



YASH HIGH VOLTAGE

LIMITED

Company

CIN NO.

U40109GJ2002PLC040833

Nomination & Remuneration Policy

(With effect from 6th August 2024)

Considered and Approved by the Board of Directors vide resolution dated 6th August, 24.

1. INTRODUCTION

In terms of the provisions of Section 178 of the Companies Act, 2013 (“the Act”) and Regulation 19 of the SEBI (LODR) Regulations, 2015 and other statutory provisions, as may be applicable, the Company was required to constitute a Nomination-cum- Remuneration Committee of the Board. The Board of Directors of Yash Highvoltage Limited (“YASH” or “the Company”) vide its Resolution dated 22nd July, 2024 has constituted the Nomination-cum-Remuneration Committee (“Committee”). The Committee shall:

- i. formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel (KMP) and other employees;
- ii. formulation of criteria for evaluation of Directors including Independent Directors and the Board;
- iii. devising a policy on Board diversity;
- iv. identify persons who are qualified to become Directors including Managing Director and / or Whole-time Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
- v. recommend to the Board, appointment and removal of Director, KMP and Senior Management.

2. OBJECTIVE

In view of the above background, the Nomination and Remuneration Policy (“Policy”) was formulated to enable the Committee to execute its role and responsibilities relating to nomination and remuneration of Directors, Key Managerial Personnel and Senior Management.

The existing Policy is relating to Nomination and Remuneration Committee under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Regulation 19 of the Listing Regulations stipulates that:

- (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 fifty percent of the directors shall be independent directors.

- (2) The Chairperson of the nomination and remuneration committee 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 Nomination and Remuneration Committee and shall not chair such Committee.

- (3) The Chairperson of the nomination and remuneration committee 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.
- (4) The role of the nomination and remuneration committee shall be as specified as in Part D of the Schedule II.

PART D: A. ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

Role of committee shall, inter-alia, include the following:

- (1) 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;
- (2) 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 Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- (3) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (4) devising a policy on diversity of board of directors;
- (5) 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.
- (6) 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.
- (7) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

3. DEFINITION

Board means Board of Directors of the Company.

Committee means Nomination-cum-Remuneration Committee of the Company as Constituted or reconstituted by the Board, from time to time.

Company means YASH HIGHVOLTAGE LIMITED.

Director means a director appointed to the Board of a Company.

Independent Director means a director as defined u/s 2(47) of the Companies Act, 2013 read with regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to timeⁱ

Key Managerial Personnel, in relation to a company, means—

- (i) the Chief Executive Officer or the Managing Director or the Manager; and in their absence, Whole-Time Director;
- (ii) the Company Secretary;
- (iii) the Chief Financial Officer; and
- (iv) such other officer as may be prescribed;

Policy means Nomination & Remuneration-cum-Board Diversity Policy.

“Senior Management” shall mean officers/personnel of the Company who are members of its core management team (i.e. General Manager & above) excluding board of directors and normally this shall comprise all members of management one level below the “chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

4. APPLICABILITY

The Policy is applicable to:

- Directors (Executive and Non-Executive);
- Key Managerial Personnel;
- Senior Management Personnel (i.e. General Manager & above).

5. COMPOSITION

The Nomination-cum-Remuneration Committee shall comprise of three or more non-executive directors out of which not less than ⁱⁱtwo-thirds shall be independent Directors as members.

The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair the Committee.

The Board shall appoint one of the members of the Committee as a Chairperson, who shall be an independent Director. The Chairperson shall preside over all meetings. In the absence of the Chairperson, members of the Committee present at the meeting may appoint one of the members as a Chairperson to preside over the meeting.

The Board shall constitute or reconstitute the Committee from time to time to make it consistent with the applicable statutory requirements.

6. MEETINGS AND OTHER MATTERS

6.1 Meetings

The Committee shall hold such number of meetings at such periodicity as is required to carry out its mandate. However, at least one meeting shall be held every year.

