



PREAMBLE

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board") and for Key Managerial Personnel ("KMP") and the Management Personnel ("MP") of the Company (collectively referred to as "Executives"). The expression KMP shall have the same meaning as defined under the Companies Act, 2013; "management personnel" means personnel of the company excluding Board of Directors comprising such levels of managerial personnel as may be decided from time to time. This Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

DEFINITIONS:

“Board” means Board of Directors of the Company.

“Company” means “**RKEC PROJECTS LIMITED.**”

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961 and other statutory benefits.

“Employees’ Stock Option” means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

“Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” (KMP) mean

- The Managing Director / Chief Executive Director / Manager of the Company/Whole Time Director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer as may be required.

“**Nomination and Remuneration Committee**” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement. “

Policy or This Policy” means, “Nomination and Remuneration Policy.”

“**Senior Management**” mean personnel of the Company who are members of its core



management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

APPLICABILITY:

This Policy applies to Directors, Senior Management including its Key Managerial Personnel (KMP) and other employees of the Company.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

OBJECTIVES:

The Policy ensures that

- 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
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel 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.

ROLE OF THE COMMITTEE:

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

- (a) Formulate criteria for evaluation of Independent Directors and the Board.
- (b) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (c) To carry out evaluation of every Director's performance.
- (d) To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- (e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (h) To devise a policy on Board diversity.
- (i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (j) To perform such other functions as may be necessary or appropriate for the performance of its duties
- (k) Succession planning for replacing Key executives and overseeing.



(1) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

Directors

The appointment of the Non-Executive and Independent Directors are subject to the recommendation of NRC and approval of the Board of Directors and Shareholders. The Company shall comply provisions of the Companies Act, 2013 and rules framed thereunder for appointment of the Managing Director, Executive Director and Independent Directors.

Key Managerial Personnel

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Key Managerial Personnel and recommend his/ her appointment as per the Company's Policy

Senior Management

The Managing Director is authorized to make appointment and removal of Senior Management Personnel. The same will be reported to the Board in the next Board Meeting.

Other Employees

Other employees will be appointed by the Managing Director from time to time.

EVALAUTION:

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

The Managing Director shall carry out evaluation of performance of the Senior Management Personnel as per the Company's policy and report to the Committee.

REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.



RETIREMENT:

The Director, Key Managerial Personnel or 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 and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company. The Managing Director will have the discretion to retain the Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/ KEY MANAGERIAL PERSONNEL/ SENIOR MANAGEMENT PERSONNEL:

- Remuneration to Managing Director / Whole-time Directors:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

- Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

- **Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



IMPLEMENTATION:

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

DISCLOSURE OF INFORMATION:

Information on the total remuneration of members of the Company's Board of Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

NRC COMPOSITION AND MEETINGS:

The Composition and meetings of NRC will be governed by the provisions of the Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. as may be applicable from time to time.

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

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