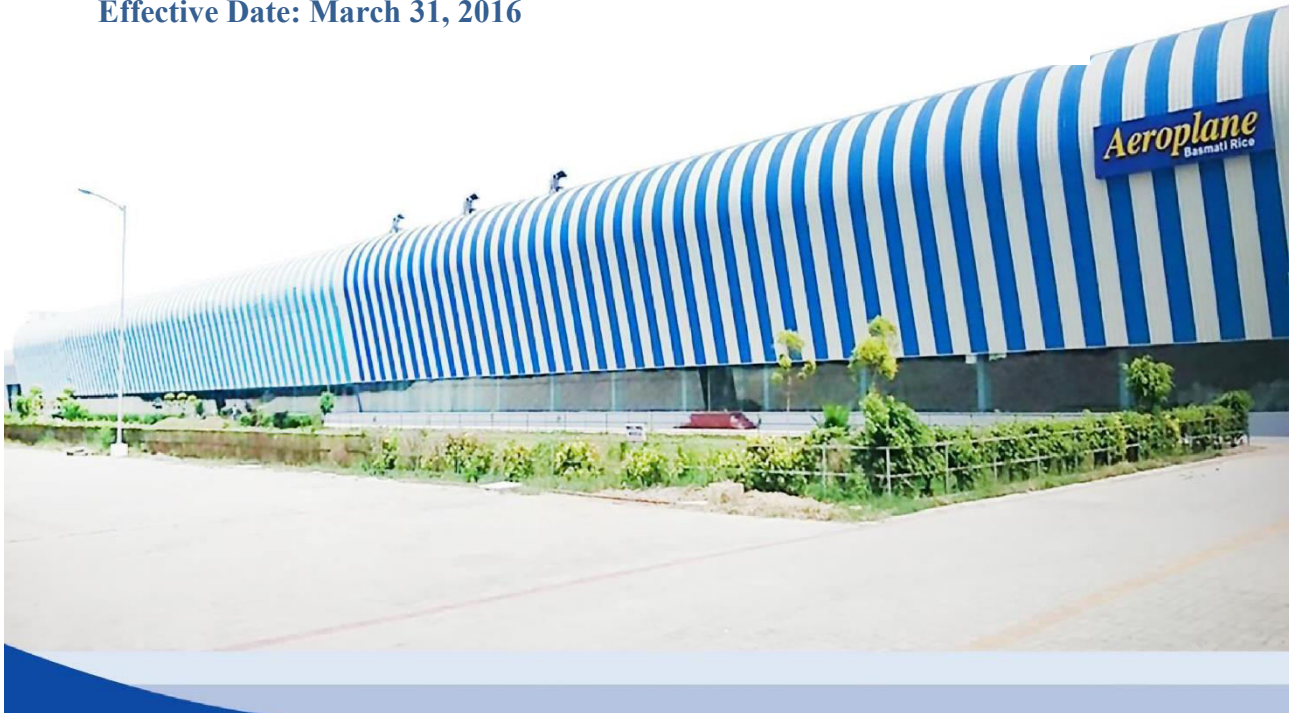




Amir Chand Jagdish Kumar (exports) Limited

Nomination and Remuneration Policy
Effective Date: March 31, 2016





NOMINATION AND REMUNERATION POLICY
(Section 178(3) of Companies Act, 2013 and Regulation 194(4) read with Schedule II- Part D- A of SEBI LODR Regulations, 2015)

A. PREAMBLE

Amir Chand Jagdish Kumar (Exports) Limited (the “**Company**”) has formulated this Nomination and Remuneration Policy (“**Policy**”) to provide a framework for remuneration of members of the board of directors (the “**Board**”) of the Company, key managerial personnel, Senior Management and other employees of the Company.

This Remuneration Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“**Act**”) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“**NRC**”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

“(a) 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;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) 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. COMPOSITION, QUORUM AND MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE

1. The NRC shall comprise of at least three directors; all directors of the NRC shall be non-executive directors; and at least two-thirds of the directors shall be independent directors.
2. The Chairperson of the NRC shall be an independent director, provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the NRC and shall not chair such Committee.
3. The quorum for a meeting of the NRC shall be either two members or one third of the members of the NRC, whichever is greater, including at least one independent director in attendance.
4. The Chairperson of the NRC may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.
5. The NRC shall meet at least once in a year.
6. The Head of Human Resources for the Company shall assist the NRC and would be a permanent invitee to the meetings of the NRC, except in the event the meeting pertains to discussions involving the permanent invitee.
7. The Company Secretary shall act as the Secretary to the NRC.



C. ROLE OF THE NRC COMMITTEE

The Role of NRC shall, inter-alia, include the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees. While formulating the above policy, the NRC 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 the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to 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.
- b) Advise and recommend to the Board on various matters relating to the appointment, removal and remuneration (including changes if any) of Director, SMP and KMP;
- c) Formulating performance evaluation criteria of all Independent Directors and Board;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management, in accordance with the prescribed criteria;
- e) Assist and advise the Board in overseeing succession planning for Directors, SMP and KMP;
 - a) Recommend to the board, all remuneration, in whatever form, payable to senior management;
 - b) Assist and advise the Board in ensuring a transparent nomination process to the Board with the diversity of thought, experience, knowledge, perspective and gender in the Board.
 - c) To act as Administrator and superintendent of the Stock Option Plans of the Company;
 - d) Devising a policy on diversity of the board of directors;
 - e) Carrying out any other functions required to be carried out by the NRC as is mandated by the Board as required under SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

1. APPOINTMENT AND REMOVAL OF DIRECTOR

- a) Nomination and Remuneration Committee (NRC) shall identify and ascertain the integrity, qualification, expertise and experience of a person for appointment as Director/ KMP / SMP, and make recommendations to the Board regarding their appointment.



