ROYAL CHAIN LIMITED
(FORMERLY KNOWN AS ROYAL CHAIN PRIVATE LIMITED & ROYAL CHAINS PRIVATE LIMITED)
GST : 27AAGCR6146R1ZL CIN : U74120MH2013PLC247888
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NOMINATION AND REMUNERATION POLICY

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NOMINATION AND REMUNERATION POLICY

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

A. PREAMBLE:

As per the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the nomination and remuneration committee of the Board shall lay appropriate criteria for selection of Directors, Key Managerial Personnel and Senior Management and formulate appropriate policy for payment of equitable remuneration to them.

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels is required to ensure that the shareholders remain informed and confident in the management of Royal Chain Limited ("**Company**"). This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the all the Directors (including executive and non- executive directors), Key Managerial Personnel and Senior Management Personnel.

Accordingly, the Board of Directors of the Company on 8th September, 2026 has adopted the policy for nomination and remuneration ("**Policy**").

B. DEFINITIONS AND INTERPRETATIONS:

In this Policy, unless the context otherwise requires:

i) Act-

Means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

ii) Board-

Means the board of directors of the Company.

iii) Director-

Means Directors of the Company.

iv) Independent Director

Means the Director other than a managing director or a whole-time director or a nominee director as 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 the Listing Regulations.

v) Key Managerial Personnel-

Mean the Chief Executive Officer or the managing director or the manager; the Whole-Time Director; the Company Secretary; the Chief Financial Officer; and such other officer as may be prescribed under section 2(51) of the Act and under the applicable statutory provisions/ regulations.

vi) Senior Management-

Shall have the meaning ascribed to it under the explanation to the section 178 of the Act and shall mean personnel of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional heads.

vii) Nomination and Remuneration Committee-

Mean a Committee of Board of Directors of the Company, constituted or reconstituted in accordance with the provisions of Section 178 of the Act.

viii) Remuneration-

Mean any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

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

C. OBJECTIVES OF THE POLICY:

The objective of this Policy is to establish a transparent and structured framework for the nomination, appointment, and remuneration of Directors, Key Managerial Personnel, and Senior Management. The Policy aims to ensure the Company is managed by qualified, competent, and ethical professionals, and that compensation structures attract, retain, and motivate talent while maintaining a balance between fixed and variable pay aligned with short-term performance and long-term value creation. The Policy further provides guidelines for evaluating the performance of the Board, its committees, and individual Directors, and ensures compliance with applicable laws, corporate governance standards, and the Company's values.

GUIDING PRINCIPLES:

The policy ensures that:

a) The process of selection, appointment, and remuneration of Directors, Key Managerial Personnel, and Senior Management shall be conducted in a fair and transparent manner, free from bias or discrimination.
b) The Company shall offer remuneration that is competitive and sufficient to attract, motivate, and retain qualified individuals who can contribute effectively to the Company's success.
c) The remuneration structure must be clear and meet the appropriate benchmarks.

D. NOMINATION AND REMUNERATION COMMITTEE:

1. Role and responsibility of the Committee:

The role of the Committee inter alia will be the following-

a) Identify individuals qualified to become directors and senior management personnel as per defined criteria, and recommend their appointment or removal to the Board. The Committee shall also evaluate the performance of every Director.
b) Formulate criteria for determining the qualifications, positive attributes, and independence of directors. Recommend a policy relating to the remuneration of directors, key managerial personnel, and senior management.
c) For appointment of Independent Directors, prepare a description of the required role and capabilities, and recommend candidates who meet these requirements. The Committee may:

i) Engage external agencies for candidate search, if needed.
ii) Consider candidates from diverse backgrounds.
iii) Evaluate candidates' time commitments before recommendation.

d) Decide on the extension or continuation of Independent Directors' terms based on their performance evaluation.
e) Develop criteria for evaluating the performance of the Board and individual Directors.
f) Ensure that the level and structure of remuneration is fair, competitive, and sufficient to attract, retain, and motivate qualified leaders. Remuneration should reflect performance and align with Company goals.
g) Maintain a balance between fixed and variable pay, linking incentives to both short-term and long-term performance objectives.
h) Periodically review the Company's Human Resource functions and reassess the adequacy of this charter. Recommend changes to the Board when necessary.
i) To formulate a policy on Board Diversity
j) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time and make reports to the Board as appropriate.
k) Such other work and policy related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

2. Membership:

a) The Committee shall consist of a minimum 3 non-executive directors, out of which at least two-third shall be independent directors.
b) Chairman of the Committee shall be an Independent Director. However, the Chairman 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.
c) Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
d) Term of the Committee shall be continued unless terminated by the Board of Directors.

3. Chairman:

a) The Chairman of the Committee shall be an Independent Director.
b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
c) The Chairman of the Nomination and Remuneration Committee meeting may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

4. Frequency of Meetings:

The meeting of the Committee shall be held at such intervals as may be required subject to minimum one meeting in a financial year.

