



EK PERFECT SHURUAAT

NOMINATION AND REMUNERATION POLICY

WONDER CEMENT LIMITED

Nomination and Remuneration Policy

1. Nomination and Remuneration Policy

In pursuance of the Company's policy to consider human resources as its invaluable assets and to pay equitable remuneration to all Directors, Key Managerial Personnel and Employees of the Company this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

Objective

The objective of the policy is to ensure that

- (i) 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;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay as and when influenced reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Responsibility of the Committee

The Committee is responsible for:

- (i) formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this Policy;
- (ii) advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including Non-Executive Directors), Key Managerial Personnel and the Senior Management;
- (iii) monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), Key Managerial Personnel and the Senior Management;
- (iv) monitoring and evaluating the application of this Policy;
- (v) monitoring and evaluating current remuneration structures and levels in the Company;

(vi) specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; and

(vii) any other responsibility as may be determined by the Board from time to time.

Applicability

- i. Directors (Executive and Non-Executive).
- ii. Key Managerial Personnel.
- iii. Senior Management Personnel etc.

Policy for appointment and removal of Director, Key Managerial Personnel and Senior Management

1. Appointment Criteria, Qualifications and Attributes:

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend to the Board his / her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Directors including Independent Directors and Key Managerial Personnel should meet the requirements/ criteria, if any, as prescribed/ may be prescribed under the provisions of the Companies Act, 2013, from time to time. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director 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.

2. Term / Tenure:

i. Managing Director/ Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing 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.

ii. 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 of upto maximum of 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.

3. Removal

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

4. 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 and 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 etc.

1. Remuneration to Managing/ Whole-Time / Executive / Managing Director, Key Managerial Personnel and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director 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.

2. Remuneration to Non-Executive/ Independent Director:

The Non-Executive/ Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees 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.

Effective Date

This policy is effective from 01st day of April, 2014 and further revised on 05th day of April, 2019 and 27th day of June, 2020.