



## **NOMINATION AND REMUNERATION POLICY**

### **INTRODUCTION**

The Nomination & Remuneration Policy ("**Policy**") of G R Infraprojects Limited ("**the Company**") is being formulated in terms of the provisions of Section 178 of the Companies Act, 2013 ("the Act") read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel has been formulated by the Nomination and Remuneration Committee ("the Committee") and has been approved by the Board of Directors of the Company.

### **1. DEFINITIONS**

"**Remuneration**" means any money or its equivalent paid or passed on to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"**Key Managerial Personnel**" means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary;
- iv. Such other officers as may be prescribed.

"**Senior Managerial Personnel**" means the officers/personnel of the company who are members of its core management team excluding Board of Directors and normally this category would comprise all members of the management one level below the chief executive officer/ managing director/wholetime director/ manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.

### **2. OBJECTIVE:**

The objective of the policy is as under:

- i. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for recommendation of appointment of a director (executive/ non-executive/ independent) to the Board ; and
- ii. To specify the manner for effective evaluation of performance of Board, its Committees, Individual Directors, to be carried out either by the Board, Nomination and Remuneration Committee, or by an Independent external agency and review its implementation and compliance.
- iii. To recommend policy relating to the remuneration of the Directors, KMP and other employees to the Board of Directors of the Company ("Board").



This includes reviewing and approving corporate goals and objectives relevant to the compensation of the Executive Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve Executive Directors' compensation based on such evaluation; making recommendations to the Board with respect to KMPs and Senior Management Personnel compensation and recommending incentive- compensation and equity-based plans to the Board.

### **3. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (“KMP”) AND SENIOR MANAGEMENT PERSONNEL**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and make recommendations to the Board about his/her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the position.
- iii. The Company shall not appoint or continue to have any person as Whole-time Director who has attained the age of seventy years and shall not appoint or continue any person as Independent Director who has attained the age of seventy-five years, provided that the term of the person holding such position may be extended beyond the age of seventy years/seventy-five years with the approval of shareholders by passing a special resolution.
- iv. Basis the performance evaluation report of an Independent Director, the committee shall recommend to the Board, whether to extend or continue the term of appointment of the Independent Director.

The Committee should ensure that the Board of Directors of the Company comprises of individuals having appropriate qualification & experience in accordance with Board Diversity Policy as set out in Annexure-I to this policy.

#### **TERM/ TENURE**

##### **a) Executive Chairman/ Managing Director/ Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman or Managing Director or Whole-time 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 Director:**

An Independent Director shall hold office for a term up to five consecutive years and will be eligible for re-appointment upon 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 of maximum 5 years each, 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.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to the maximum number prescribed in the applicable regulations in force.

#### **REMOVAL**

Due to reasons for any disqualification mentioned in the Act, rules and regulations made thereunder, or under any other applicable law, or for any other compelling reasons, the Committee may recommend with reasons to be recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to compliance of the provisions the Act, rules and regulations and the Policy of the Company.

#### **RETIREMENT**

The Director, Key Managerial Personnel 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, Key Managerial Personnel, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **4. POLICY FOR REMUNERATION TO DIRECTORS/KEY MANAGERIAL PERSONNEL/OTHER EMPLOYEES**

##### **i. 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 Act and rules made there under or any other enactment for the time being in force and within the overall limits approved by the shareholders of the Company.

##### **ii. Remuneration to Non- Executive/ Independent Directors:**

Overall remuneration should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.

Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members). Quantum of sitting fees may be subject to review on a periodic basis, as required.

Overall remuneration (sitting fees) practices should be consistent with the recognised best practices.



In addition to the sitting fees, the Company may pay / reimburse to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his / her role as a Director of the Company.

**iii. Remuneration to Key Managerial Personnel and Other Employees:**

The remuneration to Key Managerial Personnel and Other Employees shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013, other legislative enactments, if any, and in accordance with the Company's Policy.

The fixed pay shall include monthly remuneration, employer's contribution to provident fund, contribution to pension fund, pension schemes, etc. as decided from time to time.

The compensation to Senior Management Personnel should be recommended to the Board by the Committee.

**IMPLEMENTATION**

The Committee is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

**REVIEW OF THE POLICY**

This Policy will be reviewed and reassessed by the Committee as and when required due to change in regulations or as may be felt appropriate or desirable by the Committee. Any changes or modification to the Policy as recommended by the Committee would be placed before the Board of Directors for their approval.



## **Board Diversity Policy**

### **1. INTRODUCTION:**

The Board Diversity Policy sets out the approach to have a diversity on the Board of the Company in terms of thought, experience, knowledge, perspective and gender in the Board, based on the laws, rules and regulations applicable to the Company.

### **2. PURPOSE:**

This policy is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organization and business as a whole. The basic essence of the Policy is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

### **3. POLICY AND PURPOSE:**

The Company believes that a diverse Board will amongst others –

- a. Enhance the quality of decisions making and ensure better business performance.
- b. Encourage diversity of perspectives thereby fuel creativity and innovation.
- c. Complement and expand the skills, knowledge and experience of the Board as a whole.
- d. Provide better Corporate Governance.

A diverse Board will include and make good use of the differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members as a whole. All Board appointments will be done on merit, in the context of skills as required for the areas of our business operations, management and also expertise in the fields of regulatory, legal, research / clinical development, human capital management, strategic planning, marketing and general administration.

Policy may mention clear guidelines/parameters for making the Board composition based on Educational Qualification, Experience, Industry Expertise, Gender, Independency, Small shareholder Representation, Nominee representation, Promoter Representation etc.

### **4. NOMINATION AND APPOINTMENT:**

The Nomination and Remuneration Committee ('Committee') of the Board shall be responsible for:

- a. Reviewing and assessing the composition and performance of the Board.
- b. Identify appropriate qualified personnel to occupy Board position.
- c. Suggest appropriate expertise and diversity required based on future projected activities of the Company.
- d. Managing the process of recruiting new member to the Board, defining requisite skills and expertise and make recommendations to the Board.
- e. Ensuring that selection process is formal and thorough and non-discriminatory.
- f. Review and report any changes in relation to the diversity of the Board. The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and other applicable statutory / regulatory requirements.



**5. MONITORING, TRACKING AND REPORTING:**

The Committee shall support laying down a succession plan and drive the understanding of talent across the organization and support development programme for the Board. As part of the exercise, it will also review and suggest training for directors. Amongst the key requirements is to also plan for the evolution of non-executive directors over the medium term to maintain appropriate mix of skills, age and gender diversity on the Board. The Committee will conduct an annual review of the policy (including a review of the effectiveness of the Policy), discuss any changes with the Board and ensure that the revisions to the Policy are approved by the Board. The Company shall provide sufficient information about this policy to its shareholders, and provide information regarding the composition of the Board, the areas of expertise of each director and their qualification / characteristics etc. The necessary disclosures about the policy and other details should be made as per the requirements of the Listing Regulations and Companies Act, 2013. The policy shall be made available on the website of the Company.

**6. AMENDMENTS AND UPDATES:**

The Committee shall review this Policy on a periodic basis and recommend revisions to the Board for consideration and approval.

**7. INTERPRETATION:**

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder. In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee and the decision of the Committee in such a case shall be final.