



PRATIBHA SYNTEX LIMITED

HUMAN RESOURCE NOMINATION AND REMUNERATION (HRNR) POLICY

This Human Resource Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Human Resource Nomination and Remuneration Committee (HRNRC or the Committee) and has been approved by the Board of Directors.

Definitions

In this Policy, unless the context otherwise requires;

1. “**Act**” shall mean the Companies Act, 2013 including any modifications, amendments or re-enactment thereof;
2. “**Board**” shall mean the Board of Directors of the Company;
3. “**Company**” shall mean ‘*Pratibha Syntex Limited*’;
4. “**Committee**” shall mean the Human resource Nomination and Remuneration Committee as constituted by the Board of Directors of the Company in accordance with the Act and the Rules made thereunder, comprising of three or more Directors, out of which, at least one director shall be Independent Director;
5. “**Director**” means Directors of the Company;
6. “**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013;
7. “**Key Managerial Personnel**” / “**KMP**” means-
 - (i) Executive Chairman and / or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
8. “**Senior Management**” means personnel of the Company occupying the position of Chief Executive Officer (CEO), Chief Operating Officer (COO) and President. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Words and expressions used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

Constitution of HRNR Committee

In terms of Section 178 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company at its meeting held on 19th February, 2025 has re-constituted the HRNR Committee with following Members:

S No.	Name	Status	Designation
1	Mr. Ram Kishan Sharma	Director	Chairman
2	Mr. Dipesh Khandelwal	Independent Director	Member
3	Mrs. Vineta Phaye	Independent Director	Member

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board. Any director not formally a Member of the Committee may attend Committee meetings however only nominated directors may vote on matters before the Committee.

Non-committee members, including members of management may attend all or part of a meeting of the Committee at the invitation of the Committee chair.

The Company Secretary must attend all Committee meetings.

Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfill their role. However, it is intended that the Committee will normally meet once every year.

Quorum

The quorum is at least 2 members.

Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

Chair

In the absence of the Committee chair, the Committee members must elect one of their member as chair for that meeting. The chair has a casting vote.

Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

Reporting

The Committee chair will provide a report of the actions of the Committee to be included in the Board papers for the Board meeting next following a meeting of the Committee. The report will include provision of meeting agendas, papers and minutes of the Committee.

The Committee chair will also, if requested, provide a report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board Meeting to request information of the Committee chair or members of the Committee.

Role and Responsibilities**Nomination**

The responsibilities of the Committee are as follows:

- a) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chairman and CEO.
- b) Review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members.
- c) Assist the Board as required identifying individuals who are qualified to become Board members (including in respect of executive directors) and who may be appointed in senior management.
- d) Review and recommend to the Board membership of the Board, including recommendations for the appointment and re-election of directors, and where necessary propose candidates for consideration by the Board, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves.
- e) Assist the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- f) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- g) Ensure that an effective induction process is in place for any newly appointed director and regularly review its effectiveness

Remuneration

- a) Review the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b) Review relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) Remuneration to directors, key managerial personnel and senior management involves a balance reflecting short and long term performance objectives appropriate to the working of the company and its goals.

d) In addition, it also takes into account the financial position of the Company, the industrial trend, appointee's experience, past performance and past experience etc. and strives to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

Remuneration Policy

a) In discharging its responsibilities, the Committee must have regard for the following policy objectives:

- to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- to attract and retain skilled executives;
- to ensure any termination benefits are justified and appropriate.

b) In the discharge of the Committee's responsibilities, no director or executive should be directly involved in determining their own remuneration.

c) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

Policy and Procedure for selection and appointment of new directors

a) Factors to be considered when reviewing a potential candidate for Board appointment include, without limitation:

- the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
- potential conflicts of interest, and independence.

b) Detailed background information in relation to a potential candidate should be provided to all directors.

c) The identification of potential Director Candidates may be assisted by the use of external search organizations as appropriate.

d) An offer of a Board appointment must be made by the chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.

e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

Amendments to the Policy

The Board of Directors on its own and/or as per recommendations of the HRNR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the HRNR Policy would be subject to revision/amendment in accordance with the Regulations and as may be issued from relevant statutory authorities, from time to time.