



NOMINATION AND REMUNERATION POLICY ORICON ENTERPRISES LIMITED

1. Preamble

1.1. This Nomination and Remuneration Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- 1.1.1.** 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;
- 1.1.2.** Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 1.1.3.** Remuneration to Directors, KMP 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".

2. Definitions

In this policy unless the context otherwise requires:

- 2.1. Act:** means the Companies Act, 2013 or Companies Act, 1956 as may be applicable and Rules framed thereunder, as amended from time to time.
- 2.2. Company:** means **Oricon Enterprises Limited**.
- 2.3. Board:** means Board of Directors of Oricon Enterprises Limited.
- 2.4. 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.
- 2.5. Director:** means Directors of the Company other than Independent Directors and Executive Directors.
- 2.6. Executive Director:** means Whole-time Director(s) of the Company.
- 2.7. Independent Director:** means a Director referred to in Section 149 (6) of the Act read with Listing Regulations.
- 2.8. Key Managerial Personnel ('KMP'):** in relation to a Company as defined sub-section 51 of Section 2 of the Act, means and includes
 - i. Chief Executive Officer or the Managing Director or the Manager;

- ii. Whole-time Director;
- iii. Chief Financial Officer;
- iv. Company Secretary;
- v. Senior Management Personnel designated as such by the Board; and
- vi. Such other officer as may be prescribed.

2.9. Listing Regulations: means the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2.10. Senior Management Personnel: means officers and personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Executive Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board), including functional head, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors of the Company.

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

3. Key Objectives of the Policy

- 3.1. To assist Nomination and Remuneration Committee (NRC) in identifying persons who are qualified to become directors 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 specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out by the Board or the Nomination and Remuneration Committee or by an Independent External Agency and review its implementation and compliance:
- 3.2. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 3.3. To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- 3.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations involving a balance between fixed and incentive pay and also reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and recommend to the Board, all remuneration, in whatever form, payable to senior management;
- 3.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- 3.6. To devise a Policy on Board Diversity.
- 3.7. To develop a succession plan for the Board and to regularly review the plan.
- 3.8. To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.
- 3.9. To formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

4. Key Principles governing this Policy

Part – A: Matters to be dealt with and recommended by the Committee to the Board

4.1. The following matters shall be dealt with by the Committee:

- 4.1.1. **Size and composition of the Board:** Periodically reviewing the size and composition of the Board to have an appropriate mix of executive, non-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;
- 4.1.2. **Nomination Policy:** The Committee is responsible for reviewing and making recommendations to the Board on:
 1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
 2. Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
 3. Identifying and recommending Directors who are to be put forward for retirement by rotation.
 4. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
 5. 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 as an employee of the Company subject to the provision of the law and their service contract.
- 4.1.3. **Succession plans:** Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

4.1.4. Evaluation of performance:

1. Make recommendations to the Board on appropriate performance criteria for the Directors.
2. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third party facilitator in doing so.
3. Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

4.1.5. Board diversity: The Committee is to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives. The policy on Board diversity is available at www.oriconenterprises.com

4.1.6. Remuneration framework and policies: The Committee is responsible for reviewing and making recommendations to the Board on:

1. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
2. Individual and total remuneration of non-executive Directors and the chairperson (if nonexecutive), including any additional fees payable for membership of Board committees;
3. the remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
 - i. attract and motivate talent to pursue the Company's long term growth;
 - ii. demonstrate a clear relationship between executive compensation and performance;
 - iii. be reasonable and fair, having regard to best governance practices and legal requirements and
 - iv. balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals d. the Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

Part - B: Appointment and removal of Directors, KMP and Senior Management

4.2. Policy for appointment and removal of Directors, KMP and Senior Management

4.2.1.Appointment criteria and qualifications

1. The Committee shall 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. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

2. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / executive Director who has attained the age of seventy years and shall not appoint Independent Director who has attained the age of seventy five years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years/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 sixty years/seventy years as the case may be.
5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

4.2.2. Term / Tenure

1. Managing Director / Executive Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO 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.

2. Independent Director

- i. 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.
- ii. 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.
- iii. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

4.2.3. Removal

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable Act, Rules and regulations, 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 said Act, rules and regulations.

4.2.4. Retirement

The Directors of the Company shall retire as per the applicable provisions of the Act and KMP and Senior Management shall retire as per the applicable HR policy of the Company.

Part - C: Remuneration for Directors, KMP and Senior Management

4.3. General

4.3.1. The Committee shall recommend to the Board for remuneration / compensation / commission or any other amount in any other form, including any revision, to be paid to Directors, Managing Director / Executive Director which shall be within the limits in terms of the provision of the Act and the rules made thereunder.

4.3.2. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management 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.

4.4. Remuneration to KMP and Senior Management

The Committee shall recommend to the Board for remuneration payable to KMP and Senior Management Personnel at the time of their appointment. The Committee may authorise Managing Director/ Executive Director for revision in remuneration annually.

4.5. Minimum remuneration to Whole-time Directors/ Executive Directors/ Managing Directors

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors/ Executive Directors/ Managing Directors in accordance with the provisions of Section 197 of the Act and Schedule V to the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

4.6. Provisions for excess remuneration

If any Whole-time / Executive / Managing 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 the prior sanction of the Central Government, where required, he / she shall refund such sums to 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 permitted by the Central Government.

4.7. Remuneration to Non-Executive / Independent Directors

4.7.1. Sitting Fees: The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Act.

4.7.2. Stock incentive: The Independent Directors shall not be entitled to any stock incentive of the Company.

4.7.3. Profit-linked Commission: The profit-linked Commission shall be paid within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act. Profit linked commission would comprise of a fixed component and variable component and will be determined by the Board for each financial year.

5. The Committee

5.1. Membership

5.1.1. The Committee shall comprise of at least (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent Directors.

5.1.2. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and the Listing Regulations.

5.1.3. Membership of the Committee shall be disclosed in the Annual Report.

5.1.4. Term of the Committee shall be continued unless terminated by the Board of Directors.

5.2. Chairperson

5.2.1. Chairperson of the Committee shall be an Independent Director.

5.2.2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.2.3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.3. Frequency of Meetings

5.3.1. The meeting of the Committee shall be held at regular intervals as may be deemed fit and appropriate with at least one meeting in a financial year.

5.3.2. The quorum for the Committee Meeting 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.

5.3.3. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend the Annual General Meeting of the Company.

5.3.4. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

5.3.5. The Nomination & Remuneration Committee shall establish a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole Time Directors and/or Senior Management Personnel of the Company, as deemed necessary for proper and expeditious execution.

5.4. Committee Members' Interests

5.4.1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

5.4.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

5.5. Secretary

5.5.1. The Company Secretary of the Company shall act as Secretary of the Committee.

5.6. Voting

5.6.1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

5.7. Minutes of Committee Meeting

5.7.1. The Proceedings of all the "Nomination & Remuneration Committee" meetings must be minuted and signed by the Chairman of the Committee. The minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

6. Review and Amendment

6.1. This Policy is framed based on the provisions of the Act and rules thereunder and the requirements of Listing Regulations.

6.2. In case of any subsequent changes in the provisions of the Act read with applicable rules and regulations or the Listing Regulations or other applicable regulations which makes any of the provisions in the policy inconsistent with the Act or Listing regulations or other applicable regulations, then the provisions of the Act or such regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

6.3. The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

7. Policy Implementation

7.1. The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

8. Compliance Responsibility

8.1. Compliance of this Policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarification from the management in this regard.

9. Deviations from this Policy

9.1. Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

This Policy was reviewed and approved by the Board of Directors at its Meeting held on February 13, 2025.