- b) A person should possess adequate qualification, expertise and experience for the position he is being considered for appointment. Accordingly, the NRC has discretion to decide whether qualification, expertise and experience possessed by such person is sufficient / satisfactory for the concerned position
- c) Appointment of Directors is subject to compliance with Section 164 of the Act and provisions of other applicable laws and shall not be debarred from holding the office of Director by virtue of any SEBI order or any other authority, pursuant to NSE and BSE Circular dated June 20, 2018.
- d) Appointment of Independent Directors shall be subject to compliance with Section 149 of the Act read with Schedule IV and SEBI (Listing Obligations) and shall be registered with Independent Directors databank managed Indian Institute of Corporate Affairs in compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and shall comply with the requirement under Rule 6(4) of the aforesaid rule.
- e) The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Act.

The proposed appointee shall also fulfill the following requirements:

- (i) Shall possess a Director Identification Number;
 - (ii) shall not be disqualified under the Act, SEBI Listing Regulations and any other relevant law;
 - (iii) shall give his written consent to act as a Director;
 - (iv) shall endeavor to attend all board meetings and wherever he is appointed as a committee member, the committee meetings;
 - (v) shall abide by the Code of Conduct established by the Company for Directors and SMP;
 - (vi) shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; and
 - (vii) such other requirements as may be prescribed, from time to time, under the Act, the SEBI Listing Regulations and other relevant laws.
- f) The removal of Directors may be warranted due to reasons such as disqualification prescribed under the applicable laws and / or disciplinary reasons. In such situation, the NRC shall in consultation with the Board, review the performance and/or other factors and subject to the provisions of the applicable laws and the Articles of Association of the Company, recommend to the Board its course of action.
 - g) The resultant vacancy caused by removal of Directors may be filled by the NRC in accordance with this policy and the applicable laws.

D. KEY PRINCIPLES GOVERNING THIS REMUNERATION POLICY ARE AS FOLLOWS:

1. Remuneration for independent directors and non-independent non- executive directors



- a. Independent directors (“ID”) and non-independent non-executive directors (“NED”) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination & Remuneration Committee and approved by the Board.
- b. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- c. Overall remuneration should be reflective of size of the Company, complexity of the sector/industry/Company’s operations and the Company’s capacity to pay the remuneration.
- d. Overall remuneration practices should be consistent with recognized best practices.
- e. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- f. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- g. The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- h. In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board / Board committee meetings, general meetings, court convened meetings, meetings with shareholders / creditors / management, site visits, induction and training (organized by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.
- i. NEDs and IDs will not be eligible to receive stock options or employee stock option scheme(s) (“ESOP”) of the Company.

2. Remuneration for managing director (“MD”)/executive directors (“ED”)

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

- a. Market competitive
- b. Driven by the role played by the individual
- c. Reflective of size of the Company, complexity of the sector/industry/Company’s operations and the Company’s capacity to pay,



- d. Consistent with recognized best practices and
- e. Aligned to any regulatory requirements
- f. In terms of remuneration mix or composition,
 - a) The compensation paid to the executive directors (including managing director) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the NRC will be within the overall limits specified under the Act.
 - b) Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - c) In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - d) The Company provides retirement benefits as applicable.
 - e) In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - f) In case of inadequacy of profit in any financial year, the remuneration payable to the executive director shall be further subject to the relevant provisions of the Act.
 - g) In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are: -
 - A. Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time, Industry benchmarks of remuneration,
 - B. Performance of the individual.
 - h) The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.



- i) The executive directors, except for a promoter director, will also be eligible for ESOPs as per the ESOP scheme in force from time to time. Grants under the ESOP scheme shall be approved by the NRC.

3. Remuneration To Key Managerial Personnel / Senior Management And Other Employees

- a. The Company's total compensation for Key Managerial Personnel/ Senior Management as defined under the Act / other employees will consist of:
 - (i) fixed compensation
 - (ii) variable compensation in the form of annual incentive
 - (iii) benefits
 - (iv) work related facilities and perquisites.
- b. In addition, select senior executives will be eligible for long-term incentive plan in the form of ESOPs, as per the ESOP scheme in force from time to time. Grants under the ESOP scheme will be approved by the NRC.
- c. Fixed compensation will be determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation will include basic salary, housing allowance, leave travel allowance and a cash allowance.
- d. The annual incentive (variable pay) of executives will be linked directly to the performance of the Company.
- e. Based on the grade and seniority of employees, benefits for employees include:
 - (i) Health-Related
 - (ii) Health (hospitalization) insurance
 - (iii) Accident and life insurance
 - (iv) Retirement-related
 - (v) Contribution to a superannuation fund (in addition to statutory benefits such as provident fund account, gratuity, etc.)
- f. Employees will also be eligible for work related facilities and perquisites as may be determined through human resources policies issued from time to time based on the grade of the employee.
- g. A formal annual performance management process will be applicable to all employees, including senior executives. Annual increases in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employee.
 - (i) Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.
 - (ii) Employees may be eligible for ESOPs as per the ESOP scheme approved by the Shareholders and in force from time to time. The objective of the ESOP is to reward the Eligible Employees, for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company.
 - (iii) Employees may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatory requirements.



4. Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity, unless:

- (i) The services rendered are of a professional nature; and
- (ii) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

The NRC shall review and evaluate Board composition to ensure that the Board and its Committees have the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness.

E. POLICY IMPLEMENTATION

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

F. AMENDMENT AND UPDATES

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding

In case of any subsequent changes in the provisions of the aforementioned statutes, the statutes would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with prevailing law. Any subsequent amendment/modification in SEBI LODR Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

Version approved by: The Board of Directors

Effective Date: March 31, 2016

Last modified date: April 10, 2025