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Nomination and Remuneration Policy

INTRODUCTION

The company in terms of the provisions of the Companies Act, 2013, and SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 ("LODR") formulate the Nomination and Remuneration policy which shall be duly approved by the Board of Directors (BOD) of the Company.

DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" or "BOD" means the Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Independent Director" means as defined under section 2(47) of the Companies Act, 2013.

"Key Managerial Personnel" or "KMP's" means:

- i. The Chief Executive Officer or the Managing Director or the Manager;
- ii. The Company Secretary;
- iii. The Whole-Time Director;
- iv. The Chief Financial Officer;
- v. such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as prescribed by the rules made thereunder which includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is/are accustomed to act.

"Policy" or "This Policy" or "NRP" means "the Nomination and Remuneration Policy."

"Senior Management" shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole-Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

APPLICABILITY

The Policy shall be applicable for recommendation of the appointment as well as change in remuneration of the following categories of the persons in the company:

- a) Directors (Executive and Non-Executive);

- b) Key Managerial Personnel; and
- c) Senior Management Personnel.

CONSTITUTION OF COMMITTEE

The Board of Directors of the Company has constituted committee to be known as the Nomination and Remuneration Committee ("the Committee") consisting of at least three directors and all the directors are Non-Executive Directors, out of which at least two-thirds of the directors are Independent Directors. The Chairman of the NRC is an Independent Director. However, the Chairman of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee.

QUORUM OF THE COMMITTEE

The quorum for the meeting of the NRC shall be either 2 (Two) members or one third of the members of the NRC, whichever is greater, including at least one Independent Director in attendance.

OBJECTIVE

The NRC and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 ("LODR").

Regulations, 2015 as amended from time to time. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and the Key Objectives of the Committee would be:

- 1) To guide the Board in relation to appointment and remuneration and removal of Directors, KMPs and Senior Management.
- 2) 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 Directors, KMPs and other senior management person.
- 3) Formulation of criteria for evaluation of Independent Director and the Board.
- 4) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 5) To recommend to the Board on Remuneration payable to the Directors, KMPs and Senior Management persons.
- 6) To provide to KMPs and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 7) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 8) To develop a succession plan for the Board and to regularly review the plan.
- 9) To assist the Board in fulfilling responsibilities.
- 10) To Implement and monitor policies and processes regarding principles of corporate governance.

PERIODICITY OF MEETING

The nomination and remuneration committee shall meet at least once in a financial year.

APPLICABILITY

The Policy shall be applicable for recommendation of the appointment as well as change in remuneration of the following categories of the persons in the company;

- a) Directors (Executive and Non-Executive);
- b) Key Managerial Personnel; and
- c) Senior Management Personnel.

APPOINTMENT CRITERIA AND QUALIFICATIONS

- a) The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMPs or Senior Management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-Time Director who has attained the age of 70 (Seventy Years) and the Non-Executive Director who has attained the age of 75 (Seventy-Five Years). Provided that the term of the person holding this position(s) may be extended beyond the age of Seventy/Seventy-Five Years as the case may be with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond Seventy/Seventy-Five Years.
- d) The Committee shall confirm and verify that a person proposed for appointment as director is not debarred from holding the office of director pursuant to any SEBI order and in case an existing director is restrained from acting as a director by virtue of any SEBI order or any other such authority, the Committee shall intimate such director for his/her voluntarily resignation with immediate effect and if such director does not resign then in that case committee shall inform the Board to initiate the process of removal of such director in terms of relevant sections of the Companies Act, 2013.

Term / Tenure

a) Managing Director/Whole-Time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time subject to the approval by way of ordinary/special resolution, if any, as may be required.

No re- appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Shareholders of the Company.

Further the Company shall disclose such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation

The Committee may carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.

Removal

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, upon the recommendation of the NRC for the benefit of the Company.

BOARD DIVERSITY

The Board shall consist of such number of Directors, including atleast one Women Director and not less than fifty percent of the Board of Directors comprising non-executive directors, as is necessary to effectively manage the Company of its size.

When the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the Company does not have a regular non-executive Chairman or in case the regular non-executive Chairman is a promoter of the Company, at least half of the Board comprise independent directors.

The Committee will lead the process for Board appointments. All Board appointments will be based on the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective. The Committee shall seek to address Board vacancies by actively considering candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience.

The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Additionally, the Board may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing and business development, international business, operations management etc. so as to bring diversified skill sets on board or succeed any outgoing director with the same expertise.

POLICY FOR REMUNERATION TO DIRECTORS/ KMPs/ SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing/Whole-Time/Executive/Managing Director

The Remuneration/ Compensation/ Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non-Executive/Independent Director

The Non-Executive/ Independent Director may receive remuneration/compensation/ commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

3. Remuneration to KMP (except MD/MTD) and Senior Management Personnel

- a) The remuneration for KMP (except MTD/MD) and Senior Management Personnel is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- b) The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- c) The annual increments to the remuneration paid to KMP (except MD/MTD) and Senior Management Personnel shall be determined based on their performance as reviewed by the Committee.

Nomination Duties

The duties of the Committee in relation to nomination matters include:

- a. Ensuring that there is an appropriate induction & training programme in place for

new Directors, KMP's and members of Senior Management and reviewing its effectiveness;

- b. Ensuring that on appointment to the Board, Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- c. Determining the appropriate size, diversity and composition of the Board;
- d. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director, KMPs as an employee of the Company subject to the provision of the law and their service contract;
- f. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g. Recommend any necessary changes to the Board; and
- h. Considering any other matters as may be requested by the Board.

Remuneration Duties

The duties of the Committee in relation to remuneration matters include:

- a. To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;
- b. To approve the remuneration of the Senior Management including KMPs of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company;
- c. To delegate any of its powers to one or more of its members or the Secretary of the Committee and
- d. To consider any other matters as may be requested by the Board;

PROCEDURE FOR SUCCESSION

1. Succession Plan for the Board and the KMP's

The Committee shall identify suitable person from among the existing top management personnel or from outside the Company to fill up the vacancy at the Board and KMP level.

The Committee shall apply a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a director or KMP of the Company based on his/her educational qualifications, experience and track record.

The appointment, re appointment or removal of the person at the Board and KMP level shall be

recommended by the Committee and approved by the Board. Such appointment, re-appointment or removal shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.

2. Succession Plan for the Senior Management

The Committee shall periodically review and consider the list of Senior Management due for retirement or resignation within the year. The Committee shall also consider new vacancies that may arise because of business needs or up-gradation of department(s). Accordingly, the Committee shall assess the availability of suitable candidates for the Company's future growth and development.

The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy(ies) adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

The Chairperson & Managing Director, the Executive Directors and the Head – Human Resources shall also, from time to time, identify & recommend high-potential employees who merit faster career progression and formulate, administer, monitor and review the process of skill development and identify training requirements in respect of such employees.

The appointment of Senior Management shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.

EMERGENCY SUCCESSION OR TEMPORARY CHANGE

If any Director/ Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Nomination and Remuneration Committee shall convene a meeting as early as possible to implement the process described herein.

REVIEW AND AMENDMENT

1. The NRC or the Board may review the Policy as and when it deems necessary.
2. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there are any statutory changes necessitating the change in the policy and shall be binding on the concerned Directors, KMPs and Senior Management Persons in the manner described as above.

This Policy was approved by the Board of Directors at its meeting held on August 11, 2023 and was last reviewed and amended on May 23, 2025.