



NOMINATION & REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. The details of the Nomination and Remuneration Policy are set out in the Corporate Governance.

Report which forms a part of this report. The Nomination & Remuneration policy for members of the Board and KMPs is drafted in a manner which aims to improve the performance of the Board of Directors and KMPs of Mega Nirman & Industries Limited (the "Company") and subsequently enhance the value of the Company, to motivate and retain them, and to be able to attract other highly qualified executives.

The Nomination and Remuneration Policy of the Company provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

OBJECTIVES OF NOMINATION & REMUNERATION POLICY

The objective of Nomination & Remuneration Policy of Mega Nirman & Industries Limited is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of Mega Nirman & Industries Limited.

BASIS OF FORMULATION

The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package of the industry, remuneration package of the managerial talent of other industries, among others.

KEY ELEMENTS OF THE POLICY

The following elements are taken into consideration:

- A. Mega Nirman & Industries Limited strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with Mega Nirman & Industries Limited

MEGA NIRMAN & INDUSTRIES LIMITED

A-6/343B, 1st Floor, Paschim Vihar, New Delhi 110063
Phone: 011 - 49879687 ||email: secretarial.mnil@gmail.com

values and business principles as reflected in the Company's Code of Business Conduct. The Nomination & Remuneration policy reflects a balance between the interests of the Company's main stakeholders as well as a balance between its short term and long-term strategy. As a result, the structure of the remuneration package for the Managing Board and KMPs is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders.

- B.** To ensure that highly skilled and qualified senior executives can be attracted and retained. Mega Nirman & Industries Limited aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size, line of production and complexity.
- C.** The remuneration policies for the members of the Managing Board and for other senior executives of Mega Nirman & Industries Limited are aligned.
- D.** The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- E.** The remuneration to directors and KMPs and other 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.

Terms of reference

The terms of reference of the Nomination & Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive and other employment conditions of Board Members and KMPs. The recommendations of the Nomination & Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

The remuneration of the Executive Directors and KMPs are recommended by the Nomination & Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry, responsibilities shouldered, performance/track record, review on remuneration packages of heads of other organizations and is decided by the Board of Directors, subject to the approval of the shareholders at the General Meeting of the Company wherever required. The Company pays remuneration by way of salary, perquisites, allowances etc. Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director/KMPs shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.