

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTOR(S), KMP(S) AND SMP(S) **[Policy last amended on August 10, 2023]**

This Policy on Appointment and Remuneration of Director(s), KMP(s) and SMP(s) applies to the Directors, Key Managerial Personnels and Senior Management Personnels of Omaxe Limited (the “Company”).

This Policy is in compliance with Section 178 of the Companies Act, 2013 alongwith the provisions of Regulation 26 and 19(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Purpose

The primary objective of this Policy is to provide a framework and set standards for the nomination, appointment and remuneration of the Director(s), KMP(s) and SMP(s). The Company aims to achieve a balance of merit, experience and skills amongst its Director(s), KMP(s) and SMP(s) for overall growth of the organization. Any variance shall be subject to the approval of Nomination & Remuneration Committee of the Company and the Board of Directors and Shareholders, if required, in compliance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or such other applicable laws for the time being in force.

2. Definitions

2.1 Director: Director means directors of the Company appointed on the Board of the Company and includes Independent Director.

2.2 Key Managerial Personnel : “Key Managerial Personnel” (KMP) as defined in Section 2(51) of the Companies Act, 2013, in relation to Omaxe Limited means:

- (i) Managing Director
- (ii) Whole-time Director;
- (iii) Chief Executive Officer;
- (iv) Company Secretary;
- (v) Chief Financial Officer;
- (vi) 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
- (vii) Such other Officer as may be prescribed under Companies Act, 2013

2.3 Senior Management Personnel: “Senior Management Personnel” (SMP) means 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 Company Secretary and the Chief Financial Officer.

3.1 Appointment policy for Director(s)

When recommending a candidate for appointment, the Nomination and Remuneration Committee shall consider the following:

- The Candidate meets the criteria/ qualifications as specified under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

- assessing the appointee a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position.
- the extent to which the appointee is likely to contribute to the overall effectiveness, work constructively and enhance the efficiencies of the Company;
- the nature of existing positions held by the appointee and the impact they may have on the appointee's ability to exercise independent judgment;

Personal specifications may include but not limited to:

- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the work place;
- Having continuous professional development to refresh knowledge and skills.

3.2 Letters of Appointment to Directors

Each Director shall be issued a letter of appointment with the Company containing the terms of appointment and the roles and responsibilities assigned in the Company.

3.3 Remuneration policy for Director(s)

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on periodical basis. The remuneration policy is in consonance with the existing Industry norms. The tenure of office of the Managing Director and Whole Time Director is for a certain period from their respective dates of appointments. The overall remuneration to Managerial Personnel is in terms of Section 197 of the Companies Act, 2013.

3.4 Criteria of making payments to Non-Executive Director

The Non-Executive Directors are paid sitting fee within the limit permissible under the Companies Act, 2013 and rules made there under from time to time. Presently the sitting fee for Non-Executive Director is Rs. 60,000/- each for Board Meeting and Rs. 40,000/- for Audit Committee and Independent Directors' Meeting and Rs. 25,000/- for other Committee Meeting(s) including conveyance charges.

Further, Non-Executive Director(s) are entitled, within the overall limit approved by the shareholders, commission not exceeding 1% of the net profits of the Company calculated as per section 198 of Companies Act subject to the maximum of Rs. 5,00,000/- per annum.

Furthermore, remuneration, with or without the commission, specified above, may be paid to all or some of the Non-Executive Directors, upon the recommendations of Board

of Directors and Nomination & Remuneration Committee of the Company and the approval of Shareholders, if required, subject to the compliance of the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or such other applicable laws for the time being in force.

3.5 Service Contract, Severance Fees and Notice Period

Directors of the Company are ultimately appointed by the Shareholders upon recommendations of the Board of Directors and Nomination & Remuneration Committee of the Company within the framework of the Companies Act, 2013 as well as the Articles of Association of the Company and in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Resolutions passed by these governing bodies together with the service rules of the Company covers the terms, conditions and remuneration of such appointment and all appointment letters issued to respective director(s) contains price, terms & conditions accordingly. There is no service contract separately entered into by the Company with the Directors. Further, the resolutions appointing these Directors do not prescribe for the payment of any separate Severance Fees to them. However, the requirement of notice period is as per the service rules of the Company.

4.1 Appointment Policy for KMPs/SMPs

Enhancing the competencies and attracting as well as retaining talented employees are the basis for the Nomination and Remuneration Committee/HR Department to select a candidate for appointment of KMP/SMP. When recommending a candidate for appointment, the Nomination and Remuneration Committee shall consider the following:

- assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position.
- the extent to which the appointee is likely to contribute to the overall effectiveness, work constructively and enhance the efficiencies of the Company;
- the skills and experience that the appointee brings to the role of KMP/SMP and how an appointee will enhance the skill sets and experience of the KMP/SMP as a whole;
- the nature of existing positions held by the appointee and the impact they may have on the appointee's ability to exercise independent judgment;

Personal specifications may include but not limited to:

- Degree holder in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;

- Having continuous professional development to refresh knowledge and skills.

4.2 Letters of Appointment to KMP(s) /SMP(s)

Each KMP/SMP is required to sign the letter of appointment with the Company containing the terms of appointment and the role and responsibility assigned in the Company.

4.3 Remuneration of Key Managerial Personnel(s) and Senior Management Personnel(s)

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Key Management Personnel(s)/ Senior Management Personnel(s) and other senior officials.

The Key Management Personnel(s) and Senior Management Personnel(s) salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for KMPs and SMPs of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee may consult with the Chairman of the Board wherever it may deem appropriate.

Remuneration must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

The remuneration payable to the Key Managerial Personnel and the Senior Management Personnel shall be as may be decided by the Committee /HR Department taking into consideration the experience, leadership abilities, initiative taking abilities and knowledge etc.

5. Communication

This policy shall be placed on the website of the company and the salient features of the policy and changes therein, if any, along with the web address of the policy, shall be disclosed in the Board's Report of the Company.