

SIKOZY REALTORS LIMITED

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

Sikozy Realtors Limited (“Company”) recognises that an effective and competent Board of Directors, Key Managerial Personnel (“KMP”) and Senior Management Personnel are essential for maintaining high standards of corporate governance and achieving the Company’s objectives.

Accordingly, the Company has formulated this **Nomination and Remuneration Policy** (“Policy”) to provide a transparent framework for the appointment, evaluation, remuneration and succession of Directors, KMP and Senior Management Personnel.

This Policy has been formulated in accordance with the applicable provisions of the **Companies Act, 2013**, the rules made thereunder, the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended from time to time, and other applicable laws, regulations and guidelines.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are:

- a. To establish appropriate criteria for identifying, evaluating and recommending persons for appointment as Directors, KMP and Senior Management Personnel;
- b. To ensure that the Board comprises persons possessing appropriate qualifications, skills, experience, knowledge, expertise and diverse perspectives;
- c. To prescribe criteria for determining the qualifications, positive attributes and independence of Directors;
- d. To ensure that the appointment and remuneration of Directors, KMP and Senior Management Personnel are based on objective criteria and are aligned with the Company’s business requirements;
- e. To establish a framework for performance evaluation of the Board, its Committees and individual Directors;
- f. To ensure that remuneration is reasonable and sufficient to attract, retain and motivate persons of the quality required to run the Company successfully;
- g. To ensure that the relationship between remuneration and performance is appropriate and that remuneration is linked to appropriate performance benchmarks, wherever applicable;
- h. To promote diversity on the Board and within Senior Management;
- i. To ensure that remuneration and other benefits provided to Independent Directors do not impair or appear to impair their independence;
- j. To provide a framework for succession planning for the Board, KMP and Senior Management Personnel; and
- k. To ensure compliance with applicable statutory and regulatory requirements relating to appointment and remuneration.

3. DEFINITIONS

Unless the context otherwise requires:

- 3.1 “Act” or “Companies Act” - means the Companies Act, 2013 and the rules made thereunder, as amended from time to time.
- 3.2 “Board” - means the Board of Directors of Sikozy Realtors Limited.
- 3.3 “Committee” - means the Nomination and Remuneration Committee (“NRC”) constituted by the Board under applicable law.
- 3.4 “Director” - means a Director of the Company.
- 3.5 “Independent Director” -means an Independent Director appointed in accordance with the Companies Act, 2013 and applicable provisions of the SEBI Listing Regulations.
- 3.6 “Key Managerial Personnel” or “KMP” - shall have the meaning assigned to it under the Companies Act, 2013.
- 3.7 “Senior Management” -shall have the meaning assigned to it under applicable provisions of the SEBI Listing Regulations and/or the Companies Act, 2013, as applicable.
- 3.8 “Policy”- means this Nomination and Remuneration Policy.

Words and expressions used but not defined herein shall have the meanings respectively assigned to them under the Companies Act, SEBI Listing Regulations and other applicable laws.

PART A - NOMINATION AND APPOINTMENT

4. ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The NRC shall discharge such functions as are prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws.

The NRC shall, inter alia:

- a. Identify persons qualified to become Directors and persons who may be appointed in Senior Management;
- b. Recommend to the Board the appointment and removal of Directors, KMP and Senior Management Personnel, as applicable;
- c. Formulate criteria for determining qualifications, positive attributes and independence of Directors;
- d. Recommend to the Board a policy relating to remuneration of Directors, KMP and other employees;
- e. Evaluate the balance of skills, knowledge and experience on the Board;
- f. Consider succession planning for the Board and Senior Management;
- g. Recommend candidates for appointment as Independent Directors after considering the requirements of applicable law;
- h. Review the performance of Directors, KMP and Senior Management, as applicable; and
- i. Perform such other functions as may be assigned to it by the Board or prescribed under applicable law.

5. CRITERIA FOR APPOINTMENT OF DIRECTORS

While considering the appointment of a Director, the NRC and the Board shall consider the following:

- a. Appropriate educational, professional or technical qualifications;
- b. Relevant experience and expertise in areas such as real estate, finance, accounting, law, taxation, corporate governance, business management, risk management, technology or other areas relevant to the Company’s business;
- c. Knowledge and understanding of the Company’s business and industry;
- d. Integrity, ethical standards and reputation;
- e. Ability to devote adequate time and attention to the affairs of the Company;
- f. Ability to exercise independent and objective judgment;
- g. Leadership capability and strategic thinking;
- h. Understanding of corporate governance and fiduciary responsibilities;

- i. Diversity of skills, experience, knowledge, gender and other appropriate factors;
- j. Compliance with applicable statutory requirements; and
- k. Such other criteria as may be considered appropriate by the NRC and the Board.

