



POLICY ON NOMINATION AND REMUNERATION

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Construction industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 31 July, 2014.

Effective Date:

This policy shall be effective with retrospective effect from 01 April, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of Remuneration Committee constituted on 23 March, 2009 by renaming it as Nomination and Remuneration Committee on 07 May, 2014. The Constitution of the Nomination and Remuneration Committee shall be as per following:

- The Committee shall comprise of at least three Directors.
- All member of the Committee shall be Non Executive Directors.
- At least two thirds of the members shall be Independent Directors.
- Chairperson of the Nomination and Remuneration Committee shall be an Independent Director;

Provided that Chairperson of the Company, whether Executive or Non Executive may be appointed as member of the Nomination and Remuneration Committee but shall not chair such Committee.

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.



RAUNAQ EPC INTERNATIONAL LIMITED

Definitions

- "Board" means Board of Directors of the Company.
- "Directors" means Directors of the Company.
- "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- "Company" means Raunaq EPC International Limited.
- "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

Key Managerial Personnel (KMP) means-

- (i) Executive Chairman and/or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel (KMP) by the Board; and
 - (vi) Such other officer as may be prescribed.
- **Senior Management** shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time 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.

Applicability

The Policy is applicable to;

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

General

- This Policy is divided in three parts:
Part – A covers the matters to be dealt with and recommended by the Committee to the Board,
Part – B covers the appointment and nomination and;
Part – C covers remuneration and perquisites etc.
- The key features of this Company's policy shall be displayed on the website of the Company.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
 - 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