JAINAM BROKING LIMITED

(CIN: U67120GJ2003PLC043162)

Nomination & Remuneration Policy

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1. Introduction

This Nomination and Remuneration Policy is being formulated in compliance with the Section 178 of the Companies Act, 2013 read along with the applicable rules made thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the **Nomination and Remuneration Committee ('NRC' or 'the Committee')** and has been approved by the Board of Directors.

2. Applicability

The policy is applicable to

i. Directors (Executive and Non-Executive)
ii. Key Managerial Personnel
iii. Senior Management Personnel
iv. Other Employees

3. Terms of Reference

(a) Formulation of 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;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(iii) 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.

(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 Nomination and Remuneration Committee may:

(i) use the services of any external agencies, if required;
(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
(iii) consider the time commitments of the candidates.

(c) Formulation of criteria for evaluation of performance of independent directors and the Board;

(d) Devising a policy on Board diversity;

(e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(f) Analysing, monitoring and reviewing various human resource and compensation matters;

(g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(h) Recommending to the Board the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(j) Determining 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;

(k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended

(l) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(m) Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(n) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, as amended,

by the Company and its employees, as applicable;

(o) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(p) Such terms of reference as may be prescribed under the Companies Act, the SEBI Listing Regulations, or other applicable laws.

4. Definitions

i. 'Act' means Companies Act, 2013 and rules relating thereto.
ii. 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
iii. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board
iv. 'Company' means Jainam Broking Limited.
v. 'Directors' means a director appointed to the Board of a Company

vi. 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013 and/or as defined under Regulation 16 (b) of the Listing Regulations.

vii. 'Key Managerial Personnel' (KMP) means:

- Chief Executive Officer or the Managing Director or the Manager
- Company Secretary
- Whole-time Director
- Chief Financial Officer
- Such other officer, not more than one level below the Directors who is in whole time employment, designated as KMP by the Board and such other officer as may be prescribed.

viii. "Senior Management" means the officers and personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below Chief Executive Officer/ Managing Director/ Whole-time Director (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

5. Composition of Committee

(1) The board of directors shall constitute the nomination and remuneration committee as follows:
(a) the committee shall comprise of at least three directors ;
(b) all directors of the committee shall be non-executive directors; and
(c) at least two-thirds of the directors shall be independent directors. The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair the Committee. The Company Secretary of the Company shall act as Secretary of the Committee.

6. Criteria For Appointment of Director and Senior Management

The Committee shall consider the following factors for identifying the person who are qualified to becoming Director and who can be appointed in senior management:

(i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his / her appointment.

(ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position

(iii) 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, technical operations or other disciplines related to the Company's business

(iv) The Company may appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion indicating the justification for appointing such person.

(v) The Company should ensure that the person so appointed as Director/ Independent Director/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.

(vi) The Director/ Independent Director/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or under listing regulations or any other enactment for the time being in force.

(vii) Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and/or as specified in Regulation 25 of the listing regulations

The Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

6A. Disqualifications for Appointment of Directors

Pursuant to section 164 of the Companies Act, 2013, a person shall not be eligible for appointment as a director of a Company if:

a) He is of unsound mind and stands so declared by a competent court;
b) He is an undischarged insolvent;
c) He has applied to be adjudicated as an insolvent and his application is pending;
d) He has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence: Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period ofseven years or more, he shall not be eligible to be appointed as a director in any Company;
e) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
f) He has not paid any calls in respect of any shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
g) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
h) He has not complied with Section 152(3) I.e. he has not been allotted the Director Identification Number under Section 154 of the Act.
i) He has not complied with Section 165 (1) i.e. he shall not be a Director in more than 20 Companies out of which 10 Companies can be public Companies.

No person who is or has been a Director of a Company which:

a) Has not filed financial statements or annual returns for any continuous period of three financial years; or
b) Has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be reappointed as a director of that Company or appointed in other Company for a period of five years from the date on which the said Company fails to do so

Provided that where a person is appointed as a Director of a Company which is in default of above-mentioned clauses, he shall not incur the disqualification for a period of 6 months from the date of his appointment.

