



MANGLAM INFRA & ENGINEERING LIMITED

NOMINATION AND REMUNERATION POLICY

The Board has adopted this *Nomination and Remuneration Policy* at its meeting held on **December 01, 2023**, which can be amended from time to time. This policy shall come into force with effect from the date the **Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015** take effect with respect to the Company.

I. INTRODUCTION

In terms of Section 178 of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. This policy shall act as a guideline for determining inter-alia qualifications, positive attributes and independence of a Director and remuneration for the Directors, KMPs and other employees. This policy also specifies the manner for effective evaluation of performance of the Board, its committees and individual directors and review its implementation and compliance.

This Policy is formulated in accordance with provisions of the section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**Listing Regulations**”) as amended from time to time, along with any other applicable rules thereto.

II. OBJECTIVE

The Key Objectives and purpose of this Policy are:

- a) To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and recommend to the Board policies relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees;
- b) 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;
- c) To specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance;
- d) That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- e) To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management; and
- f) 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.

III. DEFINITIONS

“**Act**” means Companies Act, 2013 and rules thereunder, including any modifications, amendments or re-enactment thereof.

“**Board**” means Board of Directors of the Company.

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

“**Company**” means Manglam Infra & Engineering Limited.

“**Directors**” means Directors of the Company

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

“**Key Managerial Personnel**” (KMP) means:

- (i) Chief Executive Officer or the Managing Director or the Manager;
- (ii) Company Secretary;
- (iii) Whole-time Director;
- (iv) Chief Financial Officer; and
- (v) Such other officer as may be prescribed.

“**Listing Regulations**” the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 including any modification or re-enactment thereof.

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

“**Senior Management**” shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

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

IV. APPLICABILITY

The Policy is applicable to-
Directors (Executive and Non-Executive),
Key Managerial Personnel
Senior Management Personnel

V. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and Listing Regulations, as amended from time to time.

VI. NOMINATION AND REMUNERATION COMMITTEE

1. Constitution

The board of directors shall constitute the nomination and remuneration committee as follows

- a) the committee shall comprise of at least three directors
- b) all directors of the committee shall be non-executive directors; and
- c) at least two-thirds of the directors shall be independent directors.

The Board shall constitute/reconstitute the committee as and when required to comply with the provisions of the Act, regulations and applicable statutory requirement.

Term of the Committee Members shall be perpetual unless terminated by the Board of Directors or by resignation, cessation etc.

2. Chairperson

The Chairperson of the nomination and remuneration committee shall be an independent director

Provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

3. Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet at least once a year.

4. Quorum

The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The participation of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

5. Role

The role of the nomination and remuneration committee shall be as specified as in Part D of the Schedule II of Listing regulation and such other roles as required in accordance with provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") along with any other applicable rules thereto.

6. Responsibilities

The responsibilities of the committee shall include the following:

- a) Recommend to the Board the setup and composition of the Board.
- b) Support the Board in matters related to the setup, review and refresh of the committees.
- c) Devise a policy on Board diversity..
- d) Recommend to the Board, the appointment of KMP and Senior Management. The committee shall consult the Audit Committee of the Board before recommending the appointment of the Chief Financial Officer ("CFO").

- e) Formulate and recommend to the Board plans for orderly succession for appointments to the board (MD & ED), KMPs and other senior management.
- f) All other responsibilities as defined in the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) along with any other applicable rules thereto.

VII. GUIDELINES FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT & OTHER MATTERS

1. Appointment criteria and qualifications

- a) 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.
- b) 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.
- c) 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 in general meeting.

2. Term / Tenure

- a) Managing Director/Whole-time Director/Manager (“Managerial Person”)

The company shall appoint managerial personnel as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. 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.

- b) 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.

3. Performance Evaluation

- a) In compliance with Listing Regulations and the Companies Act, the Board shall evaluate its own performance along with that of its Committees. Further performance evaluation of all directors will be carried out by the Nomination and Remuneration Committee, which shall be reviewed by the Board. The criteria for evaluation of the performance of the Board, its Committee and Individual Directors shall be framed by the Committee in consultation with the Board and in accordance with applicable statutory requirement.
- b) The evaluation of independent directors shall be done by the entire board of directors which shall include-
 - i. performance of the directors; and
 - ii. fulfillment of the independence criteria as specified in these regulations and their independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

- c) Performance of individual Directors of the Company shall be evaluated, on an annual basis, by the Board as a whole (excluding the Director being evaluated)

4. Removal

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable Act, rules, regulations and policies of the Company, 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.

5. Retirement

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company, as the case may be. 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 subject to compliance of Acts, rules and regulations.

VIII. GUIDELINES RELATING TO THE REMUNERATION FOR THE DIRECTOR, KMP AND SENIORMANAGEMENT PERSONNEL

1. General

- a) The remuneration / compensation / commission etc. to Managing Director, Whole Time Director, Manager ("Managerial Person") 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/or Central Government, wherever required.
- b) .The remuneration and commission to be paid to Whole-time Director(s) shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the

Company/terms of appointment approved by the Board or shareholders, as the case may be and as per the provisions of the Companies Act, 2013 and the rules made thereunder and Listing Regulations.

- c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders/ central government in the case of Whole-time Director. Increments will be effective as per the terms of appointment or 1st April as the case may be, subject to compliance of applicable law/regulations.
- d) Where any insurance is taken by the Company on behalf of its Whole-Time Director, KMP and Senior Management Personnel 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.

2. Remuneration to Managerial Person

- a) Fixed and Variable pay

The Managerial Person shall be eligible for remuneration as may be approved by the Board of the Company on the recommendation of the Committee. The break-up of the pay scale, performance bonus/commission 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 shall be within the overall remuneration approved by the shareholders and/or Central Government, wherever required.

- b) Minimum Remuneration

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 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 previous approval of the Central Government.

- c) Provisions for excess remuneration

If any Whole-time Director 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 excess remuneration to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sums refundable to it unless permitted by the Central Government.

3. Remuneration to Non-Executive / Independent Director/

- a) Remuneration / Commission:

The Board of the Company on the recommendation of the Committee may approve the remuneration / commission to Non-Executive/Independent Directors in accordance with the

statutory provisions of the Act, and the rules made thereunder for the time being in force, subject to approval of Shareholders/Central Government, wherever required.

b) **Sitting Fee**

The quantum of sitting fees will be determined as per the recommendation of the Committee and approved by the Board of Directors of the Company. The Non- Executive / Independent Director may receive remuneration by way of sitting fee for attending meetings of Board or Committee thereof. Provided that the amount of such fee shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) **Limit of Remuneration /Commission**

Remuneration/Commission may be paid within the monetary limit approved by Board/shareholders as per the applicable provisions of the Act.

d) **Stock Options**

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

IX. IMPLEMENTATION AND COMPLIANCE

- a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b) The Committee may sub-delegate any of its powers to any one or more of its members/KMPs/Senior Management as and when required in compliance with the Act.
- c) The Committee shall ensure compliance to this Policy as per Act& Listing Regulations.

X. DISCLOSURE

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

XI. AMENDMENTS

This Policy may be amended by the board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including LODR Regulations.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
