RBZ JEWELLERS LIMITED

NOMINATION AND REMUNERATION POLICY

[Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

RBZ Jewellers Limited
CIN: L36910GJ2008PLC053586
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Near Rajpath Club, S.G. Highway,
Beside Iscon Mall,
Ahmedabad, Gujarat-380054, India

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1. INTRODUCTION

RBZ Jewellers Limited (the "**Company**" or "**RBZ**") has formulated this policy to provide a framework for remuneration of members of the Board of Directors of the Company (the "**Board**"), Key Managerial Personnel, and other employees of the Company (this "**Policy**").

The Company's Board has constituted a Nomination and Remuneration Committee (the "**Committee**"). The Company, taking forward its compliance with the regulatory requirements has formulated this Policy. This Policy is guided by the principles and objectives as enumerated in Section 178 of the Act (*as defined below*) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI LODR Regulations**"). The above statutory provisions are reproduced in Annexure I.

2. OBJECTIVES

The Company has formulated the Policy to provide guidance on (a) selection and nomination of Directors to the board of the Company; (b) appointment of the senior managerial personnel of the Company; and (c) remuneration of Directors, Key managerial personnel and other employees of the Company.

3. DEFINITIONS

a) "**Act**" means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.

b) "**Directors**" mean members of the Board.

c) "**Independent Directors**" means a director referred to in Section 149 (6) of the Act, Regulation 16(b) of SEBI LODR Regulations and other provisions of applicable law, as amended from time to time.

d) "**Key Managerial Personnel**" or "**KMP**" means;

(i) The Chief Executive Officer or the Managing Director or the Manager;
(ii) The Whole-time Director;
(iii) The Chief Financial Officer;
(iv) The Company Secretary;
(v) Such other officer, not more than one level below the Directors who is in whole-time employment, designated as KMP by the Board; and
(vi) Such other officer as may be prescribed.

e) "**Other employees**" mean all the employees other than the Directors, KMPs, the Senior Management Personnel, Officers or Executives.

f) "**Senior Management**" means the personnel of the Company who are members of its core management team excluding the Board of Directors and includes all members of management one level below the executive directors, including functional heads.

4. SCOPE OF THE POLICY

The Policy shall be applicable to the following in the Company:

a) Directors;
b) KMPs; and
c) Other employees of the Company in senior management positions.

This Policy framework provides a framework for:

a) Identifying persons who are qualified to become Directors, persons who may be appointed as KMPs and in senior management positions in accordance with the criteria laid down, and recommend to the Board for their appointment and removal and carrying out evaluation of every Director's performance (including independent Director;
b) Identifying the criteria for determining qualifications, positive attributes and independence of a Director;
c) Determining remuneration of Directors and KMPs and persons in senior management positions, based on factors including the Company's size, financial position, trends and practices on remuneration prevailing in peer companies in the similar industry;
d) Specifying the manner for effective evaluation of performance of the Board, Directors, KMPs and persons in senior management positions to be carried out either by the Board, by the Committee or by an independent external agency;
e) NRC shall carry out evaluation of every directors performance;
f) Assessing the independence of independent Directors;
g) Providing them rewards, linked directly to their efforts, performance, dedication and achievements relating to the Company's operations;
h) Retaining, motivating and promoting talent and to ensure long term sustainability of talented persons and create competitive advantage; and
i) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Act and rules thereunder and the SEBI LODR Regulations, whenever applicable.

5. COMMITTEE

Pursuant to the provisions of Section 178 and other applicable provisions if any, of the Act including the rules framed thereunder and Regulation 19 of the SEBI LODR Regulations, the Committee of the Company will be constituted and meet as hereunder:

a) The Board shall determine the membership of the Committee;
b) The Committee shall comprise of at least three directors;
c) All directors of the Committee shall be non-executive directors, of which not less than two-thirds shall be independent directors;
d) The Company Secretary of the Company shall act as secretary to the Committee;

e) Terms of reference of the Committee shall be continued unless terminated by the Board;
f) The Chairperson of the Committee shall be an Independent Director;

g) Chairperson of the Company may be appointed as a member of the Committee but shall not chair such Committee;
h) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson other than chairperson of the Company;
i) Chairperson of the Committee meeting may be present at the annual general meeting of the Company or may nominate some other member to answer the shareholders queries;
j) The Committee shall meet at least once in a year and at such regular intervals as may be required;
k) The Committee may invite such executives, as it considers appropriate, to be present at the

meetings of the Committee.

l) The quorum for a meeting of the 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.