6. QUALIFICATIONS OF DIRECTORS

A Director shall possess such qualifications, experience and expertise as may be appropriate for the position and responsibilities assigned to him/her.

The NRC shall endeavour to ensure that the Board collectively possesses an appropriate combination of skills, knowledge and experience required for effective functioning of the Company.

In the case of an Independent Director, the requirements prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws shall be complied with.

7. POSITIVE ATTRIBUTES OF DIRECTORS

The following shall generally constitute positive attributes of a Director:

- a. High standards of integrity and ethical conduct;
- b. Commitment to the highest standards of corporate governance;
- c. Commitment to the Company's objectives and values;
- d. Strategic and commercial understanding;
- e. Sound and independent judgment;
- f. Constructive participation in Board and Committee deliberations;
- g. Willingness to devote sufficient time and attention to the Company's affairs;
- h. Ability to work constructively with other Directors and management;
- i. Willingness to continuously update knowledge and skills;
- j. Ability to protect the interests of the Company and its stakeholders; and
- k. Such other attributes as may be considered appropriate by the NRC and Board.

8. CRITERIA FOR INDEPENDENCE OF DIRECTORS

For determining the independence of a Director, the NRC and the Board shall consider the criteria prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws.

An Independent Director shall, inter alia:

- a. Be a person of integrity and possess relevant expertise and experience;
- b. Not be disqualified from being appointed as an Independent Director;
- c. Satisfy the applicable criteria of independence;
- d. Be free from relationships and circumstances which may impair or appear to impair his/her ability to exercise independent judgment;
- e. Not have any material pecuniary relationship with the Company, its subsidiaries or associates, except to the extent permitted under applicable law;
- f. Be capable of exercising objective and independent judgment;
- g. Comply with the limits on directorships, committee memberships and other requirements prescribed under applicable law; and
- h. Fulfil all other conditions prescribed for Independent Directors under applicable law.

Every Independent Director shall provide such declarations and confirmations as may be required under applicable law.

9. BOARD DIVERSITY

The Company recognises that diversity in the Board contributes to better decision-making and governance.

The NRC shall consider diversity in terms of skills, professional experience, industry knowledge, educational background, gender, age, geographical exposure and other relevant factors, while ensuring that appointments are based on merit and the requirements of the Company.

Board diversity shall not be pursued at the cost of competence, integrity, independence or suitability of the proposed appointee.

10. APPOINTMENT OF INDEPENDENT DIRECTORS

The appointment of an Independent Director shall be made in accordance with the Companies Act, SEBI Listing Regulations and other applicable laws.

The NRC shall evaluate the balance of skills, knowledge and experience required on the Board and identify the capabilities required for an Independent Director.

While recommending an Independent Director, the NRC may consider:

- a. Professional background and qualifications;
- b. Relevant industry and functional experience;
- c. Knowledge and expertise;
- d. Integrity and reputation;
- e. Independence of judgment;
- f. Availability and time commitment;
- g. Diversity requirements; and
- h. Compliance with statutory eligibility criteria.

The Company may, where considered appropriate, use external agencies or professional search firms for identifying suitable candidates.

11. SUCCESSION PLANNING

The NRC shall periodically consider succession planning for the Board, KMP and Senior Management Personnel.

The Company shall endeavour to identify suitable internal and external candidates for critical positions and ensure continuity of leadership.

Succession planning shall take into account the Company's future business requirements, strategic objectives, skills required and applicable regulatory requirements.

PART B - PERFORMANCE EVALUATION

12. PERFORMANCE EVALUATION

The Company shall undertake performance evaluation of the Board, its Committees and individual Directors in accordance with applicable provisions of the Companies Act and SEBI Listing Regulations.

The evaluation shall be based on appropriate criteria including:

- a. Attendance and participation in meetings;
- b. Knowledge and understanding of the Company's business;
- c. Contribution to Board and Committee deliberations;
- d. Strategic guidance and oversight;
- e. Quality of judgment and decision-making;
- f. Compliance with applicable duties and responsibilities;
- g. Contribution towards corporate governance;
- h. Independence of judgment, particularly in the case of Independent Directors;
- i. Constructive interaction with other Directors and management; and

- j. Such other criteria as may be determined by the Board/NRC.

13. EVALUATION OF INDEPENDENT DIRECTORS

The performance evaluation of Independent Directors shall consider, among other matters:

- a. Participation in Board and Committee meetings;
- b. Independence of judgment;
- c. Ability to challenge and constructively question management;
- d. Contribution to Board deliberations;
- e. Protection of stakeholder interests;
- f. Compliance with fiduciary duties and applicable laws; and
- g. Overall contribution to the functioning of the Board.

The Independent Directors shall also undertake such evaluation as may be prescribed under applicable law.

14. REVIEW OF PERFORMANCE

The NRC may review the performance of Directors, KMP and Senior Management Personnel and recommend appropriate action to the Board wherever necessary.

