

NOMINATION & REMUNERATION POLICY OF HALDER VENTURE LIMITED

1. PREFACE

Remuneration policy of **Halder Venture Limited** comprising members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and Senior Management (“SM”) and other employees of the Company (collectively referred to as “Executives”).

- The Board of Directors has adopted the remuneration policy on the recommendation of the Nomination & Remuneration Committee
- This remuneration policy was laid down on the basis of an overall assessment of the size of the company, its organization and the complexity of its activities. The purpose is to have a remuneration policy that is consistent with and promotes sound and effective risk management, encourages superior performance and which is aligned with the company’s strategy, values and goals and the interests of customers and investors.
- The Policy shall be disclosed in Board’s Report.
- The policy formulated shall be placed on the website of the Company, www.halderventure.in
- The Policy will be revised by the Nomination and Remuneration Committee as and when required and will be duly approved by the board.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. COMMENCEMENT

This remuneration policy governs Policy relating to directors’ appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of Companies Act 2013 and regulation 19 of SEBI (LODR) Regulations and amendments thereof. This policy also covers the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees.

3. DEFINITIONS

- a) **“Board of Directors”** or **“Board”**, in relation to a company, means the collective body of the directors of the company;
- b) **“Director”** means a director appointed to the Board of a company;
- c) **“Independent Director”** means a director referred to in Section 149(6) of Companies Act, 2013 as well as Regulation 16 of SEBI (LODR) Regulations, 2015
- d) **“Key Managerial Personnel (KMP)”**, in relation to a company, 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 may be prescribed
- e) **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
- f) **“Senior Management (SM)”** shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and this shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/ Whole time Director/ Manager (including Chief Executive Officer/Manager in case they aren't part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.
- g) **“Whole-Time Director”** includes a director in the whole-time employment of the company;

4. AIMS & OBJECTIVES

The aims and objectives of this remuneration policy may be summarized as follows:

- ❖ The remuneration policy shall have criteria for determining qualifications, positive attributes and independence of a director, where necessary, and recommend to the Board of Directors of the Company (the “Board”), policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees
- ❖ The remuneration policy seeks to enable the company to provide a well-balanced and performance related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

❖ The remuneration policy will ensure that the interests of Board Members, KMP and SM are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

❖ The remuneration policy will ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

5. **NOMINATION AND REMUNERATION COMMITTEE**

a. **Composition**-The Nomination and Remuneration Committee shall comprise of three or more non- executive directors out of which fifty percent of the directors shall be independent directors. The Chairman of the Board shall be eligible to become the member of the Committee but he shall not chair the NRC Committee.

The quorum for the meeting of the Nomination and Remuneration Committee shall either be two members or one third of the total strength of the committee, whichever is higher (including at least one independent director in attendance).

b. **Terms of reference -**

- To formulate 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, senior management and other employee, as per the mandate.
- To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board
- 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 their appointment and removal.
- To devise a policy on diversity of board of directors.
- 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- To lay down a chart/matrix listing the core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the company's business(es) and sectors for

the Board to function effectively and those actually available with the Board

- The Nomination & Remuneration Committee shall meet as and when required to consider and approve the remuneration package to directors, KMPs and Senior Management which shall be balanced by fixed and incentives based on short and long term performances & objectives which depends upon the goals & objectives of the Company. Provided that, the nomination & remuneration committee shall meet atleast once in a year.
- The policy formulated shall be placed on the website of the Company, www.halderventure.in

c. **Responsibilities and duties:** The responsibility and duties of Nomination and Remuneration Committee are defined below covering their scope of work:

- Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
- Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- 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.
- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.

- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board

6. **PROCESS FOR EVALUATION:**

- a) The Nomination & Remuneration Committee of the Board is responsible for the evaluation of performance of every director, including independent director and places their review before the board. Provided that, the independent directors who are subject to the evaluation shall not be present during the evaluation.

The evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

- b) The evaluation of independent directors shall be done by the entire board of directors which shall include:

- (i) Performance of the directors and
- (ii) Fulfillment of the independence criteria as specified in these regulations and their independence from the management

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

- c) The Evaluation Policy will be reviewed/modified by the Nomination and Remuneration Committee of the Board of Directors as & when required.

7. **APPOINTMENT AND REMOVAL OF DIRECTORS, KMPS AND SENIOR MANAGEMENT**

a) **Criteria, Selection and Appointment:** -

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 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.

- The committee shall verify whether the candidate being assessed for holding the position of a director has been allotted a Director Identification Number (DIN) and whether the candidate has submitted e-form DIR-3-KYC to the Central Government within stipulated timelines.
- The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained the age of 75 (seventy five) years. Provided that the appointment of such a person who has attained the age of 75 (seventy five) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 75 (seventy five) years.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013 and amendments thereof.
- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level as well as the fulfillment of the independence criteria as specified in the SEBI (LODR) Regulations and their independence from the management.

8. **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 Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, 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.
- The Company shall not appoint or continue the directorship of any person as non executive director who has attained the age of seventy-five years, unless a Special resolution is passed to that effect, based on the explanatory statement annexed to the notice for such motion indicating the justification for appointment of such beyond seventy five years.
- At the time of appointment of Independent Director(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and 3 (three) listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act or the SEBI Listing Regulations.

- Independent Director shall not be entitled to any stock option, if any introduced by the company.

Role of Independent DirectorIndependent Director shall abide by the Code for Independent Directors as laid down under Schedule IV of the Companies Act, 2013, and duties of Directors as provided in Section 166 of the Act and in the SEBI (LODR) Regulations, 2015 with amendments thereof.

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

10. REMOVAL

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

11. RETIREMENT

The Director, KMP and Senior Management 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 in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company pursuant to the applicable law.

12. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT

a) Remuneration to Whole-Time Director/ Executive/Managing Director, KMP and Senior Management:

The remuneration / compensation / commission etc. to the Whole-time Director/MD/Executive Director, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required

The remuneration and commission to be paid to the Whole-time Director/MD/ED shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act.

The remuneration is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including but not limited to, employer's contribution to Provident Fund (P.F.), medical expenses, club fees, leave travel allowance, etc. shall be decided and approved by the Board and Shareholders and others

regulatory wherever required. The variable component comprises performance bonus/commission/others.

The Committee shall ensure that where the fees or compensation payable to Managing/ Executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

(i) the annual remuneration payable to such Executive Director exceeds Rs. 5 (five) crore or 2.5 (two and half) per cent of the net profits of the company, whichever is higher; or

(ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 (five) per cent of the net profits of the company. The approval of the shareholders shall be valid only till the expiry of the term of such director. Net profits for this purpose shall be calculated as per section 198 of the Companies Act, 2013

b) Remuneration to Non-Executive Director:

The Non-Executive Independent Director may receive remuneration/ commission in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force. It may receive sitting fee for attending board or committee meeting and 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. Non-Executive Non-Independent Director shall not be paid any sitting fee for attending Board /committee meetings.

Remuneration/ Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. However, the Company shall take approval from its shareholders in case the remuneration at any time exceeds the limits prescribed as per the SEBI (LODR) Regulations, 2015

The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds 50 (fifty) percent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

Non-Executive Directors (Non-Independent) are not paid any remuneration by way of sitting fees, commission for attending Board or Committee meetings.

13. **REVIEW**

Any changes in the Policy may be amended or substituted by the NRC or by the Board as and when required. The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

The Policy was approved by Board of Directors vide their meeting held on 14th August, 2024.

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