

NOMINATION AND REMUNERATION POLICY OF THE COCHIN MALABAR ESTATES AND ESTATES LIMITED

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read with Applicable rules thereto. The policy on Nomination and Remuneration of Directors, KMP and Senior Managerial Personnel has been formulated by the NRC Committee and approved by the Board.

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

To formulate the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director and to recommend their appointment/removal;

- To lay out the remuneration principles for the directors, KMP and other employees;
- To formulate the criteria for evaluation of the Board and all the directors;
- To lay down the criteria for identifying people who can be appointed in senior management and recommend their appointment.

Applicability: The policy is applicable to all Directors, KMP and SMP. The Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director as provided that Chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee. The Board shall constitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements. The meeting of Committee shall be held at such regular intervals as may be required to carry out the objectives set out in the policy.

The Company Secretary shall act as Secretary to the Committee.

Appointment of Managerial Personnel, Director, KMP

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial

Personnel, Director or KMP 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.
- iii. Appointment of Independent Directors is also subject to compliance of provisions of Section 149 of the Companies Act, 2013 read with Schedule IV and rules thereunder.

No re-appointment of Whole time Director shall be made earlier than 1 year before the expiry of his term.

Remuneration of Managerial Personnel, KMP

1. The remuneration to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013 and rules made thereunder. For the time being in force

Remuneration to Non-Executive Directors

- (a) **Sitting Fees:** The Non-executive Directors may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 per meeting of the Board or Committee.
- (b) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Minutes of Committee Meeting

Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

Amendment to the Policy

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy as and when deemed fit. In case of any amendment (s), clarifications, circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification, circular etc.