6. LETTER OF APPOINTMENT

Letter of appointment shall be issued by the Company to each Director, KMP and employees of the Company in senior management positions based on the recommendations of the Committee on the basis of the guidelines for the same under the Act and this Policy and shall be accepted and signed by the concerned person.

7. MATTERS OF BE DEALT WITH, PERUSED AND RECOMMENDED BY THE COMMITTEE:

<u>The following matter shall be dealt by the Committee:</u>

7.1 **Size and composition of the Board:** Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

7.2 **Directors**: The Committee shall consider the following aspects while recommending the appointment of a person to the Board as a Director:

- The candidate shall have the appropriate skill, qualifications, experience, positive attributes and independence.
- The number of companies in which the candidate holds directorship should be as per applicable laws.
- The candidate to have the ability to exercise sound business judgment, willingness to devote time.
- Good Moral reputation.

7.3 **Senior Management**: Senior Management shall mean the following employees:

- Managing Directors, Whole Time Directors,
- Chief Executive Officer (CEO), Chief Technology Officer (CTO), Chief Operating Officer (COO) and one level below CEO, CTO and COO,
- Chief Financial Officer (CFO) and one level below CFO
- Company Secretary

7.4 **Succession plans**: Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

7.5 **Evaluation of performance**:

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, in terms of Listing Regulations, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The evaluation process shall be based on various parameters including, inter alia, the Director's participation and contribution in Board and Committee meetings, understanding of the Company's business, industry, regulatory and governance framework, strategic guidance, decision-making ability, leadership qualities, safeguarding of stakeholders' interests, maintenance of ethical standards and integrity, engagement with the management, contribution towards risk management and business strategy, interpersonal relationships with fellow Board members and management, and overall effectiveness in discharging fiduciary, statutory, and governance responsibilities. The evaluation shall also consider attendance and active participation in meetings, preparedness, independent judgment, and contribution towards enhancing Board effectiveness and corporate governance standards within the Company.

7.6 **Board diversity**:-

The Board shall consist of such optimum number of Directors as per the requirements of the Act and SEBI LODR Regulations, including at least one Women Director. The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge, skill, and perspective in the Board, in accordance with the Board Diversity Policy which is as under:

- The Committee shall address Board vacancies by actively considering candidates that bring a diversity of background and industry experience or related expertise. The candidates will be considered against objective criteria having due regard to the benefits of diversity on the Board.

- Additionally, the Committee may consider appointment of experts from various specialized fields such as defense, finance, law, information technology, corporate strategy, marketing, business development, international business, operations management or any other professional area, so as to bring diversified skill sets on Board or succeed any outgoing Director with the same expertise. Accordingly, the Committee shall:-

    - assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board,
    - make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and
    - periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

The Committee will review the Board Diversity Policy periodically and recommend appropriate revisions to the Board as Committee may deem fit.

8. APPOINTMENT CRITERIA AND QUALIFICATIONS:

a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment. The Committee shall also review the ethical and moral qualities possessed by such person, commensurate to the requirement for the position.

b. A person to be appointed as Director, KMP or senior management level should possess the adequate qualification, expertise, and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise, and experience possessed by a person is sufficient/satisfactory for the concerned position.

c. A person to be appointed as Director, should possess an impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth, and complementary skills in relation to the other Board members.

d. The Committee shall determine the suitability of appointment of a Director by ascertaining the 'fit and proper criteria' of the candidate. The candidate shall, at the time of appointment, as well as at the time of renewal of directorship, fill in such form as approved by the Committee to enable the Committee to determine the 'Fit and Proper Criteria'. Further, the proposed person is assessed against a range of criteria which includes but are not limited to:

- Personality, skills and professional knowledge
- Knowledge and experience relevant to the business of the Company
- Understanding of and experience in performing his roles and responsibilities
- Independence of judgment
- Educational and professional qualification(s)
- Past performance and credentials, behavior &conduct
- Ability to work individually as well as a member of team
- Ability to represent the Company
- Interaction and relationship with the other members of the Board, KMPs and key stakeholders
- Board room conduct
- Communication skills
- Ethics and Values

e. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

f. Independence of Directors is decided on the basis of criteria provided under the relevant provisions of the Act, read with rules made thereunder, and any modification/amendments done from time to time and as envisaged under SEBI LODR Regulations. A declaration of independence is taken from the independent Directors at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent Director.

g. The Company shall not appoint or continue the employment of any person as Whole-Time Director/ Managing Director/Manager who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (seventy) years with the approval of Shareholders by passing a Special Resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for the extension of appointment beyond 70 (seventy) years.

h. The Committee shall ensure that there are appropriate induction and training programs in place for newly appointed Directors and KMPs.

i. The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provision of the law and their service contract.

