

VISHAL COLOUR ROOFS LIMITED
NOMINATION & REMUNERATION COMMITTEE (NRC)
TERMS OF REFERENCE

1. FORMATION:

The Nomination and Remuneration Committee ('Committee') is constituted pursuant to Section 178 of the Companies Act 2013 read with the rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. COMPOSITION:

- (a) The Nomination and Remuneration Committee shall have minimum of 3 Non-Executive Directors as its Members.
- (b) At least two third of the Members of Nomination and Remuneration Committee shall be Independent Directors.
- (c) The Chairman of the Nomination and Remuneration Committee shall be an Independent Director.
- (d) The Members of the Committee shall be appointed by the Board of Directors from time to time.
- (e) The Chairman of the Committee shall be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

3. MEETINGS:

- (a) The Committee shall meet at least once a year and further as and when deemed necessary for the performance of its objectives. The Committee may invite any person to attend the meeting to assist in its deliberations.
- (b) Meetings of the Committee shall be convened by written notice or through electronic means served on each of the Member of the Committee at least seven days prior to the Meeting or at shorter notice.

4. QUORUM:

The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one Independent Director in attendance.

5. MINUTES:

The Company Secretary shall minute the proceedings and the resolutions passed in the Meetings.

6. CIRCULAR RESOLUTION:

A resolution in writing signed or approved by letter, electronic mail, or other form of electronic communication by majority of the Committee Members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted.

All such resolutions shall be described as “Nomination & Remuneration Committee Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the Company’s Minutes Book.

7. ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

The role of the Nomination & Remuneration are as follows:

- (i) formulation of the 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;
- (ii) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate 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. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - (a) use the services of an external agencies, if required;
 - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (c) consider the time commitments of the candidates.
- (iii) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (iv) devising a policy on diversity of Board of Directors;
- (v) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- (vi) 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.
- (vii) recommend to the Board, all remuneration, in whatever form, payable to senior management.
- (viii) Formulation and review of succession planning for Directors, Key Managerial Personnel and Senior Management.
