



# **NOMINATION AND REMUNERATION POLICY**

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| <b>Policy approved by</b>          | <b>: Board of Directors of Glass Wall Systems (India) Limited</b> |
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## GLASS WALL SYSTEMS (INDIA) LIMITED

### NOMINATION AND REMUNERATION POLICY

This Nomination & Remuneration Policy ("Policy") has been adopted by the Board of Directors ("Board") of Glass Wall Systems (India) Limited (the "Company") pursuant to Section 178 of Companies Act, 2013 read with relevant rules notified thereunder and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as amended from time to time

#### 1. DEFINITIONS

- a. "**Act**" means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.
- b. "**Board**" means Board of Directors of the Company.
- c. "**Company**" means GLASS WALL SYSTEMS (INDIA) LIMITED.
- d. "**Committee**" means Nomination and Remuneration Committee, duly constituted or re-constituted by the Board from time to time.
- e. "**Key Managerial Personnel ("KMP")**" means (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) Company Secretary ; (iii) the Whole-time Director; (iv) Chief Financial Officer; (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and (vi) Such other officer as may be prescribed.
- f. "**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;
- g. "**Senior Management**" means the officers and personnel of the Company who are members of its core management team excluding Board of Directors, comprising of 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) including the functional heads and the persons identified and designated as key managerial personnel, other than the board of directors, by the Company.
- h. "**SEBI Listing Regulations**" means Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 2. PURPOSE

The Nomination and Remuneration Committee (the "Committee") is a Committee of the Board. The Committee's primary functions are to: -

- i. identify persons who are qualified to become directors and who may be appointed in the Senior Management of the Company;
- ii. formulate criteria for determining qualification, positive attributes and independence of a director;
- iii. recommend to the Board, appointment and removal of a director and Senior Management;
- iv. evaluate the Board's performance and carry out evaluation of every director's performance;
- v. make recommendations to the Board relating to the remuneration of directors, KMP and other employees.
- vi. ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, KMP and Senior Management to run the Company successfully.
- vii. ensure that remuneration to directors, KMP 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.
- viii. delegate any of its powers to one or more of its members or the secretary, of the Committee.
- ix. devising a policy on diversity of Board of Directors.

- x. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- xi. consider such other key issues or matters as may be referred by the Board or as may be necessary in view of the provisions of the Act and Rules made thereunder.

### **3. MEMBERSHIP AND TERM**

- a. The Committee shall consist of a minimum of 3 (three) directors, all of whom shall be Non-Executive Directors and at least two-thirds shall be independent directors.
- b. The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a Director of the Board.
- c. Membership of the Committee shall be disclosed in the annual report including whether a Director is Independent or Non-Independent.

### **4. CHAIRPERSON**

- a. The Chairperson of the Committee shall be an Independent Director duly appointed on the Board of the Company.
- b. The Chairperson of the Company, whether executive or non-executive, may be appointed as a member of the Committee and shall not chair such Committee.
- c. The Chairperson of the Committee may be present at the Annual General Meeting, to answer the shareholders' queries.

### **5. FREQUENCY OF MEETINGS**

- a. The Members of the Committee shall meet at least once in a financial year.
- b. The Quorum of the meeting shall be two members or one third of the members of the Committee, whichever is greater, including at least one independent director in attendance or any greater number determined by the Committee from time to time.

### **6. 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 as a decision of the Committee.
- b. In the case of equality of votes, the Chairperson of the meeting, in addition to his deliberative vote, has a casting vote.

### **7. POLICY FOR APPOINTMENT, REMOVAL AND RETIREMENT OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

- a. Appointment criteria and qualifications**
  - i. The Committee shall consider the qualification, expertise, experience, integrity, background and other qualities of the persons for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position concerned.
  - ii. The Committee shall assess the criteria of independence fulfilled by the appointee in case of recommending a person for appointment / reappointment as an Independent Director.
  - iii. The Committee shall consider the appointment of any person who has attained the age of 70 (seventy) years or above as a Managing Director, Whole-Time Director or Manager, only with the approval of the

shareholders, by passing a special resolution based on the explanatory statement annexed to the notice for such motion, indicating the justification for such appointment.

