

UNISHIRE URBAN INFRA LIMITED

NOMINATION REMUNERATION POLICY

Introduction

In terms of the provisions section 178 of the Companies Act, 2013 and the listing agreement as amended from time to time the “Nomination and Remuneration Policy” was formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Objective and Purpose of the Policy

- 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 in accordance with the criteria laid down.
- Recommend to the Board their appointment and removal
- To carry out the evaluation of every director’s performance
- To formulate the criteria for determining the qualifications, positive attributes and the independence of a director
- To recommend to the Board the remuneration of the Directors, KMP and Senior Management
- To see 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
- To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in the jute industry
- 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
- 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

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

Definitions

“Board” means Board of Directors of the Company.

“Company” means “Zen Technologies Limited.”

“Employees’ Stock Option” means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

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

“Key Managerial Personnel” (KMP) means

- (i) Chief Executive Officer or the Managing Director or the Manager,
- (ii) Company Secretary,
- (iii) Whole-time Director,
- (iv) Chief Financial Officer and
- (v) Such other officer as may be prescribed.

“Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

“Policy or This Policy” means, “Nomination and Remuneration Policy.”

“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.

“Senior Management” mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads

Constitution of Committee

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration/Compensation Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member **of the Nomination and Remuneration Committee but shall not chair such Committee.**

Role of Committee

The Committee shall:

1. Formulate the criteria for determining qualifications, positive attributes and independence of director
2. Identify person who are qualified to become Director
3. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy
4. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel
5. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel

6. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
7. To perform such other functions as may be necessary or appropriate for the performance of its duties

Policy for Appointment and Removal of Director, KMP and Senior Management

Appointment Criteria and qualifications

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment, The committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. The Company shall not appointment or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure

a) Managing Director / Whole – time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and 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.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

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 the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

The Remuneration/compensation/commission etc to the Managing Director/Executive Director/Whole-time Director/KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the company and Central Government, wherever required.

The remuneration to be paid to the Managing Director/Executive Director/Whole-time Director shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Company Act, 2013 and the rules made there under.

In terms of section 197(13) of the Companies Act, 2013 where any insurance is taken by the company on behalf of its Managing Director, Executive Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying any one of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managing Director/Executive Director/Whole -time Director, KMP and Senior Management Personnel

1. Fixed Pay

The Managing Director/Executive Director/Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc shall be decided and approved by the Board on the recommendation of the committee and approved by the shareholders and Central Government, wherever required.

2. Remuneration

In the terms of section 197 of the Companies Act, 2013

- The total managerial remuneration payable by the Company to all its Directors including its Managing Director/Executive Director/Whole-time Director in respect of any financial year shall not exceed 11% of the net profits of the company for that financial year computed in the manner as laid down in section 198 of the Companies Act, 2013.
- The remuneration payable to any one Managing Director/Executive Director/Whole-time Director shall not exceed 5% of the net profits of the Company and if there is more than one such director the remuneration shall not exceed 10% of the net profits to all such directors taken to gather.
- The remuneration payable to other Directors who are neither Managing Director/Executive Director/Whole-time Director shall not exceeds 1% of the net profits of the Company if there is a Managing Director/Executive Director/Whole -time Director.
- If the Company does not have a Managing Director/Executive Director/Whole-time Director then the remuneration payable shall not exceeds 3% of the net profits.
- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive Director/Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provision for excess remuneration

In terms of section 197(9) and (10) of the Companies Act, 2013 if any Director draws or receive, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the

Central Government, where required, he/she shall refund such fund sums to the Company and until such sum is refunded, hold it in trust for the Company. The company shall not waive the recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non-Executive/Independent Director

Sitting Fees: The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or any Committee or such amount as may be prescribed by the Central Government from time to time

Commission: Commission may be paid within the monetary limit approved by the Board and the shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013

Review and Amendment

- I. The NCR or the Board may review the policy as when it deems necessary.
- II. The NCR may issue the guidelines, procedure, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- III. This policy may be amended or substituted by the NCR or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.