NICCO PARKS & RESORTS LIMITED

NOMINATION & REMUNERATION COMMITTEE CHARTER & POLICY

I. CHARTER

PREFACE

Pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company has adopted the Nomination & Remuneration Committee Charter and also formulated a Nomination & Remuneration Policy. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of the Directors of the Company; recommending the matters relating to the remuneration, appointment, removal and evaluation of performance of the Executive Directors, Key Managerial Personnel, Senior Management and other employees.

Explanations: "**Senior Management"** means the personnel of the company who are members of its core management team excluding the Board of Directors comprising of one level below the Executive Directors and such Functional / Department Heads identified as 'Senior Management' from time to time.

COMPOSITION OF THE COMMITTEE

The Nomination and Remuneration Committee shall be constituted in compliance with the requirements of the applicable sections of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

CHAIRPERSON OF THE COMMITTEE

- The Chairperson of the Committee shall be an Independent Director.
- The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- Chairman of the Committee may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

MEETINGS

- The meeting of the Committee shall be held at such regular intervals as may be required.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

QUORUM

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the total members of the Committee; whichever is greater.

MINUTES OF COMMITTEE MEETING

The proceedings of all meetings must be minuted and such minutes shall signed either by the Chairman of that meeting or by the Chairman of the subsequent meeting. The Minutes of the meeting will be tabled at the subsequent meeting for its confirmation.

COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

ROLE OF THE COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identify persons who are qualified to become Director and persons who may be appointed as Key Managerial Personnel or in Senior Management positions in accordance with the criteria laid down in the Act and in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel and determining the remuneration payable to Directors, KMP and Senior Management Personnel.
- Evaluation of the performance of the Directors of the Company.

DUTIES OF THE COMMITTEE

NOMINATION DUTIES:

The duties of the Committee in relation to nomination matters include:

- Making recommendations to the Board regarding the appointment and removal of any of the Directors or KMP or Senior Management of the Company
- Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Evaluating the performance of the Board members of the Company;
- Considering any other matters as may be requested by the Board;

REMUNERATION DUTIES:

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also consider 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 consider any other matters as may be requested by the Board;

II. NOMINATION AND REMUNERATION POLICY

OBJECTIVES OF THE POLICY

The Nomination and Remuneration Committee has formulated this Policy in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The key objectives of the Committee would be:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further self-evaluation of the Board.
3. To recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management and to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. To ensure that the level & composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully and to ensure long term sustainability of the managerial persons and create competitive advantage.

Policy for appointment and removal of Director, KMP and Senior Management

A. Appointment criteria and qualifications

- 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.
- The Company shall ensure that any person to be appointed as Director or KMP must comply with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is not disqualified under such Act and regulations..

B. Removal

Due to reasons of any disqualification mentioned in the Act or under any other applicable law, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

C. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act or under any other applicable law, rules and regulations 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 relating to the Remuneration

For the Managing Director, Whole-time Director, KMP & Senior Management:

a) The remuneration / compensation / commission etc. to the Managing Director and Whole-time Director 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.

b) The remuneration and commission to be paid to the Managing Director, Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

c) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its directors including Managing Director, Whole-time Director and Manager in accordance with the provisions section 197 of the Companies Act, 2013 and Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

d) The remuneration payable to KMPs and Senior Management shall be determined on the basis of the qualifications and experience of the person to be appointed as the KMPs or Senior management and such remuneration shall be sufficient to attract, retain and motivate the persons.

For the Non-Executive Directors:

a. **Sitting Fees:**

The Non- Executive Directors including the Independent Directors may receive sitting fees for attending meetings of Board or Committees thereof, of such sum as may be decided by the Board of Directors. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

b. **Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit as per the applicable provisions of the Act.

c. **Stock Options:**

The Independent Directors shall not be entitled to any stock option of the Company.

Amendment

The Company reserves the right to amend or modify the charter and policy of the Nomination and Remuneration Committee as and when required, in compliance with the laws and regulations applicable to the Company and such amendment will be effective only after the approval of the Board of Directors.