



NOMINATION AND REMUNERATION POLICY

OF

LLOYDS INFRASTRUCTURE & CONSTRUCTION LIMITED

CIN: U42101MH2023PLC400727

**Registered Office: A-2, Madhu Estate, 2nd Floor, Pandurang Budhkar Marg, Lower Parel
(W), Delisle Road, Mumbai - 400013.**

Tel. 022-6291 8111

Nomination and Remuneration Policy

1. Preamble:

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel ("SMP") and other employees has been formulated in terms of Section 178 of the Companies Act, 2013 and the rules framed thereunder (as amended from time to time), in order to appoint and pay equitable remuneration to Directors, KMPs, SMPs and other employees of the Company.

2. Objective:

In order to comply with the provisions of Section 178 of the Act and any other applicable provisions, the Nomination and Remuneration Committee of the Board of Directors of the Company (the "Committee") had formulated the Nomination and Remuneration Policy (the "Policy").

The key objectives of this Policy are as follows:

a. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director, and recommend to the Board of Directors of the Company (the "Board"), a policy relating to the remuneration of the Directors, KMPs and other employees.

b. To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

c. To provide to the KMPs and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

d. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

e. To devise a Policy on Board Diversity.

f. To develop a succession plan for the Board and to regularly review the plan.

g. 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 Lloyds Enterprises Limited.

d. "**Directors**" shall mean Directors of the Company.

e. **“Independent Director”** (ID) means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Rules made thereunder.

f. **“Key Managerial Personnel”** (KMP) means

1. Chief Executive Officer or the Managing Director (MD) or the Manager;
2. Whole-time Director(s);
3. Chief Financial Officer;
4. Company Secretary; and
5. Such other officer, not more than one level below the directors who is in whole time employment and designated as KMP by the Board.

g. **“Senior Management”** shall mean officers/personnel of the company 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.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

4. Constitution of Committee:

- a. The Committee shall comprise of at least three (03) non-executive Directors, out of which not less than one-half shall be independent directors, the Chairperson being non-executive Director.
- b. The Board shall re-constitute the Committee as and when required to comply with the provisions of the Act.
- c. The Chairperson of this Committee may be present at the general meetings of the Company, to answer the shareholders’ queries.
- d. The quorum for the meeting and frequency of conducting meetings of this Committee shall be in line with the applicable provisions of the Companies Act.

5. Appointment and Removal of Directors, KMPs and SMPs:

a. Appointment criteria and qualifications

- The Nomination and Remuneration Committee (NRC) shall formulate the criteria for determining the qualifications, positive attributes and independence of the person, having regard to a variety of skills, expertise, experience, who shall be eligible for appointment as Director, KMP or SMP, as the case may be, and recommend to the Board his/ her appointment.
- The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may avail the services of an external agencies, if required, consider candidates from a wide range of backgrounds, having due regard to diversity and also consider the time commitments of the candidates.
- The Company shall not recommend or appoint or continue the employment of any person as the MD, Whole – time director or Manager within the meaning of the Act, who has attained the age of 70 (seventy) years. Provided that the appointment of such person who has attained the age of 70 (seventy) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 70 (seventy) years.
- The Company shall take a prior approval of the Members by way of a Special Resolution for appointment / continuation of appointment of any NED who has attained the age of 75 (seventy-five) years.

b. Term/Tenure

- **MD/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, MD or Executive Director for a term not exceeding 05 (five) years at a time. No re-appointment shall be made earlier than 01 (one) year before the expiry of term.
- **Independent Director:** An Independent Director shall hold office on the Board of the Company for a term as may be determined by the Board but in any case, not exceeding 05 (five) years and shall not hold office for more than 02 (two) consecutive terms. Such Independent Director shall be eligible for appointment and re-appointment, after the expiry of such period, as the case may be, as prescribed under the applicable laws.

c. Retirement

The Director, KMPs and SMPs shall retire as per the provisions of the applicable Acts and Regulations, and the prevailing policy of the Company. On recommendation of the NRC, the Board, if it considers to be in the Company's interest, shall have the discretion to retain any Director, KMP and SMP even after attaining the retirement age.

d. Removal

In case any Director or KMP or SMP incurs any disqualification as provided under the Act or Rules made thereunder or is in breach of Code of Conduct for Board of the Company, the NRC may recommend to the Board, with reasons to be recorded in writing, for removal of such Director or KMP or SMP, subject to the provisions of the applicable acts, laws, rules and regulations.

e. Evaluation

- The NRC shall facilitate the Board to undertake evaluation of performance of all Directors, on yearly basis, including making recommendations to the Board on appropriate performance criteria for the Directors and formulating criteria and framework for evaluation of every Director's performance.
- The Board shall evaluate, on yearly basis, its performance along with that of the individual directors including Chairman, IDs, independence of IDs and of its Committees.
- The Company may appoint an external agency to conduct the exercise of evaluation and submit the report / outcome to the Company, in the manner desired by the Company.

6. Remuneration to MD, NEDs, KMPs and SMPs:

a. MD

- The remuneration to be paid to the MD at the time of his/her appointment shall be recommended by the NRC and approved by the Board of Directors and the shareholders of the Company.
- Annual increment /subsequent variation in remuneration to the MD shall be approved by the NRC/Board of Directors, within the overall limits approved by the shareholders of the Company.

b. NEDs

- NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the Meeting of the Board and Committees, not exceeding such amount of fees, as may be prescribed in the applicable law from time to time.
- Remuneration (including Commission) as may be recommended by NRC and subsequently approved by the Board of Directors and shareholders of the Company, wherever required, shall be paid in accordance with the applicable laws.
- The NEDs shall be eligible for remuneration of professional services rendered, if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.
- IDs shall not be eligible for any Stock Options, pursuant to any Stock Option Plan adopted by the Company.

c. KMPs and SMPs

- The remuneration to be paid to the KMPs and SMPs, at the time of his/her appointment shall be recommended by the NRC and approved by the Board, considering relevant qualifications, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be combination of fixed and variable pay.
- Annual increment /subsequent variation in remuneration to the KMPs/SMPs shall be approved by the NRC/Board of Directors.
- NRC may consider grant of Stock Options to KMPs and SMPs pursuant to any Stock Option Plan adopted by the Company.

7. Directors and Officer Liability Insurance:

- a) The Company may provide an insurance cover to Directors, KMPs and SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust and the premium paid on the same shall not be treated as a part of remuneration paid to them.
- b) The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

8. Directors and Officer Liability Insurance:

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in its Annual Report.

9. Amendments to the Policy:

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), 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) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
