

Nomination And Remuneration Policy

I. Introduction

The Policy is designed in alignment with the principles and objectives outlined in Section 178(3) of the Companies Act, 2013 also Nomination and Remuneration Committee ("NRC") is an important governance body tasked with overseeing both the appointment of leaders and the determination of their compensation packages. It seeks to establish a clear connection between remuneration and performance, while balancing short-term and long-term rewards in line with the Company's objectives. Furthermore, the Board of Directors has constituted a Nomination and Remuneration Committee, which fully complies with the requirements set forth by the Companies Act, 2013.

II. Objectives

The Policy sets out the guiding principles on:

- a. Appointment and remuneration of the Directors, KMP and Senior Management Personal;
- b. Determining qualifications, positive attributes and independence for appointment of a Director (Executive/Non-Executive/Independent) and recommend to the Board a policy relating to the remuneration for the Directors, KMP and Senior Management Personal;
- c. Formulating the criteria for performance evaluation of all Directors, Board and its Committee;
- d. Board diversity.

III. Effective Date

The following policy has been formulated by the NR Committee and adopted by the Board of Directors at its meeting held on 23rd January 2025.

This policy shall be operational with immediate effect.

IV. Definition

"**Act**" refers to the **Companies Act, 2013** and the rules formulated thereunder, as amended periodically

"**Board**" refers to the **Board of Directors** of the Company.

"**Company**" or "**InSolare**" refers to **InSolare Energy Limited** (*formerly known as InSolare Energy Private Limited*).

"Directors" refers to Director of the Company appointed in accordance with the Companies Act, 2013.

"Independent Director (ID)" as defined under the Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015 including any amendments thereto.

"Key Managerial Personnel" (KMP) means

- Chief Executive Officer or the Managing Director or the Manager.
- Whole-time Director(s).
- Chief Financial Officer.
- Company Secretary; and
- Such other officer, not more than one level below the directors who is in whole time employment and designated as KMP by the Board.

"NRC" refers to Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

"Senior Management" or "Senior Managerial": - The expression "senior management" or senior managerial" means officers and personnel of the Company, who are members of its core management team excluding Board of Directors and shall also comprise all members of management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Office 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 Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations, as may be amended from time to time shall have the meaning respectively assigned to them therein.

V. Applicability

The Policy is applicable to –

- a. Directors (Executive and Non-Executive)
- b. Key Managerial Personnel
- c. Senior Management Personnel

VI. Constitution of the Nomination And Remuneration (NRC)

The NRC is constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The composition and role of the Committee are as follows:

A. Members:

- The NRC shall comprise of at least three members, all of whom shall be non-executive directors.
- At least two-thirds of the members of the Committee shall be independent directors.

B. Chairperson:

- The Chairperson of the NRC shall be an independent director.
- In the absence of the Chairperson, the members of the Committee may elect a chairperson from among themselves.

C. Quorum:

- The quorum for the meetings of the Committee shall be two members, with a majority of the members being independent directors.

D. Role of the Committee:

- 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 and other employees.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- Devise a policy on diversity of Board of Directors; and
- 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.
- To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

E. Independence:

- The NRC shall function independently, without undue influence from the management or other stakeholders, ensuring objective and transparent decision-making.

The NRC operates in compliance with the relevant provisions of the Companies Act, 2013 and the **SEBI** Listing Regulations, and is pivotal in ensuring good corporate governance practices related to the nomination and remuneration of key personnel within the Company.

VII. At present, the NRC comprises of following Directors:

Name of Director	Designation in Committee
Mr. Gajanan Vithal Gandhe (Non-Executive, Independent Director)	Chairman
Mr. Kaikhushru Vicaji Taraporevala (Non-Executive, Independent Director)	Member
Mrs. Pooja Bahry (Non-Executive, Independent Director)	Member

VIII. Policy for Appointment and Removal of Director, KMP and Senior Managerial Personal**A. General Appointment Criteria:**

- The NR 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.
- The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ 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.
- 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 there under, and any other enactment for the time being in force which is applicable to the Company.

