

C&C Constructions Ltd.

Appointment and Remuneration Policy

Introduction

The Policy aims to ensure that the persons appointed as Directors, Key Managerial Personnel and Senior Management possess requisite qualification, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully.

This Policy has been developed and implemented by the Nomination and Remuneration Committee and is applicable to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Objective

The objectives of this policy are:

- i) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors and who may be appointed key managerial personnel and in senior management.
- ii) To determine the remuneration for the directors, key managerial personnel and senior management personnel based on the Company's size, financial position trends and practices prevailing in peer companies so as to attract, retain and motivate directors of the quality required to run the company successfully.
- iii) To carry out evaluation of every director's performance.

Guiding Principles

The Policy ensures that

- a) 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.
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and

- c) 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.

Definitions:

“**Act**” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

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

“**Company**” means “C&C Constructions Limited.”

“**Committee**” means a Nomination and Remuneration Committee of Board of Directors of the Company, constituted or reconstituted by the Board from time to time in accordance with the provisions Section 178 of the Companies Act, 2013 and the Listing Regulations.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Listing Regulations.

“**Key Managerial Personnel**” (KMP) means person(s) appointed as such in pursuance of Section 203 of the Act.

“**Senior Management**” means personnel of the Company designated as Senior Management in accordance with the definition laid down under Explanation to Section 178 of the Act and Regulation 16 (1) (d) of Listing Regulations.

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

Interpretation

Unless the context otherwise requires, terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Regulations and/or any other SEBI Regulation(s) as amended from time to time.

Applicability

The Policy is applicable to

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

General Appointment Criteria

- i) The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii) The person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.
- iii) The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.
- iv) The appointee should have the requisite qualifications, skills, knowledge, experience and expertise relevant or useful to the business of the Company. The relevant experience could be in areas of management, human resources, sales, administration, research, Corporate Governance, manufacturing, international operations, public service, finance, accounting, strategic planning, risk management, supply chain, information & digital technology, marketing, law or any other area considered necessary by the Board/NRC.
- v) The appointee should be a person who is capable of balancing the interest of the Company, its employees, the shareholders, and the community and for the protection of the environment.
- vi) The appointee should have ability to read and understand the financial statements.
- vii) The appointee should protect confidentiality of the confidential and proprietary information of the Company.

NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient/ satisfactory for the concerned position.

Additional Criteria for Appointment of Independent Directors:

NRC shall identify suitable persons for appointment and recommend their appointment to the Board. The Board will consider recommendations of NRC and accordingly, approve appointment and remuneration of Non-executive and/or Independent Directors subject to approval of the Shareholders of the Company.

The appointment of Independent Directors shall be formalized in accordance with the applicable laws.

Term / Tenure

The Term /Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

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 or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Criteria for Evaluation of Independent Director and the Board

Following are the Criteria for evaluation of performance of Independent Directors and the Board

1. Executive Directors

The Executive Directors shall be evaluated on the basis of targets / Criteria if any given to executive Directors by the board from time to time as well as the execution level of the respective projects under them.

2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the company;
- (k) keep themselves well informed about the company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- (n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

Frequency of Evaluation

Evaluation of performance shall be done annually.

Remuneration

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

1. Managing Director/ Whole Time Directors

Besides the above Criteria, 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. Non executive and Independent Directors

The Non- Executive and Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such 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.

Variable remuneration-Commission as a % of the net profit of the Company/amount approved by the Board and/or the shareholders of the Company.

Stock Options as per terms of prevalent Stock Options Plan. Independent Directors will not be entitled to Stock Options.

3. KMPs including CFO and CS / Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the policies and practices of the Company from time to time and limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The remuneration may consist of:

- Fixed remuneration as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Stock Options, if any as per terms of the prevalent Stock Options Scheme/Plan
- Any other incentive as may be applicable.

Appointment of KMPs (including terms and remuneration) shall be approved by the Board. Upon the NRC recommending the appointment of the CFO to the Audit Committee, the Audit Committee shall approve the appointment of CFO and recommend the same to the Board for approval after assessing the qualifications, experience, background etc. Where a KMP is in Senior Management, the appointment (including terms and remuneration) shall be recommended by NRC to the Board for its approval.

Directors' and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. 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.

Policy on Board diversity

The Board of Directors shall have the optimum combination of Directors from the different areas fields like Technical, Finance, General Management, Human Resources, Social etc or as may be considered appropriate.

Compliances

The terms/process of appointment/re-appointment and remuneration of the Directors and other employees covered under this Policy shall be governed by the provisions of the Act, Rules, Listing Regulations, other applicable laws and policies and practices of the Company.

Disclosures

Disclosures about this Policy shall be made in compliance with the applicable laws.

Review/Amendment

Based on the recommendation of the NRC, the Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Act, Listing Regulations and/or any other applicable law or regulation. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.