

## SHASHIJIT INFRAPROJECTS LIMITED

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### **NOMINATION AND REMUNERATION POLICY**

#### **1) PREAMBLE**

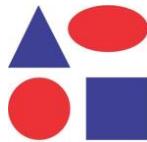
Pursuant to Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulation, 2015, further amended with SEBI (LODR) (Amendment) Regulations, 2018, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company has constituted "Nomination and Remuneration Committee" with three Non-Executive Independent Directors as Members of the Committee.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

#### **2) OBJECTIVE**

The Key Objectives of the Committee would be:

- a)** 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
- b)** 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.
- c)** To formulate criteria for evaluation of performance of independent directors and the board of directors.
- d)** devising a policy on diversity of board of directors
- e)** 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.
- f)** To carry out evaluation of every Director's performance.
- g)** To recommend to the Board the appointment and removal of Directors and Senior Management.
- h)** To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- i)** Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- j)** To recommend to the board, all remuneration, in whatever form, payable to senior management.
- k)** To perform such other functions as may be necessary or appropriate for the performance of its duties.



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### 3) DEFINITIONS

- a) **“Board”** means Board of Directors of the Company.
- b) **“Company”** means **Shashijit Infraprojects Limited**.
- c) **“Independent Director”** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- d) **“Key Managerial Personnel” (KMP)** means i. Chief Executive Officer or the Managing Director or the Manager, ii. Whole-time Director, iii. Chief Financial Officer iv. Company Secretary.
- e) **“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.
- f) **“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.
- g) **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”
- h) **“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.
- i) **“Senior Management”** means 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

### 4) INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and/or any other SEBI Regulation(s) as amended from time to time.

### 5) GUIDING PRINCIPLES

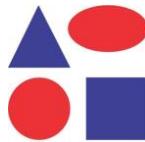
The Policy ensures that

- 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.

### 6) ROLE OF THE COMMITTEE

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

- a) To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.



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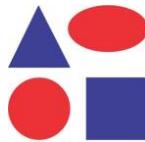
- b)** For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The 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.
- c)** To formulate criteria for evaluation of performance of independent directors and the board of directors.
- d)** devising a policy on diversity of board of directors
- e)** 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.
- f)** To carry out evaluation of every Director's performance.
- g)** To recommend to the Board the appointment and removal of Directors and Senior Management.
- h)** To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- i)** Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- j)** To recommend to the board, all remuneration, in whatever form, payable to senior management.
- k)** To perform such other functions as may be necessary or appropriate for the performance of its duties.

### 7) MEMBERSHIP

- a)** The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b)** The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c)** The quorum for a meeting of the NRC shall be either two (2) members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- d)** Membership of the Committee shall be disclosed in the Annual Report.
- e)** Term of the Committee shall be continued unless terminated by the Board of Directors.

### 8) CHAIRMAN

- a)** Chairman of the Committee shall be an Independent Director.
- b)** Chairman of the Company may be appointed as a member of the Committee but shall not Chair 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.



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d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### 9) FREQUENCY OF MEETINGS

The Nomination and remuneration committee shall meet at least once in a year.

### 10) COMMITTEE MEMBERS' INTERESTS

- 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.

### 11) SECRETARY

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

### 12) 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.

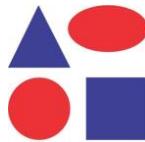
### 13) APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

#### a) Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy 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 years.

#### b) Term / Tenure:

1. **Managing Director/Whole-time Director/Manager (Managerial Person):**
  - The Company shall appoint or re-appoint any person as its Managerial Person 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.



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### 2. 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 reappointment 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 seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

### c) Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval.

### d) Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder 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.

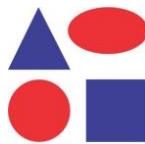
### e) Retirement:

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

## 14) PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

### a) General:

- The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation /commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.



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- The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **b) Remuneration to Managerial Person, KMP and Senior Management:**

#### **1. Fixed pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **2. Reimbursements:**

Reimbursement of expenses incurred by the Managing Director, Whole-time Director(s) during business trips for travelling, boarding and lodging will be provided by the Company.

#### **3. Commission:**

Commission is decided based on performance of Managerial Person as well as the Company. Commission may vary from time to time and shall be subject to the ceilings prescribed under the applicable law.

#### **4. Minimum Remuneration:**

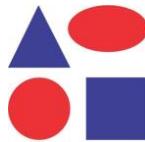
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

#### **5. Provisions for excess remuneration:**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **c) Remuneration to Non-Executive / Independent Director:**

#### **1. Remuneration / Commission:**



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The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

### **2. Sitting Fees:**

The Non- Executive / Independent Director may receive sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### **3. Reimbursement of actual expenses incurred:**

Non-Executive / Independent Director may also be reimbursed the actual expenses for travel, boarding and lodging and incidental and/or other out of pocket expenses incurred for attending Board/Committee Meetings.

### **4. Limit of Remuneration /Commission:**

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

#### **d) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

### **15) MINUTES OF COMMITTEE MEETING**

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.

### **16) DEVIATIONS FROM THIS POLICY**

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.

**The provision of this policy is subject to review by the Board of Directors as and when deemed necessary.**