6.2 Quorum

The presence of one-third or two members of the Nomination-cum-Remuneration Committee, whichever is higher, shall constitute a quorum. However, at least one Independent Director should be present to constitute a valid quorum.

6.3 Secretary and Minutes

The Company Secretary shall act as the Secretary of the Committee. Minutes of the meetings shall be recorded and maintained by the Company Secretary and subsequently presented to the Chairman of the Committee for approval.

6A. ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

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

- (1) 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;
- iii(1A) 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 Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of 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. PROCEDURE FOR SELECTION AND APPOINTMENT

Subject to para 4 of the Policy, the Committee shall follow the procedure mentioned below for appointment/ratification of appointment of Director, Independent Director, KMP and Senior Management Personnel and recommend their appointments to the Board.

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Committee should ensure that the person so appointed as Director / Independent Director / KMP / Senior Management Personnel shall not be disqualified under the Act, rules made thereunder, Listing Regulations or any other enactment for the time being in force.
- iii. In case of the appointment of Independent Director, Independent Director should comply with the additional criteria of his / her independence as prescribed under the Act, rules framed thereunder and the Listing Regulations.
- iv. The Director / Independent Director / KMP / Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

8. REMUNERATION

Subject to para 4 of the Policy, the Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The Committee shall ensure that:

- (a) the level and composition of remuneration so determined 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;
- (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, KMP and Senior Management Personnel 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.

A. Managing Director / Whole-time Director(s)

Besides the above criteria, the Remuneration / compensation / commission etc to be paid to Managing Director, Whole-time Director(s) etc shall be governed as per provisions of the Act read with Schedule V and rules made thereunder or any other enactment for the time being in force.

B. Non-Executive Independent Directors

The Non-Executive Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved as per the provisions of the Act.

Provided that the amount of such fees shall not exceed the amount as prescribed under the Act read with the rules made thereunder or any other enactment for the time being in force. Further, an independent director shall not be entitled to any stock option.

The Non-Executive Independent Directors may be paid remuneration for services rendered in any other capacity, like to serve as a member of Personnel / Selection Committee for recruitment of Senior Management Personnel and/or any other specific assignment given by the Company from time to time. The remuneration paid for such services shall be subject to provisions of the Act and approval of the Nomination-cum-Remuneration Committee.

Provided that the payment of remuneration for services rendered by any such director in other capacity shall not be included in the overall ceiling prescribed under the Act read with Schedule V and rules made thereunder, if—

- (a) the services rendered are of a professional nature; and
- (b) in the opinion of the Committee, the director possesses the requisite qualification for the practice of the profession.

Notwithstanding the above, the board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders in general meeting. Provided that the requirement of obtaining approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

C. KMPs / Senior Management Personnel etc.

The Remuneration to be paid to KMPs / Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any, prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

9. CRITERIA FOR PERFORMANCE EVALUATION

Following are the criteria for evaluation of performance of Directors and the Board:

1. Executive Directors

The Executive Directors shall be evaluated on the basis of targets / criteria given to Executive Directors by the Board from time to time.

2. Non-Executive Director

The Non-Executive Directors shall be evaluated on the basis of the following criteria, i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence;
- (f) inform the Board immediately when they lose their independence;
- (g) assist the company in implementing the best corporate governance practices;
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the company;
- (k) keep themselves well informed about the company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest;
- (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

Based on the results of performance evaluation, the Committee shall recommend to the Board whether to extend or continue the term of appointment of Independent Directors.

10. DISCLOSURE

The Company shall disclose the Policy or salient features thereof in its Board's Report or any other document and / or upload the same on the website of the Company or any other platform, as may be prescribed under the applicable laws, from time to time.

11. AMENDMENT IN LAW

Any subsequent amendment / modification in the Act, Listing Regulations and / or other laws in this regard shall automatically apply to this Policy. The same shall be added / amended / modified from time to time as authorized by the Committee with due procedure.
