Nomination and Remuneration Policy

G. K. Winding Wires Limited
(As approved by the Board of Directors)

1. Introduction

This Nomination and Remuneration Policy ("Policy") is framed pursuant to the provisions of **Section 178(3)** of the **Companies Act, 2013** and the rules made thereunder. The Policy outlines the Company's approach to the appointment, evaluation, and remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel.

2. Objectives of the Policy

- To lay down criteria for appointment and removal of Directors, KMPs, and Senior Management.
- To evaluate the performance of the Board and individual Directors.
- To ensure that remuneration is fair, reasonable, and aligned with the Company's objectives.
- To ensure compliance with statutory requirements and corporate governance principles.

3. Definitions

- **Key Managerial Personnel (KMP)**: As defined under Section 2(51) of the Companies Act, 2013. In the context of this Company, it includes the **Managing Director** and such other officers as designated by the Board.
- **Senior Management**: For the purposes of this Policy, "Senior Management" shall include **department heads**, **general managers**, and other employees one level below the Board, directly reporting to KMPs.

4. Nomination and Appointment Criteria

The Nomination and Remuneration Committee shall identify and recommend candidates who are qualified to become Directors or be appointed in senior management. The appointment criteria include:

- Integrity, ethics, and leadership qualities
- Appropriate qualifications, skills, and experience
- Diversity of background and perspective
- Compliance with independence criteria (for Independent Directors)
- No disqualifications under the Companies Act, 2013

5. Term / Tenure

- The Company shall comply with the provisions regarding the term of Independent Directors as prescribed under Section 149 of the Companies Act, 2013.
- The reappointment/extension of Directors shall be based on their performance and in accordance with applicable law.

6. Evaluation of Directors' Performance

The Nomination and Remuneration Committee shall evaluate the performance of:

- Individual Directors (including Independent Directors)
- The Board as a whole
- Committees of the Board

The evaluation shall be carried out annually, considering factors like participation, attendance, preparedness, and contribution to discussions and strategic decisions.

7. Remuneration Policy

A. Remuneration to Executive Directors and KMPs

- The remuneration shall be structured to attract, retain, and motivate competent executives in line with industry practices.
- Components may include:
  - Fixed Salary
  - Perquisites and allowances
  - Bonus or performance-linked incentives (if applicable)
  - Retirement and other statutory benefits

The overall remuneration shall be approved by the Board and/or shareholders as per applicable law.

B. Remuneration to Non-Executive and Independent Directors

- Non-Executive and Independent Directors may receive:
  - **Sitting fees** for attending meetings of the Board and committees, as approved by the Board within limits prescribed under the Companies Act.
  - Reimbursement of expenses incurred for participation in the meetings.
- No stock options or performance-linked incentives shall be provided unless approved by shareholders.

C. Remuneration to Senior Management

- The remuneration for Senior Management shall be based on individual roles, responsibilities, experience, performance, and industry benchmarks.
- The Managing Director or Whole-Time Director may recommend revisions, subject to the approval of the Committee and/or Board as applicable.

8. Policy on Board Diversity

The Company recognizes and embraces the importance of a diverse Board. The Board shall have an appropriate mix of skills, gender, age, experience, and knowledge.

9. Policy Review and Amendments

This Policy shall be reviewed by the Nomination and Remuneration Committee periodically and updated as required, subject to Board approval.

10. Disclosure

The Policy shall be available at the Registered Office of the Company for inspection by members during business hours and may also be disclosed as required under applicable laws.