

NOMINATION AND REMUNERATION POLICY OF DIGILOGIC SYSTEMS LIMITED

The policy is adopted by the Board of Directors in their meeting held on 03.08.2025

INTRODUCTION

Digilogic Systems Limited (the “**Company**”) has always considered its human resources as its prime driving force. The Company has adopted a policy which covers a whole gamut of human resource functions such as recruitment, promotion, training and development.

In compliance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules framed thereunder, as amended from time to time (the “**Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”), the Company has laid down this Nomination, Remuneration and Evaluation Policy. These policies have been adopted by the Board of Directors of the Company (“**Board**”) and amended from time to time by the competent authority.

PURPOSE

This Policy is formulated to provide a framework and set standards in relation to the followings:

- i. Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP) and
- ii. Senior Management Executives of the Company.
- iii. Remuneration payable to the Directors, KMPs and Senior Management Executives.
- iv. Evaluation of the performance of every Director.
- v. Criteria for determining qualifications, positive attributes and independence of a director.

DEFINITIONS

- a. “**Act**” means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.
- b. “**Board**” means the Board of Directors of the Company.
- c. “**Committee**” means the Nomination and Remuneration Committee.
- d. “**Company**” means Digilogic Systems Limited.
- e. “**Directors**” mean members of the Board.

- f. **"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;
- g. **"Other employees"** means all the employees other than the Directors, KMPs, the Senior Management Personnel, Officers or Executives.
- h. **"Senior Management"** mean personnel of the Company who are members of its core management team excluding the Board comprising all members of management at one level below the whole-time directors
- i. **"Independent Directors"** means a director referred to in Section 149 (6) of the Companies Act, 2013.

COMMITTEE

- I. The Nomination and Remuneration Committee;
- II. The Committee shall comprise of at least three non-executive directors, of which not less than one-half shall be independent directors;
- III. The company secretary of the Company shall act as secretary to the Committee;
- IV. Terms of reference of the Committee shall be continued unless terminated by the Board;
- V. The Chairperson of the Committee shall be an Independent Director;
- VI. Chairperson of the Company may be appointed as a member of the Committee but shall not chair such Committee;
- VII. 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;
- VIII. 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;
- IX. The meeting of the Committee shall be held at such regular intervals as may be required;
- X. The Committee may invite such executives, as it considers appropriate, to be

present at the meetings of the Committee.

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

- i. Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives and non-executives of the company;
- ii. Formulation and modification of schemes for providing perks and allowances for officers and non-executives;
- iii. Exercising such other roles assigned to it by the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and any other laws and their amendments from time to time.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNELS AND SENIOR MANAGEMENT

A. Appointment

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the candidate for appointment as Director, KMP or at Senior Management level and recommend his/ her appointment to the Board.
- ii. The candidate should possess adequate qualifications, expertise, knowledge, skills, background and industry experience for the position against which he/ she is considered for appointment. The Committee has the discretion to decide whether the above requirements possessed by a person are sufficient/ satisfactory for the concerned position.
- iii. While appointing the Directors and KMP, the Committee shall give due consideration to their limit of holding other directorships/office as specified in the Companies Act, 2013 read with the Rules made therein and the Listing Agreement (as amended from time to time) and/or any other applicable enactment, for the time being in force.
- iv. Ensure diversity of the members of the Board.
- v. A letter of appointment shall be given to each Director, KMP and Senior Management Executives, appointed in the Company mentioning his/her terms of appointment and a copy of the said letter shall be acknowledged by the appointee.

B. Term / Tenure

The term/tenure of appointment or re-appointment of the Directors and the KMPs shall be in

accordance with the provisions as specified in the Companies Act, 2013 read with the Rules made therein and the Listing Agreement, as amended from time to time and/or any other applicable enactment, for the time being in force.

C. Removal

Due to reasons for any disqualification, the Committee may recommend to the Board, removal of any Director, KMP or Senior Management Executives, with reasons recorded in writing and subject to the provisions & compliance of the applicable Act, Rules and Regulations.

POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONELL AND OTHER EMPLOYEES

The Company follows the policy to fix remuneration of its Directors, KMPs and other employees by taking into account the trend in the industry, qualification, experience, past performance and past remuneration of the respective Directors, KMPs and other employees, in the manner to strike a balance between the interest of the Company and its Stakeholders.

The guiding principle for fixing remuneration payable to the Directors, KMPs and other employees are as follows:

- The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other employees.
- The Remuneration/ Compensation/ Commission etc. paid to the Managing/ Whole-time/ Executive/ Independent Directors and/or KMP, shall be governed as per the provisions of the Companies Act, 2013 and rules made there under. The amount of sitting fees shall be paid in accordance with the decision of the Board, subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under.
- The remuneration payable to the Directors, KMPs and other employees shall be reflective of the individual's role, responsibilities and experience in relation to performance of day-to-day activities.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this Policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members. This Policy shall be reviewed by the Committee as and when any notification or amendments are notified by the regulatory authorities affecting the policy formed hereinabove. Any changes or modifications in the Policy as

recommended by the Committee will be submitted for approval of the Board. The Policy shall be effective from the date of approval by the Board, unless specified otherwise.

DISSEMINATION OF POLICY

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.

AMENDMENTS

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.

Sd/-

Madhusudhan Varma Jetty
Managing Director