



TALDAR HOTELS AND RESORTS LIMITED

(FORMERLY KNOWN AS TALDAR HOTELS AND RESORTS PRIVATE LIMITED)

NOMINATION AND REMUNERATION POLICY

Version Control		
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1.	Board of Directors	August 13, 2025

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION

In terms of Section 178 of the Companies Act, 2013 (**"the Act"**) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee (**"Committee"**) of the Company and approved by the Board of Directors.

2. APPLICABILITY

The Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel
- Other employees

3. DEFINITION

The definitions of some key terms used in this policy are given below:

"Act" means the Companies Act, 2013 and rules framed thereunder, as amended from time to time;

"Board" means Board of Directors of the Company;

"Directors" means Directors of the Company;

"Employee" means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company;

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the Act and applicable listing regulations;

"Company" means Taldar Hotels and Resorts Limited;

"Independent Director" means a director other than Managing Director or a Whole time Director or a Nominee Director as more specifically set out under Section 149(6) of the Act and shall also have the meaning ascribed to the term **"Independent Director"** under Regulation 16(1)(b) of listing regulations;

“Key Managerial Personnel” or “KMP” means:

- i) Chief Executive Officer or the Managing Director or Manager;
- ii) Whole time Director;
- iii) Company Secretary (CS);
- iv) Chief Financial Officer (CFO);
- v) such other officers, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;
- vi) such other officer as may be prescribed.

“Senior management” shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer 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 persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

4. MEMBERSHIP

The Committee shall consist of a 3 or more non-executive directors, majority of them being independent. Minimum two members or one third of the members of the Committee whichever is greater, including at least one independent director in attendance shall constitute a quorum for the Committee meeting. The members of the Committee shall be appointed or removed by the Board of Directors.

5. CHAIRPERSON

The Chairperson of the Committee shall be an independent director. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson. The Chairperson of the Committee may be present at the Annual General Meeting of the Company to answer shareholders queries or may nominate some other member to answer the shareholders’ queries. However, the Chairperson of the Board shall decide who would answer the queries.

6. TERMS OF REFERENCE

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) 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.
- c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - d) Devising a policy on diversity of Board of Directors;
 - e) Identifying persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria let down, and recommend to the Board of Directors their appointment and removal.
 - f) 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.
 - g) Recommend to the board, all remuneration, in whatever form, payable to senior management.
 - h) While formulating the nomination and remuneration policy, ensure that -
 - 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;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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.
 - i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
 - j) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.

7. CONSTITUTION OF COMMITTEE

1. The Board of Directors of the Company constituted the committee known as the “Nomination and Remuneration Committee” consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
2. The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
3. The Chairperson of the Committee or in his absence, any other member of the committee authorised by him in this behalf shall attend the General Meetings of the Company.
4. The Company Secretary shall act as the secretary for Committee meetings.
5. Minutes: Minutes of the meetings shall be recorded and maintained by the Company Secretary and shall be presented to the Committee for approval at its subsequent meeting.
6. The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of the Act and Rules made thereunder and as per the applicable law, if any, for the time being.

8. CRITERIA FOR APPOINTMENT OF DIRECTOR AND SENIOR MANAGEMENT

The Committee shall consider the following factors for identifying the person who are qualified to become Director and who can be appointed in senior management:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
3. An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company’s business.
4. The Company may appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy-five years subject

to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion indicating the justification for appointing such person.

5. The Company should ensure that the person so appointed as Director/ Independent Director/ Senior Management Personnel shall not be disqualified under the Act, rules made thereunder, or any other enactment for the time being in force.
6. The Director/ Independent Director/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Act, rules made thereunder, or under listing regulations or any other enactment for the time being in force.
7. Independent Director shall meet all criteria specified in Section 149(6) of the Act and rules made thereunder and/or as specified in the Listing Regulations.

The Committee shall have the discretion to consider and fix any other criteria or norms for the selection of the most suitable candidate(s).

9. CRITERIA FOR DETERMINING POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTORS

a. Criteria for determining positive attributes of Independent Directors: -

The Committee shall consider the following factor for determining positive attributes of directors (including independent directors):

1. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
2. Actively update their knowledge and skills with the latest developments in the Textile industry, market conditions and applicable legal provisions.
3. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
4. To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
5. Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
6. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

b. Criteria for determining Independence: -

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Act and rules related thereto and in the Listing Regulations.

10. PERFORMANCE EVALUATION

The provisions relating to the performance evaluation of the Directors and the Board are as follows:

1. Nomination and Remuneration Committee to carry out evaluation of every Directors Performance - Section 178(2) of the Act.
2. Independent Directors to bring objective view in evaluation of performance of Board and Management - Schedule IV(II) of the Act.
3. Performance evaluation of Independent Directors shall be done by entire Board of Directors excluding the Director being evaluated - Schedule IV of the Act.
4. Disclosure in Board Report through a statement indicating the manner in which formal annual evaluation of the performance has been made of Board, its Committees and of individual Directors - Section 134(3)(p) of the Act.

10A. CRITERIA FOR EVALUATION OF THE BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, the Nomination and Remuneration Committee of the Board is required to carry out an annual evaluation of the Board, its committees and individual Directors.

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairperson of the Board, the Company shall formulate a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the response to the questionnaire, a formal annual evaluation shall be made by the Nomination and Remuneration Committee of the performance evaluation of the Board and that of its Committees and individual Directors.

11. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

At the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The remuneration to be paid to the Senior Management Personnel shall be approved by the Board and other employees shall be as per HR policy of the Company.

The annual increment of remuneration for Managing Director/Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMPs (other than Managing Director/Whole-time Directors), Senior Management Personnel shall be approved by the Board and other employees shall be made as per HR policy of the Company.

11.1 REMUNERATION TO WHOLE-TIME / MANAGING DIRECTOR

Fixed pay:

The Whole-time Director/ Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/ Managing Director in accordance with the provisions of Schedule V of the Act.

Provisions for excess remuneration:

If any Whole-time Director/ Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act, he/ she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by Special Resolution within two years from the date the sum becomes refundable.

11.2 REMUNERATION TO NON-EXECUTIVE DIRECTORS (NED'S)/INDEPENDENT DIRECTORS

Sitting Fees:

The NED / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed INR one lakh per meeting of the Board or Committee. The quantum of sitting fees will be determined as per the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further, the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

The profit-linked Commission shall be paid within the monetary limit approved by the Board/ Shareholders of the Company.

Stock Options:

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs in accordance with the ESOP

plans framed/to be framed in accordance with the applicable laws, subject to receipt of necessary approvals, if any.

11.3 REMUNERATION TO KMP, SENIOR MANAGEMENT PERSONNEL & OTHER EMPLOYEES

- The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.
- The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.
- Remuneration to Executive Director/ Key Managerial Personnel and Senior Management will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and 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.
- While deciding the remuneration package to take into consideration current employment scenario and remuneration package of the industries operating in the similar comparable businesses in the geographical area of its operations.

12. SCOPE AND LIMITATION

In the event of any conflict between the provisions of nomination and remuneration policy and the Act, Listing Regulations or any other statutory enactments or rules as may be applicable, the provisions of the Act, Listing Regulations or any other such statutory enactments or rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

13. DISCLOSURE OF THE POLICY

This Policy will be hosted on the Company's website at www.mumbaihousehotels.com