5. Committee Members' Interests:

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

6. Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

7. Quorum:

The quorum for a meeting of the nomination and remuneration 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.

8. Voting:

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.
b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. Minutes of the Meeting:

Proceedings of all meetings must be documented 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.

E. APPOINTMENT OF DIRECTORS:

1. General Appointment criteria:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and/or Senior Management Personnel and recommend to the Board his / her appointment. The Company should also ensure the person so appointed shall not be disqualified under the Act, rules made thereunder or any other enactment for the time being in force.
b) For the appointment of Independent Directors, the 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 and thereafter propose appointment of an Independent Director who meets these requirements.
c) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient for the concerned position.
d) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of 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 extension of appointment beyond seventy years.
e) Such appointment/re-appointment shall be subject to compliance of provisions of the Act and LODR Regulations.

2. Tenure:

a) Managing Director/Whole-time Director/Manager (Managerial Personnel):

The Company may appoint or re-appoint any managerial personnel, such as a Managing Director, Whole-Time Director, or Manager, for a term of upto five years at a time. Any re-appointment can be made only within one year before the expiry of the existing term, in accordance with Section 196(2) of the Companies Act, 2013.

b) Independent Director:

i) An Independent Director may be appointed to the Board for a term of up to five consecutive years and shall be eligible for reappointment upon the passing of a special resolution by the Company and appropriate disclosure in the Board's Report.

ii) No Independent Director shall hold office for more than two consecutive terms; however, such Director may be considered for appointment after a cooling-off period of three (3) years from the date of ceasing to hold office.

iii) During the said cooling-off period, the Independent Director shall not be appointed or associated with the Company in any capacity, either directly or indirectly.

iv) At the time of appointment, it shall be ensured that the number of directorships held by the Independent Director does not exceed the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

3. Removal:

In the event of any disqualification under the Companies Act, 2013, the rules framed thereunder, or any other applicable laws, regulations, or for any other reasonable grounds, the Committee may recommend to the Board the removal of a Director, Key Managerial Personnel (KMP), or Senior Management Personnel, subject to compliance with the relevant provisions of the applicable laws.

4. Retirement:

The Director, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. In accordance with the prescribed laws, the Board of Directors shall have the discretion, if deemed beneficial to the Company to retain any Director, KMP, or Senior Management Personnel in their position and/or remuneration, even after attaining the prescribed age of retirement.

F. REMUNERATION POLICY:

1. Applicability:

This Policy is applicable to (a) Executive directors, (b) Non-executive directors, (c) Key Managerial Personnel and (d) Senior Management Personnel.

2. Remuneration to Executive Director:

Remuneration to Executive Directors shall be recommended by the Nomination and Remuneration Committee. The remuneration payable shall be approved by the Board at its meeting, followed by the approval of the shareholders at the General Meeting. Where applicable, necessary approvals from other statutory or regulatory authorities shall also be obtained. The remuneration shall be in alignment with the Company's objectives, performance, and applicable legal provisions. Remuneration structure shall be designed to attract, retain, and motivate competent leadership while promoting sustainable value creation for stakeholders. Any change in remuneration shall be subject to compliance with the Actand other applicable regulations.

3. Remuneration to Non-Executive Directors:

The Non- Executive Directors of the Company are entitled to receive remuneration by way of sitting fees for attending meetings of Board or Committee as well as commission, if approved by shareholders and in accordance with the provisions of the Act. Any remuneration paid to Non-Executive Directors by way of sitting fees shall not exceed Rs. 11,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Quantum of sitting fees may be subject to review on a periodic basis, as may be required.

G. EVALUATION OF DIRECTORS:

1. The performance of Directors shall be evaluated annually by the Nomination and Remuneration Committee based on defined criteria such as attendance, participation, contribution to strategic decisions, and adherence to governance standards.
2. Following criteria of evaluation of performance may assist in determining how effective the performances of the Directors have been:

a) Executive Directors:

The performance evaluation of Executive Directors shall be carried out based on the specific targets and key performance criteria set by the Board from time to time, in alignment with the Company's strategic and operational objectives. The Committee shall review the performance results and submit its recommendations to the Board for consideration.

b) Non-Executive Directors:

1. Act with objectivity and proactively while discharging duties.
2. Carry out their responsibilities in good faith, prioritizing the interests of the Company.
3. Dedicate adequate time and attention to their professional obligations to ensure informed and balanced decision-making.
4. Avoid using their position for personal gain, or for the benefit of any associated person, in a manner detrimental to the Company or its shareholders.
5. Refrain from any actions and activities that may compromise their independence.
6. Promptly inform the Board if they cease to remain independent.
7. Support the Company in implementing and maintaining best practices in corporate governance.
8. Endeavor to attend all meetings of the Board of Directors and Committees.
9. Contribute actively in all Board Committees where they serve as members or chairpersons.
10. Make efforts to attend the Company's general meetings.
11. Keep themselves thoroughly informed about the Company and the external environment affecting its operations.
12. Refrain from obstructing the proper functioning of the Board or any of the committees.
13. Act as a mediator in situations of conflict between management and shareholder interests, prioritizing the Company's overall benefit.
14. Comply with the Company's Memorandum and Articles of Association, as well as its policies and procedures, including the Code of Conduct and Insider Trading regulations.

