



RAVINDER HEIGHTS LIMITED

NOMINATION AND REMUNERATION POLICY

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RAVINDER HEIGHTS LIMITED

NOMINATION AND REMUNERATION POLICY

1. Preface

The Board of Directors (“Board”) of the Ravinder Heights Limited (“the Company”) on the recommendation of Nomination and Remuneration Committee, has approved the Nomination and Remuneration Policy (“Policy”), **Policy on Evaluation of Board** of Directors and a **“Policy on Board Diversity”** formulated in accordance with Section 178 of the Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI LODR Regulations”). **Policy on Evaluation of Board** of Directors and a **“Policy on Board Diversity”** shall be deemed to be an integral part of this “Nomination and Remuneration Policy” of the Company.

2. Objectives of the Policy

In order to comply with Section 178 the Companies Act 2013 read with rules made thereunder and Regulation 19 of the SEBI LODR Regulations read with Para A Part D Schedule II and any other applicable provisions, Nomination and Remuneration Committee of the Board of Directors of the Company (“the Committee”) has formulated this policy.

The Key objectives of the policy are as follows:

- a) To define the Charter of the Nomination and Remuneration Committee of the Company
- b) To lay down the criteria to identify persons qualified to become directors and who may be appointed in senior management;
- c) To formulate the criteria for determining qualifications, positive attributes and independence of a directors and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel, Senior Management and other employees;
- d) To formulate the criteria 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;
- e) To devise a policy on Board Diversity;
- f) To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

3. Definitions

- a) **“Act”** means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- b) **“Board”** means the Board of Directors of the Company.
- c) **“Company”** means Ravinder Heights Limited.

- d) **“Committee”** means Nomination and Remuneration Committee of the Board of Directors of the Company.
- e) **“Directors”** shall mean Directors of the Company.
- f) **“Independent Director”** means a director referred to in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations.
- g) **“Key Managerial Personnel”** or **“KMP”** means: in relation to a Company as defined sub-section 51 of Section 2 of the Companies Act, 2013, means and includes:
- (i) the Chief Executive Officer or the Managing Director or the manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-Time Director;
 - (iv) the 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
- h) **“Senior Management”** shall mean officers/personnel of the listed entity 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.

PART-A

Charter of Nomination and Remuneration Committee

4. Objectives of Committee

The Nomination and Remuneration Committee ("committee") of the Board of directors ("Board") of the Company will report to the Board and shall support the Board in matters related to:

- a) Setup and composition of the Board, its committees and the leadership team of the company comprising Key Managerial Personnel “KMP” as defined by the Companies Act, 2013 (the Act) and Senior Management.
- b) Evaluation of performance of the Board, its committees and individual directors.
- c) Remuneration for directors, KMPs, Senior Management and other employees.
- d) Oversight of the familiarisation programme of directors.

5. Composition of the Committee

- a) The committee shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors.
- b) The Chairman of the Board (whether executive or non-executive) may be appointed as a member of the committee but shall not chair the committee.

- c) The Chairman of the committee shall be an Independent Director, from amongst the members of the committee.
- d) The Company Secretary of the Company shall act as the secretary to the committee.

The Board of Directors of the Company in their meeting held on October 06, 2020 has constituted the Nomination and Remuneration committee as follows:

- i. Mr. Namdeo Narayan Khamitkar, Independent Director as the Chairperson of the Committee.
- ii. Mr. Raghava Lakshmi Narasimhan and Mr. Ajay Chadha, Independent Directors, as the Members of the Committee, and
- iii. Mrs. Renuka Uniyal, Company Secretary of the Company, will act as secretary to the committee.

6. Meetings of the Committee

- a) The Committee shall meet as and when required as per the provisions of the Companies Act, 2013 read with rules made thereunder and SEBI (LODR) Regulations, 2015. However, the Committee shall meet at least once in a year.
- b) The quorum for a meeting of the 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.

7. Authority and Powers of the Committee

The Committee shall have the power to:

- c) Investigate any matter within the scope of this charter or as referred to it by the Board
- d) Seek any information or explanation from any employee or director of the company
- e) Invite Senior Management or other executives, as it considers appropriate to be present at the meetings of the committee
- f) Ask for any records or documents of the company
- g) Co-ordinate with other committees to the extent that its work has a bearing on their scope of work
- h) Engage (at the expense of the company) independent consultants and other advisors and seek their advice on matters related to discharge of their responsibilities.
- i) Exercise such other powers as specified in the Companies Act, 2013 read with rules made thereunder and SEBI Regulations.

8. Roles and Responsibilities of the Committee

The responsibilities of the committee shall include the following:

- a) Recommend to the Board about the setup and composition of the Board. This shall include “Formulation of the criteria for determining qualifications, positive attributes and independence of Directors.
- b) Support the Board in matters related to the setup, review and refresh of the committees.
- c) Devise a policy on Board diversity.
- d) Identify persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria, and recommend to the Board of directors their appointment and removal.
- e) Oversee the performance review process for the KMP and Senior Management with the view that there is an appropriate cascading of goals and targets across the company.
- f) Recommend to Board as to whether to extend or continue the term of appointment of the independent director, inter alia, on the basis of the report of performance evaluation of independent Directors.
- g) Recommend the remuneration policy for the Directors, KMPs, Senior Management and other employees. This includes review and recommendation of the design of annual and long term incentive plan (includes deferred payment plans, equity plans, etc.) for managing director (“MD”) / executive directors (“ED”), KMP and the Senior Management.
- h) Oversee familiarization programmes for directors.
- i) The Chairperson of the Committee shall be present at the General Meetings, to answer the queries of security holders. However, it shall be up to the Chairperson to decide who shall answer the queries.
- j) Carry out such other functions as may be prescribed under Companies Act, 2013 read with rules made thereunder, as SEBI Regulations and as may be specified by the Board from time to time.

