

# SANDHAR

**SANDHAR TECHNOLOGIES LIMITED**  
**NOMINATION AND REMUNERATION**  
**POLICY**

## NOMINATION AND REMUNERATION POLICY

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### **1. SCOPE & PURPOSE**

The Nomination & Remuneration Policy (“**Policy**”) of Sandhar Technology Limited (“**STL**” or “**Company**”) is formulated under the requirements of applicable laws, including the Companies Act, 2013 (“**the Act**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”).

### **2. Objective**

The objective of this Policy is to:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- ii. Specifying the process by which the Board will evaluate the performance of the Board, its Committees, and Individual Directors.
- iii. Formulating a policy on diversity of Board of Directors;
- iv. To recommend the Board of Directors of the Company (“**Board**”) a policy on the remuneration of the Directors, Key Managerial Personnel and Senior Management;

### **3. Definitions**

- a. ‘**Board**’ means Board of Directors of the Company.
- b. ‘**Director**’ means a Director appointed to the Board of the Company.
- c. ‘**Committee**’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
- d. ‘**Company**’ means Sandhar Technologies Limited.
- e. ‘**Independent Director**’ as defined under the Act and SEBI Listing Regulations and rules and regulations made thereunder
- f. ‘**Key Managerial Personnel (KMP)**’ means
  - i. the Chief Executive Officer or the Managing Director or the Manager
  - ii. the Whole-time Director
  - iii. the Chief Financial Officer;
  - iv. Company Secretary and
  - 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;
- g. “**Senior Management**” shall mean
  - i. Officers/personnel of the Company who is/ are designated by the Board from time to time excluding board of directors,
  - ii. 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 are not part of the Board), and
  - iii. Chief Financial Officer, Company Secretary and Functional Heads, by whatever name called.

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

#### **4. General**

This Policy is divided in three parts: -

**Part – A** covers the matters to be dealt with and recommended by the Committee to the Board;

**Part – B** covers the appointment and removal of Directors, KMP and Senior Management;

**Part – C** covers remuneration for Directors, KMP and Senior Management; and

#### **Part – A**

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

**The following matters shall be dealt with by the Committee: -**

**a) Size and composition of the Board:**

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

**b) Directors:**

The Committee to formulate the criteria and to determine qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

**c) Succession plans:**

Establishing and reviewing Board, KMP and Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

**d) Evaluation of performance:**

Formulate the criteria and framework for evaluation of performance of Director on the Board of the Company as per the guidance note/notifications issued by regulatory authorities in this regard and/or as per the applicable laws and regulations. The Committee to review and amend the criteria as may be deemed necessary.

**e) Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board, Remuneration of Executive Directors to be presented for shareholders' approval and remuneration of non-executive Directors and the chairperson.

**f) The remuneration and remuneration policies for Directors, KMP and Senior Management.**

#### **PART – B**

#### **Policy for appointment and removal of Directors, KMP and Senior Management**

##### **I. Appointment criteria and qualifications**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment.
2. A person possessing relevant expertise and experience and is not disqualified in terms of Section 164 of the Companies Act, 2013 and other applicable provisions can be appointed as a Director of the Company.
3. In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements will also be assessed and he/she should possess

qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014. Further, he/she should also fulfil the requirements of Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. A person to be appointed as Senior Management and KMP should possess adequate qualification, expertise and experience for the position he / she is considered for.

## **II. Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, which will trigger automatic vacation of such Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

## **III. Retirement:**

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

## **PART – C**

### **Policy relating to the remuneration for Directors, KMP and Senior Management**

#### **(a) General**

- 1.1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
- 1.2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- 1.3. Any change in the existing remuneration/compensation of Managing Director/ Whole-time Director shall be recommended by the Committee to the Board.

#### **(b) Remuneration to the Managing Director, KMP and Senior Management**

1. The Managing Director, KMP and Senior Management shall be eligible for a remuneration as may be approved by the Board on the recommendation of the Committee.
2. The Company policy is that remuneration should be fair and reasonable and should be reflective of market competitiveness so as to attract the best talent. Following criteria are also to be considered;
  - Responsibilities and duties;
  - Time & efforts devoted;
  - Value addition;
  - Profitability of the Company & growth of its business;
  - Analysing each and every position and skills for fixing the remuneration yardstick;
  - The Company shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management of the quality required to run the Company successfully.
  - Any other criteria as may be applicable.

**(c) Remuneration to Non-Executive / Independent Directors**

- i. Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made there under.
- ii. The remuneration to the Non-Executive Directors (including Independent Directors) are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof, subject to the limit not exceeding the amount as per the applicable provisions of the Companies Act, 2013.
- iii. Commission may be paid within the monetary limit approved by the shareholders of the Company subject to the applicable provisions of the Companies Act, 2013.

**(d) Changes amongst Directors, Key Managerial Personnel**

The Committee may recommend to the Board, changes in Board, Key Managerial Personnel and Senior Managements subject to the provisions of the Act, Listing Regulations and applicable Company's policies .

**5. GENERAL**

**a) Review**

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

**b) Disclosure of the Policy**

This policy will be uploaded on the Company's website. The policy shall also be disclosed in Annual Report and such other place as required by the Act and Rules framed thereunder.

**c) Effective Date:**

Revised by the Board of Directors at its meeting held on 17<sup>th</sup> March, 2025

Last amended by the Board of Directors on 09<sup>th</sup> August, 2023