OPTIEMUS INFRACOM LIMITED

NOMINATION AND REMUNERATION POLICY

In accordance with Section 178 and other relevant provisions of the Companies Act, 2013 and Regulation19 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

1. Introduction

The Board of Directors of Optiemus Infracom Limited ("**the Company**") constituted the 'Nomination and Remuneration Committee' effective from May 30, 2014. The main purpose of the Nomination and Remuneration Committee is to evaluate and approve the Remuneration plans, policies and programmes for the Directors, Senior Management and other employees of the Company.

This revised policy shall supersede the existing Nomination and Remuneration Policy ("**Policy**") with effect from May 26, 2025.

This policy applies to all Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 **("the Act")** read along with the applicable rules thereto and Regulation 19 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**"). The key objectives of the Committee would be:

i. To guide the Board in relation to appointment, re-appointment and removal of Directors, Key Managerial Personnel and Senior Management.
ii. To formulate criteria for evaluation of performance of the Board and its Committees and Individual Directors (including Independent, Non-Independent Directors and Chairperson).
iii. To recommend to the Board, the remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
iv. To retain, motivate and promote talent and to ensure long term sustainability of talented Directors, KMP and Senior Management and create competitive advantage.
v. To devise a policy on diversity of Board of Directors;
vi. To assist the Board in ensuring that the plans are in place for orderly succession for appointments to the Board and to Senior Management.

3. Definitions

i. **"Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

ii. **"Board"** means Board of Directors of the Company.

iii. "**Committee**" means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board, in accordance with the Act and applicable Listing Regulations.

iv. **"Company"** means Optiemus Infracom Limited.

v. **"Directors"** means Directors appointed on the Board of the Company.

vi. **"Independent Director"** means an Independent Director as defined under Section 149(6) of the Companies Act, 2013 and under Regulation 16 of SEBI Listing Regulations.

vii. **"Key Managerial Personnel or KMP"** means

a. the Chief Executive Officer or the Managing Director or the Manager;

b. the Chief Financial Officer;

c. the Company Secretary;

d. the Whole-time Director;

e. Such other officer, not more than one level below the Directors, who is in whole-time employment, designated as KMP by the Board; and

f. Such other officer (Including any Director, Manager or KMP or any person in accordance with whose directions or instructions, the Board or any one or more of the Directors is/are accustomed to act) as may be prescribed.

viii. **"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 Company.

Words and expression used in this policy and not defined herein shall have the same meaning assigned to them in the Companies Act, 2013, Listing Regulations and/or any other SEBI Regulation(s) as amended from time to time.

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

Role of Committee shall, inter-alia, include the following:

i. Formulation of 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 of the Company.

(ia) For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an

independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

ii. Formulation of criteria for evaluation of performance of independent directors and the Board.
iii. Devising a policy on diversity of Board.
iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management positions, in accordance with the criteria laid down, and recommend to the Board, their appointment and removal.
v. Whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
vi. Recommend to the Board, all remuneration, in whatever form, payable to Senior management.
vii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

5. Appointment, re-appointment and removal of Director, KMP and Senior Management

i) <u>Appointment criteria and qualifications:</u>

a. Qualification and Experience

- ✓ 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 candidate are sufficient and satisfactory for the concerned position/role.
- ✓ The Committee shall evaluate 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.
- ✓ An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- ✓ The Committee shall ensure that the person so appointed as Director (including Independent and Non-Independent Director)/ KMP / Senior Management Personnel shall not be disqualified under the Companies Act, 2013 rules made thereunder, or any other enactment for the time being in force.

- ✓ The Committee shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors or as a Manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier, or in accordance with any other amendment or any other enactment for the time being in force.

- ✓ The Committee shall ensure that the appointment or a re-appointment of a person, including as a managing director or a whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting, shall be done only with the prior approval of the shareholders:

  Provided that the statement referred to under sub-section (1) of section 102 of the Companies Act, 2013, annexed to the notice to the shareholders, for considering the appointment or re-appointment of such a person earlier rejected by the shareholders shall contain a detailed explanation and justification by the Committee and the board of directors for recommending such a person for appointment or re-appointment.

- ✓ The Committee shall ensure that any vacancy in the office of a director shall be filled at the earliest and in any case not later than three months from the date of such vacancy.

- ✓ The Committee shall ensure that if the vacancy is caused due to expiration of the term of office of any director, the resulting vacancy shall be filled by the Company not later than the date such office is vacated.

  This requirement shall not be applicable if minimum number of Directors including Independent Directors are there in the Company.

b. Age Limit

- ✓ The Company shall not appoint or continue the employment of any person as Whole-Time Director or Managing Director or Manager who is below the age of twenty one years or has attained the age of seventy years.

  Provided that the term of the person holding this position may be extended beyond the age of seventy years 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 years.

- ✓ 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.

  Provided that the term of the person holding this position may be extended beyond the age of seventy five years 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 five years.