9. RETIREMENT:

The Directors, KMP and any other person in senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP, and any other person in senior management personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

10. REMOVAL

a. Due to reasons for any disqualification mentioned in the Act and rules made there under or under any other applicable law, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or any other person in senior management position, subject to the provisions and compliance of the Act and other applicable law.

b. The removal of KMPs other than Directors and the Senior Management would be as per the internal rules and regulations of the Company.

11. TERM/TENURE

11.1 Managing Director/Whole-time Director:

a) The Company shall appoint or re-appoint any person as its Chairman & Managing Director for a term not exceeding five years at a time.

b) No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

11.2 Independent Director:

a) An Independent Director shall hold office for a term up to five 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.

b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for re- appointment in the Company as Independent Director after the expiry of three years from the date of cessation of the previous directorship as such in the Company. The Committee shall take into consideration all the applicable provisions of the Act and the relevant rules, as existing or as may be amended from time to time.

12. REMUNERATION AND PERQUISITES OF DIRECTORS, KMP AND SENIOR MANAGEMENT:

a) General

i. The remuneration/compensation/commission etc. to any Director will be determined by the Committee and recommended to the Board for approval and the same shall be in accordance with the provisions of the Act & the rules made thereunder, and the SEBI LODR Regulations.

ii. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case

iii. of Managing Director/ Whole-time Director

iv. If any insurance is taken by the Company on behalf of its Directors, Managing Directors, Whole Time Director, Chief Executive Officer, Chief Technology Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary and/or any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such a person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b) Remuneration to KMP and Senior Management

The KMP and Senior Management Personnel of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as May approved by the Committee. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Chairman / Managing Director based on the standard market practice and prevailing HR policies of the Company.

The objective of the remuneration framework shall be to ensure that the Company is able to attract, motivate, reward, and retain qualified, competent, and high-caliber personnel in line with industry standards and the long-term interests of the Company. The overall remuneration structure shall be reviewed and aligned, from time to time, with prevailing market practices, internal benchmarks, business performance, and compensation trends identified through appropriate compensation surveys and industry practices, while remaining consistent with the HR policies and compensation philosophy of the Company.

c) Remuneration to Non-Executive/Independent Directors:

(a) The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board and as mentioned in the Articles of Association, which are revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Act and the rules made thereunder.

(b) **Sitting Fees**: The non-executive/ independent Director may receive remuneration by way of fees for attending meetings of the Board or committees of the Board to which they are appointed from time to time thereof. Provided that the amount of such fees shall not exceed the limits prescribed under the Act. The board of Directors shall recommend all fees or remuneration, if any, paid to non-executive Directors, including independent Directors, and shall require approval of shareholders in the general meeting. The requirement of obtaining approval of shareholders in general meetings shall not apply to the payment of sitting fees to non-executive Directors, if made within the limits prescribed under the Act for payment of sitting fees without the approval of the Central Government.

(c) **Commission:** Commission may be paid within the monetary limit approved by shareholders subject to the limits prescribed under the Act.

(d) **Stock Options**: The Independent Directors shall not be entitled to any stock option of the Company.

13. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

14. DISCLOSURE OF POLICY

a. The Policy shall be disclosed in the annual report of the Company, as required under Act, rules made there under and the SEBI LODR Regulations, as amended from time to time and as may be required under any other law for the time being in force.

b. A copy of this Policy shall be handed over to all Directors within one month from the date of approval by the Board. This Policy shall also be posted on the website of the Company and the details of this Policy, including the evaluation criteria, shall be mentioned in the Board's Report.

c. The Company shall publish its criteria of making payments to non-executive Directors in its annual report. Alternatively, this may also be put up on the Company's website and reference be drawn in the annual report.

15. AMENDMENT(S)

The Board may review or amend this Policy, in whole or in part, from time to time, after taking into account the recommendations from the Committee.

Version No.	Approving Authority	Issue/review Date
1.	Board of Directors	16th June 2023
2.	Board of Directors	14th May 2026

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