- iv. The Committee shall ensure that a formal letter of appointment is given to the Independent Directors at the time of their appointment.

**b. Term / Tenure**

- i. The Committee shall recommend the appointment or re-appointment of any person as its Chairperson, Managing Director or Executive Director for a term not exceeding 5 (five) years at a time.
- ii. The Committee shall recommend appointment or re-appointment of any person as an Independent Director for a term of upto five consecutive years and also ensure that no independent director is holding office for more than two consecutive terms.
- iii. The Committee shall recommend to the Board, appointment of KMPs / Senior Management as per the provisions of the Act and policy of the Company.

**c. Removal**

The Committee may recommend to the Board, due to reasons of any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, removal of a director, KMP or Senior Management personnel subject to the provisions and compliance of the Act, rules and regulations and the same be recorded in writing.

**d. Retirement**

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

**8. POLICY RELATING TO THE REMUNERATION FOR THE NON-EXECUTIVE DIRECTORS, INDEPENDENT DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL**

**a. Remuneration for Non-Executive / Independent Directors**

- i. Non-Executive Directors and Independent Directors may be paid remuneration by way of commission at the rate of not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of the Act.
- ii. Non-Executive Directors and Independent Directors shall receive remuneration by way of fees for attending the meetings of the Board and Committees of the Board, in which they hold membership / Chairpersonships, as the case may be. Sitting fee payable shall be fixed and approved by the Board within the limits as prescribed in the Act.
- iii. Independent Directors are not entitled to any stock option of the Company.

**b. Remuneration for Whole-time Directors, KMPs and Senior Management Personnel**

- i. The remuneration including commission payable to Whole-time Directors will be determined by the Committee in accordance with the provisions of the Articles of Association of the Company and the Act and recommend to the Board for approval, subject to the approval of the shareholders of the Company.

- ii. The Whole-time Directors shall be eligible for a monthly fixed pay, annual variable pay and other benefits and perquisites in line with the Company's policies as amended from time to time, subject to applicable laws.
- iii. The Committee shall ensure 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.
- iv. 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 Act.
- v. The Committee shall take into account the qualification, industry experience, integrity of the appointee, existing remuneration level for similar positions in other companies, operating in the same sector etc., while fixing the remuneration payable to the KMPs and Senior Management Personnel.
- vi. The remuneration payable shall be structured in such way that it consists of fixed and variable pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.
- vii. The Committee may also consider giving employee stock options to the KMPs & Senior Management.

## **9. PERFORMANCE EVALUATION OF BOARD**

As per the provisions of Section 134 and 178 of the Act, the performance of the Board is to be evaluated annually by the Committee.

## **10. POSITIVE ATTRIBUTES**

The positive attributes aim to set out the approach to achieve qualitative and talented people on the Board. Any and all the directors appointed by the Company shall have to fulfill the specifics of the positive attributes;

Positive attribute shall include the following qualities a director should possess:

- a. well educated to manage day to day business operation of the Company;
- b. hardworking and possess adequate leadership skills to attain the Company with new heights;
- c. has not been sentenced to imprisonment under the laws of India or abroad and not having any criminal track record;
- d. shall devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e. shall be focused towards the Company and shall be generous/ open-minded towards the team
- f. honest, friendly, helpful to the employees and co-directors of the Company;
- g. shall carry adequate communication and analytical skills.

## **11. REPORTING**

Proceedings of all the meetings are to be recorded in minutes and signed by the Chairperson or the Chair of the Committee. Minutes of all Committee meetings will be provided to the subsequent Board and Committee meeting.

## **12. REVIEW OF THE POLICY**

- a. The Board will review this Policy on a regular basis to ensure its effectiveness.
- b. The Committee will discuss any revisions that may be required, and recommend any such provisions to the Board for consideration and approval.