

NOMINATION & REMUNERATION POLICY

1. Preamble and Objective:

The Nomination & Remuneration Policy ("Policy") of Meghna Infracon Infrastructure Limited (Formerly Known as Naysaa Securities Limited (the "Company") is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees. The Key Objectives and purpose of this policy are:

- I. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- II. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- III. Devising a policy on Board diversity;
- IV. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- V. To carry out evaluation of the performance of Directors.
- VI. To specify the manner for effective evaluation of performance of Board, its committees and individual directors.
- VII. To ensure 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.
- VIII. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- IX. To ensure that the remuneration to Directors, Key Managerial Personnel (KMP), and senior management of the Company 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.
- X. To assist the Board in ensuring that the plans are in place for orderly succession for appointments to the Board and to senior management.
- XI. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

2. Definitions:

"Board of Directors" or "Board" means the Board of Directors of Meghna Infracon Infrastructure Limited (Formerly known as Naysaa Securities Limited), as constituted from time to time.

"Company" means Meghna Infracon Infrastructure Limited (Formerly known as Naysaa Securities Limited).

“Committee” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“Policy” means Nomination & Remuneration Policy and as may be amended from time to time.

“Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“Independent Director” means a Director referred to in Section 149(6) of the Companies Act, 2013 and /or as defined under Regulation 16 (b) of the Listing Regulations.

“Key Managerial Personnel” means Key Managerial Personnel or KMP as defined in subsection (51) of section 2 of the Companies Act, 2013.

“Senior Management” means officers/ personnel of the Company who are members of its core management team. The core management team includes Chief Executive Officer, Managing Director, Chief Operating Officer & Whole-time Director, Presidents, Group General Counsel, Head-HRD, Chief Financial Officer and Company Secretary.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) or any other applicable law or regulation to the extent applicable to the Company.

3. Applicability:

The Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel
- Other employees

4. Constitution of Committee:

- a. The Board of Directors of the Company (the Board) constituted the committee known as “Nomination and Remuneration Committee” on 26.07.2014, consisting of three non-executive directors out of which not less than one-half are independent directors. This is in line with the requirements under the Companies Act, 2013 (“Act”). The Board has authority to reconstitute the Committee from time to time.
- b. The Chairman of the Committee shall be an Independent Director.
- c. The chairperson of the Company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

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

- a) **Size and composition of the Board:**
Periodically reviewing the size and composition of the Board to have an appropriate mix

of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

- b) **Directors:**
Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.
- c) **Succession plans:**
Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.
- d) **Evaluation of performance:**
For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company shall formulate a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the response to the questionnaire, a formal annual evaluation shall be made by the Nomination and Remuneration Committee of the performance evaluation of the Board and that of its Committees and individual Directors.
- e) **Board diversity:**
The Committee is to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives.
- f) **Remuneration of Directors, Key Managerial Personnel and Other Employees:**
At the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The remuneration to be paid to the Senior Management Personnel and other employees shall be approved by the Board.

The annual increment of remuneration for Managing Director/Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMPs (other than Managing Director/Whole-time Directors), Senior Management Personnel and other employees shall be approved by the Board.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/ Managing Director in accordance with the provisions of the Companies Act, 2013.

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed INR One lakh per meeting of the Board or Committee. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further the boarding and lodging expenses shall be reimbursed to the Directors.

6. Policy for appointment and removal of Directors, KMP and Senior Management

a) **Appointment criteria and qualifications:**

The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.

The Company shall not appoint or continue the employment of any person as Independent Director who has attained the age of seventy five years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy five 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 five years.

A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

b) **Term/Tenure:**

➤ Managing Director/ Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointments shall be made earlier than one year before the expiry of term.

➤ Independent Director:

An Independent Director shall hold office for a term up to 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. 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 applicable regulations in force.

c) **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.

d) **Retirement:**

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

7. Policy Review

This Policy is framed based on the provisions of the Companies Act, 2013 and rules there under and the requirements of Listing Regulations with the Stock Exchanges.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate 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.