

# **NOMINATION AND REMUNERATION POLICY**

# **MASK INVESTMENTS LIMITED**

## **NOMINATION AND REMUNERATION POLICY**

*[Under Section 178 of the Companies Act, 2013 and Regulation 19(4) & Schedule II Part D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

### **NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors of Mask Investments Limited (“the Company”) constituted the “Nomination and Remuneration Committee”

### **COMPLIANCE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with applicable rules thereto and Regulation 19(4) & Schedule II Part D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **OBJECTIVE**

The key objective of the Committee shall 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 evaluation of the Board.
3. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. To ensure the policy includes the following guiding principles:
  - 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;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - Remuneration to directors, key managerial personnel 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.

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### **DEFINITIONS**

**'Act'** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

**'Board'** means the Board of Directors of the Company.

**'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'** means 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.

### **ROLE OF THE COMMITTEE**

The role of the committee will be the following:

- a) To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) To formulate criteria for evaluation of performance Independent Directors and the Board of Directors.
- c) To devise a policy on diversity of board of directors.
- d) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommended to the board of directors their appointment and removal.
- e) To recommend to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) Succession planning for replacing Key Executives and overseeing.
- g) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- h) To perform such other functions as may be necessary or appropriate for the performance of its duties.

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### **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- 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 his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint 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.
- d) A person shall be considered for appointment as an Independent Director on the Board of the company, only if he/she discloses in writing his/her independence in terms of section 149 of the Companies Act, 2013.

### **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 upto 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.

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### **EVALUATION**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### **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**

1. Remuneration to Managing Director / Whole-time Directors
  - a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole time Directors.
2. Remuneration to Non-Executive/Independent Directors:

The Non-Executive/ Independent Directors may receive sitting fees as per the provisions of Companies Act, 2013. The amount of sitting fees, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force
3. Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management, shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

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### **CRITERIA FOR DETERMINING REMUNERAION:**

While determining remuneration of the directors, the committee shall ensure that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate such directors of the quality required to run the Company successfully; the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and the remuneration to directors, key managerial personnel 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 goal.

### **MINIMUM MEMBERS:**

The Committee shall consist of minimum 3 non-executive directors, majority of them shall be independent directors.

### **QUORUM**

Minimum 2 members out of which at least 1 Independent Director shall constitute a quorum for the committee meeting.

### **CHAIRPERSON / CHAIRMAN:**

- The chairman of the Nomination and Remuneration committee shall be an Independent director elected amongst themselves at the time of first meeting of the Committee and he shall preside over all the meetings of the committee until and unless decided otherwise.
- Chairman of the Company may be appointed as a member of the Committee but shall not be a chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.