remuneration of Executive Members on the Board:

Executive Members on the Board, if any, shall be paid remuneration which shall comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished / unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, reimbursement of medical expenses, leave travel allowance, club membership, stock options, statutory and non-statutory allowances such as education allowances, personal allowances, travel allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive members of the Board, where there are more than one, shall not exceed 10% of the net profit calculated in the manner provided under the Companies Act, 2013 and Rules framed thereunder, and shall not exceed 5% in case there is only one executive member on the Board. In the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of an executive member of the Board, the payment of remuneration shall be governed by the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Executive Members of the Board shall be under service contracts for a period not exceeding 3 (three) years at a time, on the terms & conditions and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Members of the Company at the General Meetings. Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

2.2. Remuneration of Non-Executive Members of the Board:

The remuneration payable to the Non-Executive members of the Board shall be limited to a fixed amount of Commission each year, as may be determined and approved by the Board based on the time devoted, contribution made in the progress and guiding the Company for future growth. Aggregate of such sum shall not exceed 1% of net profit of the year on standalone basis or such sum as may be prescribed by the Government from time to time, calculated in accordance with the provisions of the Companies Act, 2013 and relevant rules framed thereunder. The remuneration in the form of commission payable to Non-Executive members of the Board shall be in addition to the sitting fees payable to them for attending the meetings of the Board and / or Committees thereof, excluding Stakeholders Relationship Committee and Finance Sub-Committee and reimbursement of expenses for participation in the Board and other meetings. Independent Directors of the Company shall not be entitled to any stock option in the Company. The performance of the non-executive members of the Board shall be reviewed by the Board on an annual basis.

2.3 Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel:

The Company believes that a combination of fixed and performance-linked pay to the Executive Management shall ensure that the company can attract and retain key employees. The performance-linked incentive based on Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination & Compensation Committee, annually *inter alia* for the Executive Management. Additionally subject to appropriate approvals of shareholders, the Company may consider issuance of Stock Options to Senior Management.

The Nomination & Compensation Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the remuneration is in line with industry standard in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the members of the Executive Management may consist of the following components:

- Basic salary and Allowances
- Performance linked incentive / bonus

- Stock options, if any
- Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration (including sitting fees) for directorships held in any of the Essel Group of Companies; whether Listed or otherwise.

3. APPROVAL OF THE REMUNERATION POLICY

This Policy is recommended by the Nomination and Remuneration Committee on March 26, 2015 and approved and adopted by the Board at its meeting held on April 29, 2015.
