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UNIVASTU
INDIA LTD

NOMINATION AND REMUNERATION
POLICY

INTRODUCTION:

The company consider human resources as its valuable assets. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP's) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and as per requirement of (SEBI LODR) 2015 in order to pay equitable remuneration to Directors, Key Managerial Personnel (KMP's) and other employees and to harmonies the aspiration of human resources consistent with the goal of the company.

OBJECTIVE:

The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulations, 2015 effective from 1st April, 2017.

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

DEFINITIONS

1. **Key Managerial Personnel:** Key Managerial Personnel means—

- i. Chief Executive Officer or the Managing Director or the Manager;
- ii. Company Secretary,
- iii. Whole-Time Director;
- iv. Chief Financial Officer; and
- v. Such other officer as may be prescribed.

2. **Senior Management:** Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including the Functional heads.

CONSTITUTION:

The Board of Directors of the Company has constituted the committee to be known as the “Nomination and Remuneration Committee” consisting of at least three non-executive independent directors. The Chairman of the Committee is an Independent Director.

ROLE OF COMMITTEE

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- b) to recommend to the Board the appointment and removal of Senior Management;
- c) to carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance;
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;
- e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan.

MEMBERSHIP

- a) The Committee shall consist of a minimum 3 non-executive directors and at least half of them shall be Independent Directors.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) 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.

FREQUENCY OF MEETINGS

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

COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

SECRETARY

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

VOTING

- a) 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.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;

- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board;
- k) Considering any other matters as may be requested by the Board.

REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- a) 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.
- b) to approve the remuneration of the Senior Management including key managerial personnel 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.
- c) to delegate any of its powers to one or more of its members or the Secretary of the Committee;

- d) to consider any other matters as may be requested by the Board;
- e) Professional indemnity and liability insurance for Directors and senior management.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be noted in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.