

MANGALAM CEMENT LIMITED

NOMINATION AND REMUNERATION POLICY*

A. Introduction

This policy on Nomination and Remuneration of Directors, Managerial Personnel and Senior Management has been formulated subject to the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing agreement with the Stock Exchanges by the Nomination and Remuneration Committee of Directors of the Company in pursuance of the Company's policy to pay equitable remuneration to them in terms of the provisions of Section 178 of the Act and the Listing agreement with the Stock Exchanges, as amended from time to time

B. Terms of Reference

The Board of Directors of the Company at its meeting held on 13th May, 2014 reconstituted the existing "Remuneration Committee" of Directors as "Nomination & Remuneration Committee" of Directors (the Committee) with the following terms of reference.

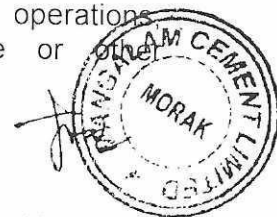
1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees in accordance with provisions of Section 178(4) of the Act;
3. Formulation of criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every Director's performance;
4. Devising a policy on Board diversity;
5. 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 recommend to the Board their appointment and removal.

C. Criteria for recommending a person to become Director:

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director;

1. Qualification & Experience:

The incumbent shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations research, corporate governance, education, community service or other disciplines.



*Applicable provisions of the Companies Act, 2013 and the SEBI Regulations pertaining to role of Nomination and Remuneration Committee which are not specifically covered in this Policy shall be deemed to form part of this Policy. The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the applicable SEBI Regulations shall be binding even if not incorporated in this Policy.

2. Attributes/Qualities:

The incumbent Director may possess one or more of the following attributes/qualities:

- Respect for the strong willingness to imbibe the Company's Core Values.
 - Honesty and professional integrity.
 - Strategic capability with business vision.
 - Entrepreneurial spirit and track record of achievement.
 - Ability to be independent and capable of lateral thinking.
 - Reasonable financial expertise.
 - Have contacts in fields of the business/corporate world/Finance/Chambers of commerce and industry.
 - Can effectively review and challenge the performance of management.
3. In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchange and other applicable laws & regulations.
4. The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

D. Director's Compensation

The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

E. Evaluation

The Board will review the performance of a Director as per the structure of performance evaluation. (As per Annexure-I).

F. Board Diversity

The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning



board diversity in mind in recommending any new name of Director for appointment to the Board. It will be Committee's endeavour to have atleast one Director from the following fields:

- a) Accounting Corporate Finance
- b) Legal and Corporate Laws
- c) Business, Management and Corporate Strategy

G. Eligibility Criteria & Remuneration of Key Managerial Personnel and other Senior Management Personnel

The eligibility criteria for appointment of key managerial personnel and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of key managerial personnel shall be filled by senior personnel having relevant qualifications and experience.

The Compensation structure for Key Managerial Personnel and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks.

The remuneration may consist of 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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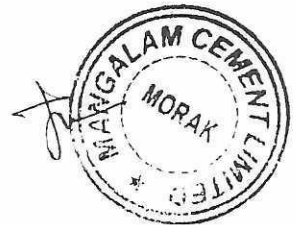


Performance Evaluation of Directors

Part A: Common for all Directors

Assessment of the following Roles/Attributes as performed by or observed in the Director whose performance is under evaluation:

Sl. No.	Role/ Attribute	Remarks (Y/N)
1	Attendance and participation in meetings of the Board of Directors and of the Board Committees	
2	Devoted sufficient time and attention to professional obligations for informed and balanced decision making	
3	Advising in implementation of good Corporate Governance practices	
4	Independent in judgement and actions	
5	Exercised his duties with due & reasonable care, skill and diligence	
6	Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders.	
7	Not engaging in conduct which may not be in the interest of the Company	
	Overall Performance	



Part B: Applicable for Executive Directors

Accomplishment of following Company Goals during the year under review:

Sl. No.	Target	Remarks (Y/N)
1	Achievement of EBIDTA	
2	Compliance of Applicable laws / statutory obligations in the functioning of the Company	
3	Brand Equity	
4	New initiative / expansion / innovation	
5	Customer satisfaction	
6	Investor relations	
7	Talent retention	
8	Awards & Recognitions	
	Overall Performance	

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