Where performance is found to be unsatisfactory, the Company may take such corrective action as may be appropriate, including additional responsibilities, training, change in role or, subject to applicable law, non-renewal or cessation of appointment.

PART C - REMUNERATION

15. GENERAL PRINCIPLES OF REMUNERATION

The remuneration framework shall be guided by the following principles:

- a. Remuneration shall be reasonable and commensurate with the responsibilities and duties of the concerned position;
- b. Remuneration shall be aligned with the Company's financial position, business performance and operational requirements;
- c. Remuneration shall be competitive and sufficient to attract and retain competent persons;
- d. The relationship between remuneration and performance shall be clear and appropriate, wherever performance-linked remuneration is applicable;
- e. Remuneration shall comply with applicable statutory limits and approval requirements;
- f. Remuneration shall take into account qualifications, experience, expertise, responsibilities and contribution;
- g. Remuneration shall be structured in a manner that does not encourage excessive risk-taking or compromise the interests of the Company; and
- h. Remuneration of Independent Directors shall not impair their independence.

16. REMUNERATION OF EXECUTIVE DIRECTORS

The remuneration of Managing Director, Whole-time Director and other Executive Directors shall be determined by the Board on the recommendation of the NRC and shall be subject to approval of shareholders and such other approvals as may be required under applicable law.

The remuneration may comprise:

- a. Basic salary;
- b. Allowances and perquisites;
- c. Performance-linked incentives;
- d. Commission, where permissible;
- e. Retirement and other benefits; and

f. Such other components as may be approved in accordance with applicable law.

The remuneration shall be reviewed periodically having regard to performance, responsibilities, industry practices, Company's financial position and applicable statutory limits.

17. REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Company may pay remuneration to Non-Executive Directors in the form of:

- a. Sitting fees for attending Board or Committee meetings;
- b. Commission, where permitted;
- c. Reimbursement of reasonable expenses incurred in connection with Company matters; and
- d. Such other payments as may be permitted under applicable law.

The quantum of remuneration shall be determined having regard to the Company's financial position, level of business activity, responsibilities of the Director, time commitment, expertise, contribution and applicable statutory limits, and such other factors as the Board of Directors may deem fit and appropriate, subject to applicable laws and regulations.

Present Position

As on the effective date of this Policy, the Company is not making any regular remuneration, sitting fee, profit-related commission, professional fee or other monetary compensation to its Non-Executive Directors or Independent Directors.

The Policy does not create any present entitlement or accrued right in favour of any Non-Executive Director or Independent Director to receive remuneration merely because such remuneration may be permissible under applicable law.

Any future payment shall be considered afresh by the Company having regard to its then prevailing financial and operational position, nature and extent of services rendered, responsibilities of the concerned Director and applicable law.

18. SITTING FEES

Subject to applicable law and necessary approvals, the Company may pay sitting fees to Non-Executive Directors and Independent Directors for attending meetings of the Board or Committees thereof.

The quantum of sitting fees shall be determined having regard to the Company's financial position, level of business activity, responsibilities of the Director, time commitment, expertise, contribution and applicable statutory limits, and such other factors as the Board of Directors may deem fit and appropriate, subject to applicable laws and regulations.

19. PROFIT-RELATED COMMISSION

Subject to applicable law, the Company may consider payment of profit-related commission to Non-Executive Directors out of the profits of the Company.

Any such payment shall be determined having regard to:

- a. Net profits of the Company;
- b. Contribution and responsibilities of the concerned Director;
- c. Performance of the Company;
- d. Applicable statutory limits; and
- e. Required corporate approvals.

No Director shall have an automatic or continuing entitlement to profit-related commission merely by virtue of holding office.

The quantum of commission shall be determined having regard to the Company's financial position, level of business activity, responsibilities of the Director, time commitment, expertise, contribution and applicable statutory limits, and such other factors as the Board of Directors may deem fit and appropriate, subject to applicable laws and regulations

20. PROFESSIONAL FEES

Where a Non-Executive Director is engaged to provide professional services to the Company, professional fees may be paid only where permitted under applicable law and where the concerned Director possesses the requisite professional qualifications and the services are genuinely professional in nature.

Any such arrangement shall be subject to applicable provisions relating to related party transactions and the approvals required under applicable law.

21. REIMBURSEMENT OF EXPENSES

Directors may be reimbursed actual and reasonable expenses incurred for attending Board/Committee meetings or undertaking authorised work for the Company.

Such reimbursement shall be supported by appropriate documentation and shall not constitute remuneration except to the extent required under applicable law.

