

other reimbursements. As per the approval given by the members, the said commission shall not exceed 1% of the net profits of the Company. All the Non-executive, Non-Promoter Directors are paid commission on uniform basis. The Independent directors are not entitled to any stock options under the Stock Option Scheme of the Company.

The remuneration to the Managing Director and other Executive Directors consist of monthly salary, allowances, perquisites, commission and other retirement benefits. The remuneration payable to them is subject to the approval of the members of the Company. The overall managerial remuneration payable to them shall not exceed 10% of the net profits of the Company.

In respect of senior management, the remuneration is based on the performance, company's performance, targets achieved, industry benchmark and compensation trends in the industry. Their remuneration consists of monthly salary, bonus, perquisites, KPI and other retirement benefits.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

Pursuant to the SEBI regulations the Company has worked out a Familiarization programme for the Independent Directors, with a view to familiarize them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc.

Through the Familiarization programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. These directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarized with Company's vision, core values, ethics and corporate governance practices.

At the time of appointment of independent director, a formal letter of appointment is given to him, which explains his role, responsibility and rights in the Company.

Subsequently they are appraised of the Company's policies on CSR, nomination and remuneration, plant safety, HR, succession policy for directors and senior management. They are updated with global business scenario, marketing strategies, legislative changes etc. Factory visits are arranged to appraise them of various operational and safety aspects of the plants to get complete understanding of the activities of the Company. Eminent personalities are invited to educate the independent directors about the latest happenings relevant to the duties, rights and responsibilities of the independent directors.

Details of Familiarization programme of Independent Directors with the Company are available on the website of the Company <https://www.uplonline.com/policies-compliances-announcements>.

PERSONNEL

As on 31st March, 2018, the Company has 3865 employees in India, and 4784 employees globally.

The Company has always believed that its people are its biggest asset. The year 2017-18 saw several key initiatives to nurture on our core values.

The initiatives taken during the year

1. SUPPLY CHAIN ACADEMY

The Supply Chain Academy launched in the year 2016 saw a tremendous response. Total 1263 employees were covered under this training initiative where the employees were given training in Safety, Skill Upgradation and other behaviour aspects.

2. SAKSHAM PRPJECT

Saksham Project launched for conducting Development Centres for the Sales Workforce. 497 employees. The aim was to impart Functional and Technical Competencies to the Sales Workforce and building capability

3. GLOBAL LEADERSHIP PROGRAM

Global Leadership Program – Winning in the Market Place launched for the Global Leaders who have potential to grow along with the organization. The aim is to enable identified individuals to unlock their full potential and be effective leaders and contribute in building the strategy.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the Annexures 3 and 4 hereunder and forms part of this Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under sections 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in Annexure 5 to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, the directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the annual financial statements for the year ended 31st March, 2018, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.