Provided further that the Company shall ensure compliance in such case at the time of appointment or re-appointment or any time prior to attaining the age of seventy-five years by the non-executive director.

However, there is no such requirement specified for appointment of Senior Management Personnel.

ii) <u>Term of appointment</u>:

a) Managing Director/Whole-Time Director:

The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of their term.

b) Independent Director:

- Any person to become Independent Director must comply the terms of qualification as defined under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

- An Independent Director shall hold office for a term up to five consecutiveyears on the Board of the Company, in terms of Companies Act, 2013 and rules made thereunder.

- 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 appointment, re-appointment or removal of an independent director of the Company, shall be subject to the approval of shareholders by way of a special resolution.

- At the time of appointment and during the tenure of Independent Director, it should be ensured that number of listed entities on which such person serves as an Independent Director is restricted to seven; and in case such person is serving as a Whole-time Director/Managing Director in any listed company the number of listed entities on which such person serves as an Independent Director is restricted to three.

6. Evaluation

For Directors, Chairperson, Board and its Committees

The Committee shall specify the manner for effective evaluation of performance of Board, its Committees, Individual Directors and Chairperson of the Company, to be carried out by the Nomination and Remuneration Committee and Board, on annual basis, as required under Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

Also, the Committee shall carry out effective evaluation of performance of every Director and Chairperson of the Company. The Board of Directors as a whole shall also evaluate the performance of its own, its various committees and Individual Directors and Chairperson.

The Board/ Committee may take advice of an independent professional consultant for developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters.

For Independent Directors

Evaluation of Independent Director shall be carried on by the entire Board of the Company annually except the Director getting evaluated. The criteria for evaluation of performance of Independent Directors should be in the format as laid down below:

Name of the Director:_____

Rating (1 to 5)

Criteria for Evaluation	**Sub Criteria for Evaluation**	**Rating**
Independence	Independence from the Company and other Directors there	
	Whether the person exercises his/ her own judgement and voices opinion freely	
Attendance	Attendance and contribution at Board and Committee meetings	
Based on in general knowledge, skills and job profile	His/her stature, appropriate mix of expertise, skills, behaviour, experience, sense of sobriety and understanding of business, strategic direction to align company's value and standards.	
	His/her knowledge in the area of expertise, business operations, processes and Corporate Governance.	
	His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.	
	Open channels of communication with executive management and other colleague on	

Based on Responsibilities & Obligations	Board to maintain high standards of integrity and probity.	
	Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board and fulfils the functions as assigned to him/her by the Board and the law.	
	Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.	
	His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.	
Based on overall understanding of the Company goals and performances	Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics,human resources etc.	
	His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls (Including conflict of interest disclosures, maintenance of confidentiality etc.) and systems in place by ensuring right level of contact with external stakeholders.	
Based on Team Performance	His/her contribution to enhance overall brand image of the Company.	

Rating Scale: 5 - Excellent, 4 - Very Good, 3 – Good, 2 – Average, 1 - Below Average

Procedure to rate the performance

Based on evaluation criteria, the Nomination and Remuneration Committee and the Board shall rate the performance of the each and every Director. The performance rating shall be given within minimum 1 and maximum 5 score points,the rating 1 being least effective and 5 being most effective. Based on the ratings of performance evaluation, the Committee can recommend to the Board whether to extend or continue the term of appointment of Independent Directors or to introduce new candidate as a member of the Board or retirement of the member based on his/her performance rating as to create and maintain the most effective and powerful top level management of the Company for its future growth, expansion, diversification and also to maximize the returns on investments to the stakeholders of the Company.

7. Removal

In the event of falling under any ground of disqualification or vacation mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the applicable Act, rules and regulations.

8. 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 ManagementPersonnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to such approvals as required under the relevant laws.

9. Remuneration for the Directors, KMP, Senior Management Personnel and other employees

i. General:

a) The remuneration / compensation / commission etc. to the Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for its approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.

b) The remuneration and commission to be paid to the Directors shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the Nomination and Remuneration Committee to the Board which should be within the slabs approved by the shareholders in the case of Directors/Managers and Managerial Persons.

d) Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Independent Directors, Manager, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

e) The Directors, KMP and Senior Management excluding Independent Directors shall be entitled to stock option of the Company and such other eligible employees as approved

by the Committee will be granted ESOPs.

ii. Remuneration and Sitting Fees

a. For Executive and Non-Executive Directors, KMP & Senior Management

- ✓ Fixed pay:

  The Executive Directors/ Non-Executive Directors/ KMP and Senior Management shall be eligible for a monthly remuneration or at a specified percentage of the net profits of the company or partly by one way and partly by the other, as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders, wherever required.

- ✓ Minimum Remuneration:

  If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors or Manager, in accordance with the provisions of Schedule V of the Act.

- ✓ Provisions for excess remuneration:

  If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without approval required under section 197 of the Act, he / she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the members of the Company by special resolution within two years from the date the sum becomes refundable.