B. Additional Criteria for Appointment of Independent Directors:

The NRC shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of Section 149 of the Companies Act, 2013 (as amended from time to time).

c. Term/Tenure

a. Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time or as may be prescribed under the Act. No re-appointment shall be made earlier than one year before the expiry of term.

b. 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, 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.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and 3 (three) listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

d. Retirement

The Director, KMP and Senior Managerial Personal shall retire as per the provisions of the applicable Act, and the prevailing policy of the Company. On the recommendation of the NRC, the Board if it considers to be in the Company's interest, shall have the discretion to retain Director, KMP and Senior Managerial Personal even after attaining the retirement age.

E. Removal

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

IX. Criteria for Evaluation of Independent Director and the Board:

Following are the Criteria for evaluation of performance of Independent Directors and the Board.

The Directors including Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- act objectively and constructively while exercising their duties;
- exercise their responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- 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;
- refrain from any action that would lead to loss of his independence
- inform the Board immediately when they lose their independence,
- assist the company in implementing the best Corporate Governance Practices,
- strive to attend all meetings of the Board of Directors and the Committees;
- participate constructively and actively in the committees of the Board in which they are members;
- strive to attend the Board, Committee and general meetings of the Company;
- keep themselves well informed about the company and the external environment in which it operates;
- do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

X. Board Diversity

The Board of Directors may have the combination of Director from the different areas / fields like production, Management, Quality Assurance, Finance, Legal, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate.

XI. Policy for Remuneration

The NRC will recommend the remuneration to be paid to the Managing Director, Whole-time Director and KMP to the Board for their approval.

The level and composition of remuneration so determined by the NRC 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 made clear and should meet appropriate performance benchmarks. The remuneration may 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:

A. Managing Director/Whole-time Director/CEO

- a. The remuneration to be paid to the MD/CEO at the time of his/her appointment shall be recommended by the NRC and approved by the Board of Directors and the shareholders of the Company.
- b. Annual increment /subsequent variation in remuneration to the MD/CEO shall be approved by the NRC/Board of Directors, within the overall limits approved by the shareholders of the Company.

B. NEDs

- a. NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the Meeting of the Board and sub-Committees of the Board.

- b. Remuneration (including Commission) as may be recommended by NRC and subsequently approved by the Board of Directors and shareholders of the Company, wherever required, and the same shall be paid in accordance with the applicable laws.
- c. The NEDs shall be eligible for remuneration of professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.

c. KMP & Senior Management:

- a. The remuneration to be paid to the KMP and Senior Management, at the time of his/her appointment shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be combination of fixed and variable pay.
- b. Annual increment /subsequent variation in remuneration to the KMP/ Senior Management shall be approved by the NRC/Board of Directors.

XII. Director and Officer Liability Insurance

Where Insurance Policy is taken by the Company for its Directors, KMP, Senior Management and employees indemnifying them against any liability, the premium paid by the Company for such insurance cover shall not be treated as part of the remuneration payable to such personnel. However, if such person is proved to be guilty, the premium paid on such insurance shall be recovered from such persons.

XIII. Adoption, Changes and Disclosure of Information

- This Policy and any changes thereof will be approved by the Board based on the recommendation(s) of the NRC Committee.
- This policy may be reviewed at such intervals as the Board or NRC Committee may deem necessary.
- Such disclosures of this Policy as may be required under the Act and SEBI Listing Regulations may be made.

XIV. General

This policy is framed based on the provisions of the Companies Act, 2013 and Rules framed thereunder and the requirements of Listing Regulations, as amended from time

to time. In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or other applicable laws in this regard shall mutatis mutandis apply to /prevail upon this Policy. Subject to applicable laws the Board can further delegate any of its powers herein to the Committee.