

NOMINATION & REMUNERATION COMMITTEE

SHANKARA BUILDING PRODUCTS LIMITED

In compliance with Section 178 and any other applicable provisions of the Companies Act, Regulation 19 and any other applicable provisions of the SEBI Listing Regulations and the listing agreements to be entered into between the Company and the respective stock exchanges on which its equity shares are proposed to be listed, and any other applicable law or enactment for the time being in force, the Board of Directors hereby adopt the revised terms of reference of the nomination and remuneration committee, constituted by the Board of Directors by resolution dated 19th September, 2016 and last re-constituted by a meeting of the Board of Directors held on 29th July, 2015 which shall include the following:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of independent directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- e. Analysing, monitoring and reviewing various human resource and compensation matters;
- f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

- k. Determine 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; and
- l. If a Director slot/Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.
- m. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.”