

JJ PV SOLAR LIMITED

NOMINATION AND REMUNERATION
POLICY

JJ PV SOLAR LIMITED

(Formerly known as JJ PV Solar Private Limited)

(CIN: U31200GJ2010PLC060541)

Registered Office: Survey No. 236, Plot No. 2, N.H. 8-B, Village Veraval (Shapar), Tal. Kotda Sangani, Rajkot – 360024, Gujarat, India.

Email: compliance@jjpvsolar.com **Website:** www.jjpvsolar.com

Phone: +91 9313805780

In terms of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, this policy on nomination and remuneration of the Directors and Key Managerial Personnel of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors vide its resolution dated 03rd March, 2025.

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 Directors and Key Managerial Personnel.

1. OBJECTIVE

- 1.1. The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.
- 1.2. The Key Objectives of the Committee is to:
 - 1.2.1. To formulate the criteria for determining qualifications, positive attributes and independence of a director (executive/non-executive/independent) of the Company (“Director”); and
 - 1.2.2. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 - 1.2.3. To guide the Board in relation to appointment and removal of Directors and Key Managerial Personnel.
 - 1.2.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
 - 1.2.5. To recommend to the Board on Remuneration payable to the Directors and Key Managerial Personnel.
 - 1.2.6. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
 - 1.2.7. To determine 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.
 - 1.2.8. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
 - 1.2.9. To devise a policy on Board diversity.
 - 1.2.10. To develop a succession plan for the Board and to regularly review the plan.

This includes reviewing and approving corporate goals and objectives relevant to the compensation of the executive Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve executive Directors’ compensation based on this evaluation; making recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

2. DEFINITIONS

- 2.1. “Act” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. “Board” means Board of Directors of the Company.



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2.3. "Directors" mean Directors of the Company.

2.4. "Key Managerial Personnel" (KMP) means:

- 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
- 2.4.2. Whole-time Director;
- 2.4.3. Chief Financial Officer; and
- 2.4.4. Company Secretary.

2.5. 'Senior Management' means:

officers/personnel of the Company who are members of its core management team. The core management team includes Managing Director, Executive Director, Chief Engineers, Vice President, Chief Financial Officer and Company Secretary.

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

3. Constitution of the Nomination and Remuneration Committee:

The Board has constituted the "Nomination and Remuneration Committee" of the Board on March 03, 2025 This is in line with the requirements under the Companies Act, 2013. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

4. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The following matters shall be dealt with by the Committee: -

a) **Size and composition of the Board:**

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

b) **Directors:**

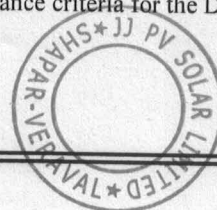
Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

c) **Succession plans:**

Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

d) **Evaluation of performance:**

- i. Make recommendations to the Board on appropriate performance criteria for the Directors.



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- ii. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third party facilitator in doing so.
- iii. Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

e) Board diversity:

The Committee is to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives.

f) Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

- a. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
- b. Individual and total remuneration of non-executive Directors and the chairperson (if non-executive), including any additional fees payable for membership of Board committees;
- c. the remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
 - (i) attract and motivate talent to pursue the Company's long term growth;
 - (ii) demonstrate a clear relationship between executive compensation and performance;
 - (iii) be reasonable and fair, having regard to best governance practices and legal requirements and
 - (iv) balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals
- d. the Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

5. POLICY FOR APPOINTMENT, TENURE, EVALUATION AND REMOVAL OF DIRECTOR AND KMP

5.1. Appointment Criteria and Qualifications:

- 5.1.1. The Committee shall identify and ascertain the integrity, qualification, expertise, and experience of the person for appointment as Director and KMP.
- 5.1.2. A person should possess adequate qualification, expertise, and experience for the position he is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.

5.2. Term/ Tenure:

5.2.1. Managing Director/ Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding 05 (Five) years at a time. No re-appointment shall be made earlier than 01 (One) year before the expiry of term.



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5.2.2. **Independent Director:**

An Independent Director shall hold office for a term up to 05 (Five) consecutive 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.

No Independent Director shall hold office for more than 02 (Two) consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 03 (Three) years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of 03 (Three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

The company shall provide suitable training to the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

5.3. **Evaluation:**

The Committee shall carry out evaluation of performance of every Director and KMP at regular interval (yearly).

5.4. **Criteria for evaluating Board members:**

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of Non-Independent Directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

5.5. **Criteria for evaluating performance of Key Managerial Personnel:**

Criteria for evaluating performance of KMP shall be as per the HR Guideline of the Company.

5.6. **Removal:**

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

5.7. **Retirement:**

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.



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6. POLICY FOR REMUNERATION TO DIRECTORS AND KMP AND SENIOR MANAGEMENT

6.1. General:

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
3. 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 of Managing Director/ Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management 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 person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

6.2. Remuneration to Managing Director/ Whole-time Directors:

- 6.2.1. The Remuneration/ Commission to be paid to Managing Director/ Whole time Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company and the Central Government, as the case may be.
- 6.2.2. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.

6.3. Remuneration to Non-Executive/ Independent Directors:

- 6.3.1. The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- 6.3.2. All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be.

6.4. Remuneration to Key Managerial Personnel and Senior Management:

- 6.4.1. The remuneration to Key Managerial Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



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6.4.2. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc., as decided from time to time.

6.4.3. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel to be decided annually or at such intervals as may be considered appropriate.

6.5. Remuneration to other employees:

The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Managing Director and Chairman, in consultation with the Head- HR.

Notes: (The Company normally has Four regular Board meetings in a year. Independent directors are expected to attend at least four quarterly Board meetings and the AGM.

7. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 07 (Seven) years.

8. SCOPE AND LIMITATIONS

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations/ Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be served from the Policy and rest of the Policy shall remain in force.

9. INFORMATION DISSEMINATION

The details of establishment of such mechanism shall be disclosed by the Company on its website and in the Board's Report.

10. REVIEW OF THE POLICY

10.1. The Board shall review the Policy from time to time based on the changing needs and make suitable modifications as may be necessary. The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.

10.2. In case of any amendment(s), clarification(s), circular(s), etc., issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