22. REMUNERATION OF KMP AND SENIOR MANAGEMENT

The remuneration of KMP and Senior Management Personnel shall be determined having regard to:

- a. Qualifications and experience;
- b. Nature and complexity of responsibilities;
- c. Individual performance;
- d. Company's performance and financial position;
- e. Industry and market practices;
- f. Internal parity;
- g. Retention requirements;
- h. Applicable statutory requirements; and
- i. Such other factors as may be considered appropriate.

The remuneration may comprise fixed and variable components, performance incentives, benefits and other permissible components.

The quantum of remuneration shall be determined having regard to the Company's financial position, level of business activity, responsibilities of the Director, time commitment, expertise, contribution and applicable statutory limits, and such other factors as the Board of Directors may deem fit and appropriate, subject to applicable laws and regulations

The Company shall ensure that remuneration is reasonable and aligned with the responsibilities and performance of the concerned person.

23. INDEPENDENT DIRECTORS - REMUNERATION AND INDEPENDENCE

An Independent Director shall not be entitled to any stock option and may receive only such sitting fees, reimbursement of expenses and profit-related commission as may be permissible under applicable law.

Any remuneration or other benefit provided to an Independent Director shall be structured so that it does not impair or appear to impair the independence of the Director.

The quantum of remuneration payable to Independent Directors shall be determined having regard to the Company's financial position, level of business activity, responsibilities of the Director, time commitment, expertise, contribution and applicable statutory limits, and such

other factors as the Board of Directors may deem fit and appropriate, subject to applicable laws and regulations

24. NO PRESENT ENTITLEMENT

Nothing contained in this Policy shall be construed as creating an obligation on the Company to make any payment to a Non-Executive Director or Independent Director.

The continued non-payment of remuneration shall not be construed as a waiver of any statutory power of the Company to make payments in the future where legally permissible and duly approved.

Any future payment shall be prospective and subject to applicable law and relevant approvals.

PART D - GOVERNANCE AND DISCLOSURES

25. CONFLICT OF INTEREST

Every Director, KMP and Senior Management Personnel shall disclose any actual or potential conflict of interest in accordance with applicable law and the Company's policies.

A Director shall abstain from participating in discussions or voting on matters in which he/she has a material personal interest, wherever required by law.

26. RELATED PARTY TRANSACTIONS

Any remuneration, professional engagement or other arrangement involving a Director, KMP or Senior Management Personnel that constitutes a related party transaction shall be dealt with in accordance with the Company's **Policy on Related Party Transactions** and applicable provisions of the Companies Act, SEBI Listing Regulations and other applicable laws.

27. REVIEW OF REMUNERATION

The NRC, where constituted and applicable, shall periodically review the remuneration framework.

In considering remuneration, the NRC/Board shall take into account:

- a. Company's financial and operational position;
- b. Business performance;
- c. Individual contribution and responsibilities;
- d. Industry practices;
- e. Applicable statutory limits;
- f. Retention and succession requirements; and
- g. Other relevant factors.

Where the Company's present level of operations continues, the Company may continue its existing practice of not paying remuneration to Non-Executive Directors and Independent Directors, subject to applicable law.

28. APPROVAL OF REMUNERATION

Any remuneration or payment to Directors, KMP or Senior Management Personnel shall be made only after obtaining such approvals as may be required under:

- a. Companies Act, 2013;
- b. SEBI Listing Regulations;
- c. Articles of Association of the Company;

- d. Shareholders' approval, wherever required;
- e. Board/NRC approval, wherever required; and
- f. Any other applicable law or regulatory requirement.

The Board shall ensure that aggregate remuneration and other payments remain within applicable statutory limits.

29. DISCLOSURES

The Company shall make such disclosures relating to Directors' remuneration, KMP, Senior Management and this Policy as may be required under applicable law.

The Policy shall be made available on the Company's website.

The Board's Report shall provide the disclosures required under the Companies Act and SEBI Listing Regulations.

Where the complete Policy is available on the Company's website, the Board's Report may provide the salient features of the Policy and the web address, to the extent permitted under applicable law.

30. WEBSITE DISCLOSURE

The complete Policy shall be hosted on the Company's website: **www.sikozyrealtors.com**

31. REVIEW AND AMENDMENT

The NRC shall review the Policy periodically and recommend changes to the Board where considered necessary.

The Board may amend, modify or revise this Policy from time to time to:

- a. Comply with amendments to applicable laws and regulations;
- b. Reflect changes in the Company's business or organisational structure;
- c. Incorporate better corporate governance practices; or
- d. Address any other matter considered necessary by the Board.

Any amendment to this Policy shall be effective from the date approved by the Board or such other date as may be specified.

32. INTERPRETATION

In the event of any inconsistency between this Policy and any applicable law, regulation, notification, circular or amendment thereto, the provisions of such law, regulation, notification or circular shall prevail.

The Policy shall be interpreted in accordance with the Companies Act, SEBI Listing Regulations and other applicable laws as amended from time to time.