

**DIVINE HIRA JEWELLERS LIMITED**

**CIN: U36999MH2022PLC38700**

**NOMINATION & REMUNERATION POLICY**

## **Preamble:**

In accordance with section 178 of the Companies Act, 2013 and the Rules framed thereunder (as amended from time to time) (the “Act”) and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the “SEBI Listing Regulations”), the Board of Directors of every listed company is required to constitute the Nomination and Remuneration Committee.

## **Objective:**

The key objectives of this policy are as follow:

1. To formulate the criteria for determining qualifications, positive attributes and independence of appointment of Executive/Non-Executive director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
2. To formulate of criteria for evaluation of performance of independent directors and the board of directors.
3. To devising a policy of Board of Directors.
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. To determine 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.
6. To identify and provide reward and retain the key managerial personnel and senior management and ensure long term sustainability of talented managerial personnel as a competitive advantage.
7. To develop a succession plan for the board and reviewing at regular intervals.
8. To recommend the board for remuneration payable to senior management.
9. To evaluate the performance of directors, KMP and Senior Management at regular intervals.

## **Definition:**

- a. “Act” means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- b. “Board” means the Board of Directors of the Company.
- c. “Directors” shall mean Directors of the Company.
- d. “Key Managerial Personnel” or “KMP” means:
  - (i) Chief Executive Officer or the managing director or the manager;
  - (ii) Company secretary;
  - (iii) whole-time director;
  - (iv) Chief Financial Officer;
  - (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
- e. “Senior Management” shall mean officers/personnel of the listed entity 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/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

f. **“Independent Director”** means a director referred to in Section 149(6) of the Companies act 2013.

### **Appointment and Removal:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board for his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained the age of 70 (seventy) years.

Provided that the appointment of such a person who has attained the age of 70 (seventy) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 70 (seventy) years.

4. An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board 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.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 (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(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (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 or the SEBI Listing Regulations.

### **Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, thereunder, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMP or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

### **Remuneration:**

The remuneration shall be payable in accordance with Section 197 of the Companies Act, 2013 and rules made thereof as amended from time to time.

### **Terms of Reference for Remuneration Committee:**

#### **1. Membership**

Members of the committee shall be at least 3 Directors, all of whom shall be non-executive directors and at least two third of the directors shall be Independent Directors.

Only members of the committee have the right to attend committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting as and when appropriate.

The members shall appoint the committee chairman who shall be an independent non-executive director. In the absence of the committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

## **2. Secretary**

The company secretary or other designated person shall act as the secretary of the committee.

## **3. Quorum**

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.

## **4. Frequency of meetings**

The committee shall meet at least once in a year.

## **5. Notice of meetings**

Meetings of the committee shall be summoned by the secretary of the committee at the request of any of its members.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend, no later than seven working days before the date of the meeting. Detailed agenda and the supporting papers for each of the meeting shall be sent to the committee members and to other attendees as appropriate, at the same time.

## **6. Minutes of meetings**

The secretary shall minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance.

Minutes of committee meetings shall be circulated promptly to all members of the committee and once agreed, to all members of the board.

## **7. Annual General Meeting**

The chairman of the committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the committee's activities.

## **8. Duties**

The committee should carry out the following duties for the Company:

Determine the framework or broad policy for the remuneration of the company's chairman, chief executive, the executive directors, and such other members of the executive management as it is designated to consider. No director or manager shall be involved in any decisions as to their own remuneration.

In determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the guidance standards. The objective of such policy shall be to ensure that members of the executive management of the company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company.

When setting remuneration policy for directors, review and have regard to the trends the company or group or peers in the Industry.

Review the ongoing appropriateness and relevance of the remuneration policy.

Within the terms of the agreed policy and as appropriate, determine the total individual remuneration package of the chairman, each executive director, company secretary and other designated senior executives including bonuses, incentive payments and share options or other share awards.

Obtain reliable, up-to-date information about remuneration in other companies. To help it fulfill its obligations the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the board.

Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.

Approve the design of and determine targets for, any performance related pay schemes operated by the company and approve the total annual payments made under such schemes

Review the design of all share incentive plans for approval by the board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, company secretary and other designated senior executives and the performance targets to be used.

Determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.

Oversee any major changes in employee benefits structures throughout the company or group.

### **Reporting responsibilities**

The committee chairman shall report formally to the board of directors on its proceedings after each meeting on all matters within its duties and responsibilities.

The committee shall make whatever recommendations to the board it deems appropriate on any area within its jurisdiction where action or improvement is needed.

The committee shall produce an annual report of the company's remuneration policy and which will form part of the company's annual report.

### **Authority**

The committee is authorized by the Board of Directors to:

Seek any information it requires from any employee of the company in order to perform its duties.

In connection with its duties to obtain at the company's expense, outside legal or other professional advice on any matter within its terms of reference.

Call any employee to be questioned at a meeting of the committee as and when required.

To appoint remuneration consultants and to purchase any relevant reports, surveys or information which it deems necessary to help fulfill its duties within the allocated budgets approved by the board.

### **Members of the Remuneration Committee**

- Ms. Hiram Zubair Shaikh - Non Executive and Independent Director
- Mr. Manoj Premkumar Bohra - Non Executive and Independent Director
- Ms. Khushbu Niraj Gulecha - Non-Executive Director