



**CHARTER OF
NOMINATION AND REMUNERATION COMMITTEE
OF
ARSHIYA LIMITED**

CIN: L93000MH1981PLC024747

(As approved and adopted by the Board of Directors of
Arshiya Limited on June 30, 2021)

Board Meeting Date: June 30, 2021

INTRODUCTION:

This Charter governs the composition, membership, roles and responsibilities of the Nomination and Remuneration Committee (Committee) of Arshiya Limited.

The operation of the Committee is also governed, where applicable, by the constitution of the Company (Constitution).

PURPOSE AND AUTHORITY:

- The purpose of this Nomination and Remuneration Committee Charter is to specify the authority delegated to the Nomination and Remuneration Committee (Committee) by the board of directors of the Company (Board) and to set out the role, responsibilities, membership and operation of the Committee.
- The Nomination and remuneration Committee is a committee of the Board established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate resolutions of the Board from time to time.

COMPOSITION:

1. The committee shall comprise of at least three directors.
2. All directors of the committee shall be non-executive directors.
3. At least fifty percent of the directors shall be Independent Directors.
4. The Chairperson shall be an Independent director.

MEETING AND QUORUM:

1. The Nomination and remuneration committee shall meet at least once in a year.
2. The quorum for a meeting of 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.
3. The Chairperson of the committee may be present at the Annual General Meeting, to answer the shareholders queries.

ROLE AND RESPONSIBILITIES:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend of the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees,
2. Formulation of criteria for evaluation of performance of independent director and the board of directors,
3. Devising a policy on diversity of the board of directors,
4. Identifying 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. 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. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Succession planning of the Board of Directors and Executive Committee.
8. Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria.
9. Nomination for election or re-election by the shareholders, and any Board vacancies that are to be filled.
10. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Members of the Executive Committee and their remuneration.
11. Coordinates and oversees the annual self-evaluation of the Board and of individual directors.
12. Reviews the performance of all Executive Directors on a half-yearly basis or at such intervals as may be necessary on the basis of detailed performance parameters set for each executive director at the beginning of the year.

POWERS:

The NRC Committee shall have powers, which include the following:

1. To examine any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To approve allotment of shares under employee stock option scheme, Securities and Exchange board of India (share based Employee benefits) regulations, 2014 and amendments thereon.
6. To approve appointment of directors, Key managerial personnel.
7. Any other matter as may be assigned by the Board of Directors from time to time.

EVALUATION:

1. Support the Board and independent directors, as may be required, in evaluation of the performance of the Board, its committees and individual directors. This shall include “Formulation of criteria for evaluation of Independent Directors and the Board.”
2. Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the company.
3. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/ nonexecutive/ independent directors through a peer- evaluation excluding the director being evaluated through a survey.
4. Indicative areas for evaluation as part of this exercise include:
 - Degree of fulfilment of key responsibilities,
 - Adequacy of committee composition,
 - Effectiveness of meetings,
 - Committee dynamics,
 - Quality of relationship of the committee with Board and management.

REPORTING:

- The Committee must report to the Board, at the first Board meeting subsequent to each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee’s reviews and recommendations and any other relevant issues. Such reports must include detailed disclosure of executive remuneration policies which are subject to an advisory vote by shareholders.

REVIEW OF CHARTER:

- The adequacy of this charter shall be reviewed and reassessed by the committee, periodically and appropriate recommendations shall be made to the Board to update the charter based on the changes that may be brought about due to any regulatory framework or otherwise.