



eARTH
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NOMINATION AND REMUNERATION POLICY

NOMINATION AND REMUNEERATION POLICY

Definitions:-

A. "Act" means Companies Act, 2013 & rules made there under, including any modifications, clarifications, amendments, circulars or re-enactment thereof.

B. "Board of Directors" or "Board" means the Board of Directors of the Company, as constituted from time to time.

C. "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

D. "Independent Director" means a director who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

E. "Key Managerial Personnel" 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; and
- v. Such other officer as may be prescribed;

F. "Policy" means this Policy, as may be amended from time to time.

G. "Senior Management" shall mean officers / personnel of the Company who are members of its core Management team excluding Board of Directors and normally shall comprise all the members of Management one level below the Executive Directors, including all functional heads.

Constitution of Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee (NRC), duly constituted by the Board of Directors on 04.01.2023, has well defined composition, quorum, power, role, review and terms of reference in accordance with section 178 of the Companies Act, 2013 and applicable rules.

Composition:

The Board of Directors of the Company had constituted the Nomination and Remuneration Committee on date by comprising of the following Members at their meeting held on:

S.NO.	NAME OF THE DIRECTOR	DESIGNATION
1.	Vinod Kumar Arora	Chairman
2.	Surendra Kumar Jain	Member
3.	Ravi Laddha	Member

The Board of Directors is empowered to re-constitute NRC from time to time.

1.. ROLE OF THE COMMITTEE

- Formulate 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;

- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on Board Diversity
- While formulating the remuneration policy, to ensure that-
 - 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;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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.
- Identifying the person who is qualified to become a Director or senior managers in accordance with criteria let down and recommend to the Board their appointment and removal. The Company shall disclose remuneration policy and evaluation criteria in its annual reports.
- To have relevant experience of contributions to the deliberations of the Board and Corporate Governance

2. SELECTION OF NEW DIRECTORS

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- To have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ deliberations of Board/Corporate Governance or the other disciplines related to company's business.
- The capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
- Potential conflicts of interest, and independence.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTOR

- **Qualifications of Independent Director:-**

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, operations or other disciplines related and beneficial to the company's business.

- **Positive attributes of Independent Directors:-**

An independent director shall be a person of integrity, who possesses relevant expertise & experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

- **Independence of Independent Directors:-**

An Independent director should meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, concerning independence of directors.

POLICY ON BOARD DIVERSITY

The Company should endeavour to have mix of Directors with experience in diverse field's viz. Finance, Law, Management, Sales and Marketing, Technical, Administration, Corporate Governance, factory operations and other discipline related and beneficial to the Company's operations

REMUNERATION POLICY

- a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
 - to ensure that the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
 - to attract and retain skilled executives;
 - to structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
 - To ensure any termination benefits are justified and appropriate.
 - To consider professional indemnity and liability insurance for Directors and senior management.
- b) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.
- c) Remuneration to Non-Executive Directors (NED's):
 - NED's shall be paid a sitting fee for every meeting of the board and committee thereof attended by them as member.
 - NED's shall not be entitled to any commission on net profit of the Company.
- d) Remuneration to Key Managerial Personnel & other employees:
 - The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.
 - Remuneration to Executive Director/ Key Managerial Personnel and Senior Management will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance bench marks and may involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
 - While deciding the remuneration package to take into consideration current employment scenario and remuneration package of the industries operating in the similar comparable businesses in the geographical area of its operations.
 - The company has no stock options, plans and hence, such instruments do not form part of their remuneration package.

WORKING PROCEDURE OF NOMINATION AND REMUNERATION COMMITTEE:

In accordance with Section 178 of the Companies Act, 2013 and applicable rules thereto. Applicable Secretarial Standards, the following working procedure is adopted by the Nomination and Remuneration Committee:

A. Constitution of the Committee:

- a) The Nomination and Remuneration Committee shall consist of minimum three Non Executive Directors

as members.

b) Not less than half of the members of Nomination and Remuneration Committee shall be independent directors.

B. Quorum:

- a. Two members or one third of the members of the Nomination and Remuneration Committee, whichever is greater, with at least one independent director present either personally or through electronic mode.
- b. Electronic mode shall be counted for quorum except on such restricted items as prescribed under Companies Act, 2013.
- c. Quorum shall be present throughout the meeting
- d. Where a member is interested in a particular item, he/she shall not be present (physically or through Electronic Mode), during discussion and shall not vote on such item.

AGENDA, MINUTES & REPORTS

Meeting of the Committee can be held whenever required. The Chairperson of the Committee shall be responsible for establishing the agenda for meetings of the Committee. Minutes of all meetings of the Committee shall be prepared to document the discharge of responsibilities by the Committee. The minutes shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board of Directors. The Company Secretary of the Company shall act as the Secretary/Convener of the Committee and ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

POLICY REVIEW

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy.

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