

PRAJEEV INVESTMENTS LIMITED

NOMINATION & REMUNERATION COMMITTEE (NRC) POLICY

1. OBJECTIVE: The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors. In case of Key Managerial Personnel (other than Directors) i.e. Company Secretary and Senior Management Personnel the CEO of the company is authorized to appoint and remove them. However, if the need be, the CEO may consult the Committee / Board for further directions / guidance

1.2. To recommend to the Board on Remuneration payable to the CEO and Managing Director. In case of Key Managerial Personnel (other than Directors) i.e. Company Secretary and Senior Management Personnel the CEO is authorized to decide the remuneration payable to them in accordance with Policy of Human Resources Department (HRD). However, if the need be, the CEO may consult the Committee / Board for further directions / guidance.

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

1.4. To devise a policy on Board diversity.

2. DEFINITIONS

2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. Board means Board of Directors of the Company.

2.3. Directors mean Directors of the Company.

2.4. Key Managerial Personnel means

2.4.1. Chief Executive Officer or the Managing Director or the Manager;

2.4.2. Whole-time Directors;

2.4.3. Chief Financial Officer; and

2.4.4. Company Secretary;

2.5. Senior Management personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE:

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee. The Committee shall:

3.1.1. Identify persons who are qualified to become Director(s).

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3.1.2 Persons who may be appointed in Senior Management positions and KMP other than Directors shall be decided by the Managing Director / CEO.

3.1.3. Recommend to the Board, appointment and removal of Director(s). The appointment and removal of Company Secretary and Senior Management Personnel shall be decided by the Managing Director /CEO in best interests of the Company. However, if the need be, the Managing Director /CEO may consult the Committee / Board for further directions / guidance

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the qualification and experience of the person for appointment as Directors.

The Managing Director / CEO is authorized to identify and ascertain the qualification and experience of Company Secretary or at Senior Management level persons. However, if the need be, the Managing Director / CEO may consult the Committee / Board for further directions / guidance.

b) A person should possess adequate qualification, expertise and experience for the position of the Whole time Directors /CEO. The Managing Director/CEO has discretion to decide whether qualification, and experience possessed by a person is sufficient / satisfactory for the concerned position for the position of Company Secretary and senior managerial persons

c) The Company shall not appoint or continue the employment of any person as Whole-time Director /CEO who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure a) Managing Director/Whole-time Director/CEO:

a) The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Directors: - An Independent Director shall be appointed in terms of Section 149 of the Companies Act, 2013 and shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3.2.3. Removal Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee / Board for further

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directions / guidance, with reasons recorded in writing, removal of a Director, KMP or subject to the provisions and compliance of the said Act, rules and regulations.

3.2.4 Removal Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder in case of Senior Management Personnel and Company Secretary, the Managing Director/CEO may consult the Committee / Board for further directions / guidance if need be.

3.2.5. Retirement: The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1. Remuneration to Whole-time / Executive / Managing Director / CEO KMP and Senior Management Personnel:

The remuneration / compensation / commission, etc., as the case may be, to the Managing /Whole-time Director(s)/CEO will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Managing Director / CEO of the Company is authorised to decide the remuneration of KMP (other than Managing / Wholetime Director/CEO) and Senior Management Personnel, and which shall be decided based on qualification and experience etc. as he may consider necessary in the best interests of the Company.

3.3.2. Remuneration to Non- Executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director/s, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders in accordance with the law.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum 3 non-executive / independent directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Constitution of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

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5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present in case of his or her own remuneration is discussed at a meeting.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. REMUNERATION DUTIES The duties of the Committee in relation to remuneration matters include:

10.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

10.2 To approve the remuneration of the Whole Time Director(s) /Managing Director/CEO of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

10.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.

10.4 To consider any other matters as may be requested by the Board.
