

PURAVANKARA LIMITED

CIN: L45200KA1986PLC051571

TERMS OF REFERENCE- NOMINATION AND REMUNERATION COMMITTEE

(Approved by Board of Directors on 14.11.2023)

1. Terms of Reference

The terms of reference of the Committee shall include the following:

A. Nomination and appointment

- i. Formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board of Directors, a policy relating to the remuneration of the Directors, KMP and other employees.
- ii. Recommending candidates for appointment as Directors on the Board or as KMP in accordance with the criteria laid down. For this purpose, a balanced approach shall be adopted by the Committee in selection of candidates from both internal i.e., from within the organization and external i.e., from outside the organization, sources.
- iii. Evaluating 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 and recommend the same to the Board.
- iv. For identifying suitable candidates for Director, KMP or Senior Management roles, the Committee shall –
 - a. consider candidates having due regard to their diversity (e.g., gender, age, race, ethnicity, nationality);
 - b. consider the background, character, integrity, professionalism, and competence of candidates;
 - c. consider the time commitments of the candidates including any potential conflict of interest (due to multiple Directorships or other roles).
- v. Developing and recommending to the Board, a succession plan for the Directors, KMPs and Senior Management.
- vi. Developing and recommending to the Board, a policy on Board Diversity.
- vii. Recommending 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.

B. Evaluation

- i. Specifying the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
- ii. Evaluating from time-to-time, the usefulness of such performance parameters and making necessary amendments.
- iii. Overseeing Familiarisation programmes for Directors.
- iv. Ensuring that the Board and its Committees consist of Directors with the appropriate balance of skills, experience, diversity, independence and knowledge about the Company to enable it to discharge its duties and responsibilities effectively.
- v. Ensuring orderly succession planning at the Board level.

C. Remuneration

- i. Recommending the level and structure of remuneration for members of the Board and KMP.
- ii. Recommending to the Board, all remuneration, in whatever form, payable to Senior Management.

- iii. Ensuring remuneration to Directors, KMP 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.
- iv. Equity based or other compensation and benefits plans:
 - a. Administering, monitoring, formulating, and reviewing, detailed terms and conditions of the Stock Employees Plan;
 - b. Formulating, supervising and monitoring the process of issuance/ grant/ vesting/ cancellation of Employee Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employee Stock Options Scheme(s), from time to time, as per the provision of applicable laws, more particularly in terms of Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any other regulations as may be applicable from time to time; and
 - c. Reviewing and making recommendations to the Board for any other compensation and benefits plans including deferred compensation or retirement plans proposed for adoption by the Company for Whole-time Directors, KMP, Senior Management

2. Review of the Terms of Reference

The adequacy of Terms of Reference shall be reviewed and reassessed by the Committee, as and when necessary and appropriate recommendations shall be made to the Board to update the Terms of Reference based on the changes to the regulatory framework or otherwise.