3. The following criteria may be considered for evaluating the performance of Managing Directors, Whole Time Directors, of the Company:

    a) Effectiveness in leading teams, making and implementing Company policies.
    b) Effectively communicate the expectations and any concerns to subordinates, and evaluate their performance based on the financial, operational, and strategic targets established by the Board.
    c) Provide guidance to KMP and other senior personnels, ensuring compliance with statutory requirements, corporate governance norms, and ethical standards.
4. The Independent Directors shall hold at least one meeting without the presence of Non-Independent Directors to assess the performance of the latter based on the parameters mentioned above.
5. The Executive Director /Non-Independent Directors along with the Independent Directors will evaluate /assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

H. REMUNERATION:

The Committee shall recommend the remuneration to be paid to the Managing Director, Whole-Time Director, Key Managerial Personnel, and Senior Management Personnel to the Board for approval. The

level and composition of remuneration determined by the Committee shall be reasonable and sufficient to attract, retain, and motivate individuals of the quality required to manage the Company effectively. The link between remuneration and performance should be transparent and aligned with clearly defined performance benchmarks. The remuneration structure shall maintain a balance between fixed and incentive pay, reflecting both short-term and long-term objectives appropriate to the Company's operations and goals. The remuneration payable shall be subject to the conditions specified in the Companies Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

1. General:

a) Remuneration, compensation, commission, or other benefits payable to Managerial Personnel, Key Managerial Personnel, and Senior Management Personnel shall be determined by the Committee and recommended to the Board for approval. Such remuneration shall also be subject to prior or post-approval of shareholders and the Central Government, wherever applicable.
b) Remuneration and commission payable to Managerial Personnel shall comply with the statutory provisions of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.
c) Increments to existing remuneration or compensation structures may be recommended by the Committee to the Board, provided they remain within the slabs approved by shareholders in the case of Managerial Personnel. Increments shall be effective from the date of reappointment for Managerial Personnel or such other date specified in the resolution, and from April 1st for other employees of the Company.
d) Any insurance premium paid by the Company on behalf of its Managerial Personnel, Key Managerial Personnel, or other employees for indemnifying them against liability shall not be considered part of the remuneration payable to such personnel.

2. Remuneration to Managerial Personnel, Key Managerial Personnel, and Senior Management:

a) Fixed Pay:

Managerial Personnel, Key Managerial Personnel, and Senior Management shall be eligible for monthly remuneration as approved by the Board on the recommendation of the Committee, in accordance with statutory provisions. The breakup of the pay scale and perquisites including employer contributions to provident fund, pension schemes, medical expenses, club fees, etc. shall be decided and approved by the Board on the Committee's recommendation and, wherever required, approved by shareholders and the Central Government.

b) Minimum Remuneration:

In any financial year where the Company has no profits or its profits are inadequate, remuneration to Managerial Personnel shall be paid in accordance with Schedule V of the Companies Act, 2013. Where compliance with Schedule V is not possible, prior approval of the Central Government shall be obtained.

c) Excess Remuneration:

If any Managerial Personnel receives remuneration exceeding the limits prescribed under the Act, or without prior sanction from the Central Government where required, they shall refund such sums to the Company and hold them in trust until repayment. The Company shall not waive recovery unless permitted by the Central Government.

3. Remuneration to Non-Executive / Independent Directors:

a) Remuneration / Commission: Payment of remuneration or commission shall comply with the

statutory provisions of the Companies Act, 2013 and applicable rules.

b) Sitting Fees: Non-Executive / Independent Directors may receive fees for attending Board or Committee meetings, provided such fees do not exceed the maximum limit prescribed under the Act per meeting or as may be prescribed by the Central Government.

c) Limit of Remuneration / Commission: Remuneration or commission may be paid within the monetary limits approved by shareholders, subject to a maximum of 1% of the Company's net profits, computed as per applicable statutory provisions.

I. DISCLOSURE:

This Policy shall be disclosed in the Board's report and the website of the company.

J. DEVIATION FROM THE POLICY:

Any deviations from the provisions of this policy under extraordinary circumstances, when considered necessary in the interests of the Company, may be made for specific reasons in individual cases. The reasons for such departure will be included in the Board minutes. Such deviations shall, however, require the approval of the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

K. AMENDMENTS TO THE POLICY:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendments, clarifications, circulars etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendments, clarifications, circulars etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendments, clarifications, circulars etc.

A copy of this Policy shall be handed over to all directors on the Board, 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 Annual Report of the Company.

Effective Date:
Date of approval by the Board: 8th September, 2026

Sd/-
Chairman Signature

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