9. Reporting

The committee will periodically report to the Board on various matters that it has considered. In the matters where the Board does not accept any recommendation of the Committee, which is mandatorily required to be approved by the Board, the fact of the same to be disclosed in the Corporate Governance Report of the relevant financial year, along with reasons thereof.

10. Review of Charter

The adequacy of this charter shall be reviewed and reassessed by the committee, periodically and appropriate recommendations shall be made to the Board to update the charter based on the changes that may be brought about due to any changes in regulatory framework otherwise.

PART-B

Appointment and Remuneration of Directors and Senior Management

11. Qualifications and Criteria for identifying the persons qualified to become Directors and Senior Management Personnel.

The Policy is aimed to engage Directors (including Non-Executive Directors and Independent Non-Executive Directors) and senior management personnel who are highly skilled, competent and experienced persons within one or more fields of business, finance, accounting, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the business of the Company and who shall be able to positively carry out their supervisory role over the policies of the management of the Company and the general affairs of the Company.

In evaluating the suitability of individual Board members or Senior Management personnel, the Committee shall take into account many factors, including the following:

- a) General understanding of the Company's business dynamics, business and social perspective,
- b) Educational and professional background;
- c) Skills, expertise and competences;
- d) Standing in the profession;
- e) Personal achievements;
- f) Personal and professional ethics, integrity and values;
- g) Every Director should ensure that he can give sufficient time and attention to the Company's affairs and attend the Board meetings and other committee meetings in which he is a member regularly.

The proposed appointee shall also fulfil the following requirements to be appointed as a Director of the Company:

- a) Shall possess a Director Identification Number or any other identification number prescribed by the Central Government which shall be treated as Director Identification Number for the purposes of the Act;
- b) Shall not be disqualified under the Companies Act, 2013 or pursuant to any order of other such authority;
- c) Shall give his written consent to act as a Director;
- d) Shall endeavour to attend all Board meetings and wherever he is appointed as a Committee Member, the Committee meetings;
- e) Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

- f) Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- g) In case of person proposed to be appointed as an Independent Director, such person shall also comply with the criteria of Independence as specified in Section 149(5) of the Companies Act, 2013 read with rules made thereunder and Regulation 16 of SEBI LODR Regulations, 2015; and
- h) Shall abide by the provisions of Section 166 of the Companies Act, 2013 which lays down the duties of directors as under:
 - i. Subject to the provisions of Companies Act, 2013, a director of a company shall act in accordance with the articles of the company.
 - ii. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
 - iii. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - iv. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
 - v. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
 - vi. A director of a company shall not assign his office and any assignment so made shall be void.
 - vii. Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

11.1. Positive Attributes:

- a) Experience of management in a diverse organization;
- b) Excellent interpersonal and communication skills;
- c) Leadership skills;
- d) Having continuous professional development to refresh knowledge and skills.
- e) Commitment to high standards of ethics, personal integrity and probity;
- f) Commitment to the promotion of equal opportunities and health and safety in the workplace.

11.2. Criteria of Independence:

The NRC shall assess the independence of director at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by a director.

The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

The criteria of independence shall be as laid down in the Act and other relevant laws, if any, as amended from time to time.

11.3. Other Directorships / Committee Memberships:

The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NRC shall take into account the nature of, and the time involved in a Director’s service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director/Independent Director in such number of companies as may be prescribed under the Companies Act, 2013 and other relevant laws, if any.

A Director shall not be a member or act as Chairman of such number of companies as may be prescribed under the Companies Act, 2013 and other relevant laws, if any.

12. Term / Tenure:

12.1. Managing Director/Whole-time Director/Manager

The Company shall not appoint or re-appoint any person as its Managing Director, Executive Director or Manager for a term exceeding 5 (five) years at a time.

No re-appointment shall be made earlier than 1 (one) year before the expiry of term.

12.2. Independent Director

- a) An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board and will be eligible for re-appointment on passing of special resolution by the Company and disclosure of such appointment in the Board’s Report.
- b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- c) At the time of appointment of Independent Director(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and 3 (three) listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act or the SEBI (LODR) Regulations.

13. Remuneration

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval.

The remuneration and commission to be paid shall be subject to prior/post approval of the shareholders of the Company and central government, wherever required.

13.1. Remuneration to Whole-time Director / Executive Director, KMP and Senior Management

- a) The Whole-time / Executive / Managing Director / KMP and Senior Management may be eligible for a monthly remuneration as approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including but not limited to, employer's contribution to Provident Fund (P.F.), Superannuation Fund, Pension Scheme, medical expenses, club fees, leave travel allowance, etc., if any, shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.
- b) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the provisions of Section 197 of the Act and Schedule V to the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed or without approval required under section 197 of Companies Act, 2013, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company. The company shall not waive the recovery of any sum refundable to it unless approved by the company by special resolution within two years from the date the sum becomes refundable.

13.2. Remuneration to Non-executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of sitting fees as approved by the Board for attending meetings of the Board or Committee thereof.

Provided that the amount of such fees 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 shareholders, subject to the limit not exceeding 1% of the profits of the Company computed 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.

14. Amendment

Any change in the Policy shall be approved by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, in consistence with the applicable provisions of any law for the time being in force and the decision of the Board in this respect shall be final and binding.

For and on behalf of Board

**Sd/-
Ms. Sunanda Jain
Chairperson cum Managing Director**

Place: New Delhi

Date: February 05, 2021