

JCT LIMITED

NOMINATION AND REMUNERATION POLICY

Pursuant to Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, Company through its Board of Directors shall formulate the Nomination and Remuneration Committee which shall comprise of atleast 3 Directors all of whom shall be non-executive and 2/3rd of Directors shall be Independent Directors. JCT already have the Remuneration Committee and in the Board of Directors Meeting held on 30.05.2014, company have adopted the new name of Remuneration Committee as “Nomination and Remuneration Committee.”

I. OBJECTIVE: The objective of the policy is to ensure that

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management of the quality required to run the company successfully;
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. 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.

II. 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.
- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d. To carry out evaluation of Director's performance.
- e. To recommend to the Board the appointment and removal of Directors and Senior Management.
- f. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- 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.

III. 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.

IV. TERM / TENURE

a) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No reappointment 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.

The appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

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/Managing Director of a listed company or such other number as may be prescribed under the Act.

The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

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

VI. 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.

VII. RETIREMENT: Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP,

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

VIII. 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 the relevant laws 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:

a) Remuneration / Commission: The remuneration / commission shall be in accordance with the relevant laws for the time being in force.

b) 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 the maximum amount as provided under applicable laws, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under relevant laws) shall be subject to ceiling/ limits as provided under the relevant laws for the time being in force.

3) Remuneration to Key Managerial Personnel and Senior Management:

a. The remuneration / compensation / commission etc. to 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.

b. The remuneration and commission to be paid to Key Managerial Person shall be as per the the relevant laws for the time being in force and in accordance with the Companies Policy.

c. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board.

IX. IMPLEMENTATION: The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may Delegate any of its powers to one or more of its members. The Committee shall be approached, as and when necessity arises in respect of any recruitment or determination of remuneration, for any Director, KMP, Senior Management or relative of a Director or KMP.

X. DISCLOSURE: The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein.

(UPDATED BY THE BOARD OF DIRECTORS IN THEIR MEETING ON 12th AUGUST 2022)