- ✓ Other Fees:

  A Director may receive remuneration by way of fee for attending meetings of Board and Committee thereof or for any other purpose whatsoever as may be decided by the Board. Provided that the amount of such fees shall not exceed Rs. 1,00,000 per meeting of the Board or Committee thereof.

- ✓ Commission:

  Subject to the provisions of Section 197 of Companies Act, 2013, any Director who is in receipt of any commission from the company and who is a Managing or

Whole-time Director of the Company shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company subject to its disclosure by the Company in its Board's report.

*b. **For Independent Directors***

The Independent Directors of the Company are entitled to receive sitting fees for attending meetings of Board or Committee(s) thereof for an amount as may be *approved*/revised by the Board of Directors, however, within the prescribed Statutory limit Rs.1,00,000 per meeting of the Board or Committee thereof.

Notes:

The total managerial remuneration payable by a public company to its Directors, including managing director and whole time director and its manager in respect of any financial year computed in the manner laid down under section 198 of the Act, shall not exceed 11% of the net profits of the company for that financial year.

The remuneration payable to any one managing director or whole time director or manager shall not exceed 5% of the net profits of the company and if there is more than one such director, remuneration shall not exceed 10% of the net profits to all such directors and manager taken together. Any payment exceeding the said 5% or 10% limits would require the approval of the shareholders.

The remuneration payable to Directors who are neither Whole-time Directors nor Managing Directors shall not exceed 1% of the net profits of the Company, if there is a managing or whole time director or manager; and 3% of the net profit in other case. As there is a Whole Time Director and an Executive Chairman in the Company, the applicable limit is 1% of the net profit. Any payment exceeding 1% or 3% limit, as the case may be, would require the approval of the shareholders subject to the overall limitof 11%.

The aforesaid percentages shall be exclusive of any fees payable to Directors.

However, the Company at the general meeting may authorize the payment of remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V.

c. Remuneration of other employees

Apart from the Directors, KMP and Senior Management, the qualification, expertise, experience of other employees shall be determined by HR Department in accordance with HR Policy of the Company. The annual increments to the remuneration paid to other employees shall be determined based on the annual/periodical appraisal carried out by the HR Department.

10. Charter of the Nomination and Remuneration Committee:

i. **Composition:**

Composition of the Committee shall be three or more non-executive directors out of which not less than two-thirds shall be independent directors. The Chairperson of the Committee shall be an Independent Director. The members of the Committee from among the Board shall be decided by the Board.

The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee and shall not chair the Committee.

The Chairman of Committee may be present at the Annual General Meeting, to answer the shareholder queries, however, it shall be up to the chairman to decide who shall answer the queries.

ii. **Meetings:**

The Committee shall meet at least once in a financial year to act upon any matter within its jurisdiction. All Committee members are expected to attend each meeting.

The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Committee may request that other Board members, or officers, or other employees of the company, or any other persons whose advice and counsel are sought by the Committee, to attend any meeting of the Committee to provide pertinent information.

Periodically, the Committee may meet in executive session separately without management and with its chosen independent consultants. Minutes will be kept of each meeting of the Committee.

iii. **Authority:**

The Committee will have the authority:

- To use the services of an external agencies to identify an appropriate candidates or to retain other advisers, to consider candidates from a wide range of backgrounds, having due regard to diversity, as deemed necessary and appropriate, to dischargethe Committees duties and obligations.
- To approve appropriate compensation at the company's expense for any search firms or other advisors engaged by the Committee for the purpose of carrying out its duties, and ordinary administrative expense of the Committee.

iv. **Terms of Reference:**

- The Committee shall identify persons who are qualified to become directors, KMP and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carryout evaluation of every director's, KMP's and Chairperson's performance.

- The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the criteria (such as independence, experience relevant to the needs of the company, leadership qualities, diversity and ability to the represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.

- The Committee shall, while formulating/amending the 'Nomination and Remuneration Policy, will ensure that—

  a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  c) 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.
  d) Nomination and remuneration policy or extract thereof as may be required, shall be disclosed in the Board's report.

- The Committee shall ensure annually review of the salary, bonus and other benefits given to the Directors, KMP and Senior Management Personnel of the Company.

- The Committee shall assist in framing suitable policies of the Company and systems to ensure that there is no violation, by any Director, KMP or Senior Management of the Company of any applicable laws in India or overseas, including:

  a. The Companies Act, 2013;
  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time; and
  c. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.

- The Committee shall administer the implementation and award of stock options under the stock option plans of the Company.

- The Committee shall recommend to the Board of Directors of the Company on any other employment incentives as the committee deems it appropriate in the best interests of the Company.

- The Committee will also undertake such additional activities as it may, from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.

- The Committee shall carry out such other functions as may be required by any law for the time being in force.

- This Policy will be communicated to all concerned persons of the Company and shall be placed on the website of the Company at www.optiemus.com.

11. Review and Amendment

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisionshereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification, circular(s) etc.