

REGENCY NIRMAN LIMITED

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***POLICY FOR APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY
MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES***

REGENCY NIRMAN LIMITED

NOMINATION & REMUNERATION COMMITTEE CHARTER/POLICY

PURPOSE

Section 178 of the Companies Act, 2013 and **Rule 6** of Companies (Meetings of Board and its Powers) Rules, 2014 deals with the **Nomination and Remuneration Committee (NRC)**. The primary function of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation.

The Committee reviews and where required, approves the human resource policies, remuneration proposals, succession planning, evaluation of performances and development plans of Key Managerial Personnel, Senior Management and other employees of the Company. It also provides support in handling the nomination and remuneration proposals for the Board members including Independent Directors.

The Main Objective of Nomination and Remuneration Committee of the Board/Company, is to harmonize the aspirations of the directors/employees with the goals of the company and to ensure that Executive Directors and other employees are sufficiently compensated for their performance.

TERMS OF REFERENCE OF NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board is entrusted with the following responsibilities relating to appointment of Director(s), Key Managerial Personnel (KMP) and other Senior Employee(s).

1. The Nomination and Remuneration Committee shall identify suitable candidates as members of the Board in accordance with defined criteria as laid down before the Committee
2. The Committee is also responsible for devising a policy on Board diversity based on diversity of thought, experience, knowledge, perspective and gender in the Board. This policy shall be recommended by this Committee and approved by the Board.
3. The Nomination and Remuneration Committee recommends the compensation norms for members of the Board.
4. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
5. relationship of remuneration to performance is clear and meets appropriate performance benchmarks
6. remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals
7. The Committee shall monitor and review Board Evaluation Framework, conduct an assessment of the performance of the Board, the Independent directors, each Board committee and the Chair of the Board against criteria as determined and approved by the Committee
8. The Committee is also responsible to formulate the Section 178(4) criteria relating to remuneration of other employees of the Company and devise a policy on the same for recommendation to the Board.

SECRETARY

The Company Secretary or any person authorized shall act as the Secretary to the Committee Meetings.

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COMPOSITION

The Nomination & Remuneration Committee of the Board/Company is constituted in accordance with the provisions of the Companies Act 2013. All members of the Committee are financially literate, with Mr. Niraj R. Sharma, Chairman of the Committee, having the relevant accounting and financial management expertise.

MEETINGS

1. The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of Companies Act, 2013 and Rules made there under and as per the applicable law, if any, for the time being.
2. The Chair shall preside over all Committee meetings. However, the Chairman of the company (whether executive or non-executive) may be appointed, if required, as a member of the Committee but shall not chair such Committee.

FORMULATION

1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks
3. remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals

The Chair shall report to the Board on material matters arising at the Committee meetings and where applicable, shall present the Committee's recommendations to the Board for its approval.

OTHER ROLES AND FUNCTIONS

1. Appointment of Directors / Key Managerial / Senior Managerial Personnel

The Nomination and Remuneration Committee, inter alia, considers qualifications, positive attributes, areas of expertise and number of directorships and memberships held in various committees of other companies by such persons for selection. The board considers the recommendation of the committee and takes appropriate decisions. The company also considers the requirement of skills and effectiveness of persons contributing to the Company's business and policy decisions.

2. Remuneration to directors / key managerial personnel

The remuneration of the directors / managing director / whole time directors and managers etc. will be governed as per provisions contained in the Companies Act, 2013 and rules made therein from time to time.

3. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time.

4. The board, on the recommendation of Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors/Key Managerial Personnel/Senior Managerial Personnel of the Company within the overall limits, if any, approved by the shareholders.

5. The remuneration structure shall include the following components:

- a. Basic Pay
- b. Perquisites and Allowance
- c. Retiral Benefits
- d. Performance Linked Incentives

6. The annual plan, objectives, financial results of the company shall be reviewed by the Nomination and Remuneration Committee and performance incentives, increment, revision in remuneration etc. will be proposed based on the achievements.

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7. Remuneration to other employees

Employees shall be assigned grades/bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade/bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration level for equivalent jobs.

REVIEW OF NOMINATION & REMUNERATION COMMITTEE CHARTER/POLICY

The adequacy of this charter/Policy shall be reviewed and reassessed by the Nomination & Remuneration Committee as may be deemed fit by the Committee and appropriate recommendations shall be made to the Board to update the same based on the changes that may be brought about to the regulatory framework, from time to time.

AMENDMENTS

This Policy shall be suitably amended, modified and improved to meet the changing business needs and in respect to any subsequent amendment/modification in the companies act and/or other applicable laws in this regard.

Amendment: - 02/04/2020