6B. Disqualifications for Appointment of Directors

- Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director 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.

- Independent Director:

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. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, 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.

6C. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a director or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

6D. Retirement

The Director and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director or Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. Criteria For Determining Independence of Directors

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and rules related thereto and in Regulations 16(b) and 25 of Listing Regulations

8. Performance Evaluation

The provisions relating to the performance evaluation of the Directors and the Board are as follows:

(i) Nomination and Remuneration Committee to carry out evaluation of every Directors Performance - Sec 178(2) of the Act.

(ii) Independent Directors to bring objective view in evaluation of performance of Board and Management - Schedule IV(II) of the Act.

(iii) Performance evaluation of Independent Directors shall be done by entire Board of Directors excluding the Director being evaluated - Schedule IV of the Act and Regulation 17(10) of Listing Regulations.

(iv) Disclosure in Board Report a statement indicating the manner in which formal annual evaluation of the performance has been made of Board, its Committees and of individual Directors - Section 134(3)(p) of the Act.

9. Criteria For Evaluation of The Board, Its Committees & Individual Directors

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board is required to carry out annual evaluation of Board, its committees and individual Directors.

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company shall formulate a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its committees and individual Directors except himself. On the basis of the response to the questionnaire, a formal annual evaluation shall be made by the Nomination and Remuneration Committee of the performance evaluation of the Board and that of its Committees and individual Directors.

10. Remuneration Of Directors, Key Managerial Personnel and Other Employees

At the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The remuneration to be paid to the Senior Management Personnel shall be approved by the Board and other employees shall be as per HR policy of the Company. The annual increment of remuneration for Managing Director/Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMPs (other than Managing Director/Whole-time Directors), Senior Management Personnel shall be approved by the Board and other employees shall be made as per HR policy of the Company. The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also 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

11. Disclosures

The following disclosures are required under Companies Act, 2013 and the listing regulations:

- Nomination and Remuneration 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. (proviso to Section 178(4) of the Act)
- Company shall disclose the Criteria for performance evaluation of Independent Directors, as laid down by Nomination Committee, in its Annual Report. (Regulation 34 read with Schedule V of Listing Regulations)
- All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company shall be disclosed in the Annual Report. (Regulation 34 read with Schedule V of listing regulations)
- In addition to the disclosures required under the Companies Act, 2013, the following disclosures on the remuneration of Directors shall be made in the section on the corporate governance of the Annual Report:
    - All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.
    - Details of fixed component and performance linked incentives, along with the performance criteria.
    - Service contracts, notice period, severance fees.
    - Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable. (Regulation 34 read with Schedule V of listing regulations)
- The Company shall publish its criteria of making payments to Non-Executive Directors in its annual report. Alternatively, this may be put up on the Company's website and reference drawn thereto in the annual report. (Regulation 34 read with Schedule V of listing regulations)
- The Company shall disclose the number of shares and convertible instruments held by Non-Executive Directors in the annual report. (Regulation 34 read with Schedule V of listing regulations)
- Non-Executive Directors shall disclose their shareholding held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as Directors, in the notice to the general meeting called for appointment of such Director. (Regulation 26 (4) of listing regulations)
- Senior management shall make disclosures to the Board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the Company at large (for e.g. dealing in Company shares, commercial dealings with bodies, which have shareholding of management and their relatives etc.)(Regulation 26 (5) of listing regulations)

- The Company shall disclose in the Board's report, the ratio of the remuneration of each Director to the median employee's remuneration and such other details as may be prescribed under Rule 5 of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014. (section 197(12) of the Act)

12. Review and Amendment

- The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. The Company Secretary being the Compliance Officer is also authorized to make amendment in this policy, where there is any statutory changes necessitating the amendment in the policy.

- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This policy is approved by the Board of Directors at their meeting held on March 19,2025

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