

SAI CAPITAL LIMITED

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NOMINATION & REMUNERATION POLICY

1.0 Introduction

1.1 Remuneration at M/s. Sai Capital Limited (“the Company”) is based on the principles of performance, equitableness and competitiveness. This Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company progressively and successfully forward.

1.2 This Policy is based on the requirements of Section 178(3) of the Companies Act, 2013 and the Part D of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and has been recommended by the Nomination and Remuneration Committee to the Board of Directors and approved by the Board of Directors of the Company.

1.3 This Policy applies to the Board of Directors, Key Management Personnel (KMPs) and Senior Management Personnel of the Company.

2.0 Objectives

2.1 The objectives of this Policy are:

- (a) Formulation of the criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors;
- (b) Aligning the remuneration of Directors, KMPs and Senior Management Personnel with the Company’s financial position, remuneration paid by its industry peers, etc.;
- (c) Performance evaluation of the Board, its Committees and Directors including Independent Directors;
- (d) Ensuring Board diversity;
- (e) Identifying persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down.
- (f) Directors’ induction and continued training;
- (g) Recommend to the Board whether to re-appoint or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors

3.0 Definitions

3.1 “**Act**” means the Companies Act, 2013.

3.2 “**Board**” means the Board of Directors of the Company.

3.3 **“Director”** means Director as defined under Section 2(34) of the Companies Act, 2013.

3.4 **“Committee”** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the provisions of Section 178 of The Companies Act, 2013 and Regulation 18 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.5 **“Company”** means M/s. Sai Capital Limited (SCL).

3.6 **“Independent Director”** means a Director referred to in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.7 **“Key Managerial Personnel”**, means Key Managerial Personnel as defined under the Companies Act, 2013 and Accounting Standards, as the case may be, and includes:

- a) Managing Director, or Chief Executive Officer or Manager
- b) Whole-time Director;
- c) Company Secretary;
- d) Compliance Officer;
- e) Chief Financial Officer; and
- f) Any such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board.

3.8 **“Senior Management”** shall mean Officers and Personnel of the Company 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 Company..

4.0 Guiding Principles

4.1 The Company shall follow the following guiding principles in order to attract, motivate and retain talent in the Company:

- (a) 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;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, KMPs 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.

5.0 General

This Policy is divided in five parts:

Part-A covers criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors.

Part-B covers Induction and Training of Directors.

Part-C covers Performance Evaluation of the Board, its Committees and Directors including Independent Directors.

Part-D covers Remuneration of Directors, KMPs and Senior Management Personnel.

Part-E covers Board Diversity

6.0 PART – A

Criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors

1. The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and recommend to the Audit Committee or Board, as applicable, his / her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment as a Director. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position and are in accordance with the provisions of the Act and Regulation 16(1)(b) of LODR.
3. The Committee shall ensure that a person proposed to be appointed as an Independent Director satisfies the criteria laid down under the Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The appointment and tenure of Directors, Independent Directors and KMPs shall be in accordance with the provisions of the Companies Act, 2013 read and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7.0 PART-B

Induction and Training of Directors

1. On appointment, Directors shall receive a Letter of Appointment setting out in detail, the terms of appointment, duties, roles and responsibilities. Each newly appointed Director will be taken through a formal induction programme.

2. The induction process should be designed to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, its Code of Conduct, etc.

3. It shall be ensured that the Directors are updated as and when required of their roles, responsibilities and liabilities.

8.0 PART-C

Performance Evaluation of Board, its Committees and Directors

The evaluation of the performance of the Board, its Committees and Directors shall be carried out on an annual basis. The performance of the Board and Committees, thereof shall be evaluated against their terms of reference. Evaluation of the performance of Directors shall include consideration of their skills, performance and contribution to the Board, Company strategy and Board Committees, their availability and attendance at Board and Committee Meetings.

9.0 PART-D

Remuneration of Directors, KMPs and Senior Management Personnel

1. The remuneration of the Executive Directors, KMPs and Senior Management Personnel shall be based on Company's financial position, industrial trends, and remuneration paid by peer companies. The remuneration should be reasonable and sufficient to attract, retain, and motivate the aforesaid persons.

2. Remuneration to Executive Directors shall be paid by way of Salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Committee and approval of the Board and Shareholders. The overall managerial remuneration shall be within the ceilings stipulated under Section 197 read with Schedule V of the Act.

However, the fees or compensation payable to Executive Directors who are Promoters or members of the Promoter Group, shall be subject to the approval of the Shareholders by way of Special Resolution at a General Meeting, if-

- i. the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the Company, whichever is higher; or
- ii. where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the Company.

3. Non-executive Directors shall be paid remuneration by way of Sitting Fee for attending the meetings of the Board and Committees, thereof.

Further, if any kind of remuneration (Except Sitting Fees) being paid to Non-Executive Directors shall require prior approval of Shareholders at a General Meeting.

Further, the approval of Shareholders by Special Resolution shall be obtained every year, in which the annual remuneration payable to a single Non-executive Director exceeds 50% of the total annual remuneration payable to all Non-executive Directors, giving details of the remuneration, thereof.

4. The Senior Management Personnel and KMPs shall be paid remuneration approved by the Board of Directors.

5. Increments in the existing remuneration of Executive Directors, Senior Management Personnel and KMPs shall be approved and recommended by the Committee within the limits prescribed under the Act.

10.0 PART-E

Board Diversity

Appointments to the Board will be based on merit, and candidates will be considered on the basis of their skills, knowledge, experience and background, and other distinguishing qualities, having due regard to the effectiveness of the Board. It will be ensured that the Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors should have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, investment and other professions.

11.0 Applicability of the Policy

This Policy shall apply to all future appointments of Directors, KMPs and Senior Management Personnel.

12.0 Amendment

Any modification / amendment to this Remuneration Policy may be carried out by the Board on the recommendation of the Nomination and Remuneration Committee. This policy will be subject to change as per amendments in the Companies Act, 2013, LODR, or any other applicable Rules, Regulations and Guidelines.

13.0 Dissemination

The key features of this Remuneration Policy shall be published in the Annual Report and uploaded on the website of the Company in accordance with the Companies Act 2013 and SEBI LODR Regulations.

The policy has been last updated/amended by board of directors in their meeting held on May 29, 2025.