

SIMANDHAR IMPEX LIMITED

NOMINATION & REMUNERATION POLICY

1. Introduction:

In terms of Regulation 19 of Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with Section 178 of the Companies Act, 2013 (“the Act”), this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company of M/s Parshva Enterprises Limited has been formulated by the Board of Directors of the Company.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

2. Definition:

- a) **Act:** means the Companies Act 2013 and rules there under, as amended from time to time.
- b) **Company:** means “Simandhar Impex Limited”.
- c) **Board:** means Board of Director of “Simandhar Impex Limited”.
- d) **Director:** means Directors of the Company.
- e) **Committee:** means “Nomination & Remuneration Committee” of the Company as constituted by the Board from time to time.
- f) **Key Managerial Personnel (KMP):** means-
 - i. the Managing Director or Chief Executive Officer or manager
 - ii. Whole-time Director
 - iii. the Company Secretary;
 - iv. the Chief Financial Officer; and
 - v. Any other person as defined under the Companies Act, 2013 from time to time.
- g) **Senior Management:** shall have the same meaning ascribed to such term under Regulation 16 (1)(d) of the Listing Regulations.
- h) **Remuneration:** means 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;

3. Objective:

The objectives of this policy is to ensure that:

- 1) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in Schedule I of this policy and recommend to the Board their appointment and removal.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the Directors, KMP and SMP.
- 3) To ensure the Board appointment process aligns with the Board Diversity Policy of the Company.
- 4) To review the overall compensation policy, service agreement and other employment conditions of Whole Time Directors, KMP and SMP.
- 5) To deal with other matters as the Board may refer to the Committee from time to time.

4. Role of committee:

The role of Nomination and Remuneration Committee shall be as specified in Part D of the Schedule II of Listing Regulations, which shall, inter-alia, include the following:

- a. To 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 the directors, key managerial personnel and other employees;
- b. For every appointment of an independent director, the Nomination and Remuneration 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;
 - consider the time commitments of the candidates.
- c. To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- d. Devise a policy on Board diversity;
- e. To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- f. To recommend to the Board appointment of persons who are qualified to become Directors and who may be appointed in senior management and their removal;
- g. The Nomination and Remuneration Committee reviews the person to be appointed whether he fits into the criteria for the appointment, and then recommends to the Board for the same.
- h. The Board takes the final decision for the Appointment, Removal and the Remuneration to be paid to such persons.
- i. 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;
- j. recommend to the board, all remuneration, in whatever form, payable to senior management.

5. Appointment & Removal of Director, KMP and Senior Management:

Appointment Criteria and Qualifications:

1. 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 will recommend to the Board of his or her appointment.
2. The Committee has power to decide that whether qualification, expertise and experience possessed by a person willing to be appointed as director or KMP are sufficient/ satisfactory for the concerned position.
3. The Committee shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding his position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

Term/ Tenure:

1. Managing Director

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding 3 (Three) years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- All Independent Directors shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment 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 the expiration 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.

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 seven listed companies as an Independent Director and 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.

3. Evaluation:

The committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

4. Removal:

Due to reasons for any disqualifications mentioned in the Companies Act, 2013 and rules made thereunder or under any 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.

5. Retirement:

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

6) Remuneration of Directors, KMP and Senior Management:

❖ Remuneration to Managing Director/Whole Time Director:

Remuneration to Managing Director/Whole time Director 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 and the approvals obtained from the members of the company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole tie Directors.

❖ Remuneration to Non-Executive/ Independent Directors:

The Non-Executive/ Independent Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof. Provided that the amount of such fees for attending meeting shall not exceed the maximum amount as mentioned in the Companies Act, 2013.

All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under section 197(5) of the Companies Act, 2013 shall be subject to ceiling/limits as provided under companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approve by the Board of Directors or Shareholders, as the case may be.

An Independent Director shall not be eligible to get stock Options and also shall not be eligible to participate in any share based payment schemes of the company. Any remuneration paid to Non-Executive /Independent Directors for services rendered which are of professional nature shall not be considered as part of remuneration if the following conditions are satisfied:

- i. The Services are rendered by such Director in his capacity as the professional
- ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

❖ **Remuneration to Key Managerial Personnel and Senior Management:**

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

7) **Implementation:**

This Policy has been revised to incorporate the amendments in the SEBI Listing Regulations and shall be effective from August 7, 2023. In case there are any subsequent modification(s) / amendment(s) / notification(s) / circular(s) to SEBI Listing Regulations, Secretarial Standards or the Act and Rules made thereunder, it shall apply to this charter automatically and this Policy shall stand amended automatically and in the event of any conflict between this Policy and Secretarial Standards, provisions of the Act, SEBI Listing Regulations and Articles of Association of the Company, the provisions as contained in Secretarial Standards, the Act, SEBI Listing Regulations and Articles of Association of the Company shall prevail.

However, any such amendment shall be annexed to this Policy and put on the website of the Company for ready reference of all concerned persons and placed before the Nomination and Remuneration Committee and the Board of Directors in the next meeting.

Schedule 1

Criteria for appointment, related remuneration for Directors, Key Managerial Personnel and Senior Management Personnel of the Company

- At the time of selection of a Director, KMP and SMP, the Company must examine the integrity of the person and possession of relevant expertise, positive attributes, qualifications and experience.
- In case of appointment of Independent Director, the Company must observe the pecuniary relationship of such Director and their relatives with the promoters and group companies including the criteria of independence and other conditions as prescribed under the Act and Listing Regulations.
- The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and SMP to run the Company successfully.
- Remuneration of Directors, KMP and SMP 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.
