

NOMINATION & REMUNERATION POLICY



SONI MEDICARE LIMITED

CIN: L51397RJ1988PLC004569

REGD. OFFICE: 38, KANOTA BAGH, JAWAHAR LAL NEHRU MARG, JAIPUR

PHONE NO: 0141-2571122 WEBSITE: www.sonihospitals.com

EMAIL ID: cs@sonihospitals.com

NOMINATION & REMUNERATION POLICY

NOMINATION & REMUNERATION POLICY



The Board of Directors of Soni Medicare Limited (“the Company”), in view of enforcement of Companies Act, 2013 read with rules framed thereunder and to align with the objectives and goals of the Company with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended time to time) (Listing Regulations), framed the Nomination and Remuneration Policy.

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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time).

1. DEFINITIONS:

“**The Act**” means the Companies Act, 2013 and the Rules framed thereunder as may be amended from time to time

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

“**Company**” means Soni Medicare Limited

“**Committee**” means the Nomination and Remuneration Committee of the Board of Directors.

“**Compliance Officer**” means Company Secretary of the Company.

“**Directors**” mean members of the Board of Directors of the Company.

“**Executive Director**” means the Managing Director, Whole-time Director, as the case may be and includes Directors who are in the full-time employment of the Company.

“**Key Managerial Personnel**” shall have the same meaning as given in Section 2 (51) of the Listing Regulations and Section 203 of the Companies Act, 2013 read with rules framed thereunder.

“**Senior Management**” shall mean personnel of the company (which include persons engaged as retainer or on contractual basis) and who are members of its core management team excluding the Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

Explanation 1: In case of any dispute whether a person is member of Senior Management or not, decision of concerned Executive Director shall be final.

Explanation 2: Considering the criticality of a particular function, even if a person is not covered in the above definition, the Chairman will have discretion to treat him/ her as member of Senior Management for the purpose of this Policy.

The words and definitions not described herein above shall have the respective meanings under the Acts and legislations governing the same.

NOMINATION & REMUNERATION POLICY



2. TERMS OF REFERENCE / ROLE OF COMMITTEE:

The Terms of Reference of the Committee shall be: -

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance.
- b) To ensure that the level and composition of remuneration is reasonable and is sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- c) To ensure that relationship of remuneration to performance in respect of Directors, Key Managerial Personnel and employees of Senior Management is clear and meets appropriate performance benchmarks; and
- d) To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- e) To formulate the criteria for determining qualifications of Directors, Key Managerial Personnel and employees of Senior Management, and also to determine criteria for positive attributes and independence of Directors.
- f) To formulate criteria for evaluation of every Director including Independent Director and the Board.
- g) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- h) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and employees of Senior Management.
- i) To provide to Key Managerial Personnel and Senior Management, reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- j) To devise a policy on Board diversity from time to time.
- k) To develop a succession plan for the Board and to regularly review the plan.

3. STATUTORY POWERS OF THE COMMITTEE

The Committee shall have a power to express opinion whether the Director possesses the requisite qualification for the practice of the profession, when remuneration is proposed to be paid for the services to be rendered in any other capacity and such services to be rendered are of a professional

NOMINATION & REMUNERATION POLICY



nature. Where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, the Committee may approve the payment of remuneration as per Section II of Part II of Schedule V to the Companies Act, 2013.

4. COMPOSITION OF COMMITTEE

The Committee shall comprise of at least three Non-Executive Directors, at least half of whom shall be Independent Directors. The Board may appoint the Chairperson of the Company whether executive or non-executive as member of this committee.

5. CHAIRPERSON

The Chairperson of the Committee shall be an Independent Director. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one of the Independent Directors amongst them to act as Chairperson.

The Chairperson of the Nomination and Remuneration Committee shall endeavor to be present at the Annual General Meeting of the Shareholders of the Company.

6. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS

The Committee shall identify:

- a) Persons who possess adequate qualifications, expertise and experience for the position he / she is considered to be appointed. The person should have knowledge of at least one or more domain areas like, finance, law, management, sales, marketing, administration, research, governance, strategy, operations or other disciplines related to the Company's business.
- b) Person shall uphold ethical integrity, have a pedigree of acting objectively, shall have no adverse order(s) passed by any Regulatory body, should have a proven track record of meeting professional obligations including a reputation to manage challenges.
- c) An Independent Director should meet with requirements of the Act read with Schedule IV of the Act and provisions of the Listing Regulations.
- d) An Independent Director shall hold office for a term up to 5 consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company and following the procedure under the Act / Listing Regulations.
- e) No Independent Director shall hold office for more than two consecutive terms of maximum 5 years each. In the event the same person is to be appointed as an Independent Director after two consecutive terms, a cooling period of three years is required to be fulfilled.

NOMINATION & REMUNERATION POLICY



7. CRITERIA FOR APPOINTMENT OF KMP / SENIOR MANAGEMENT PERSONNEL AND PERFORMANCE EVALUATION

- The Company has a well-defined and structured recruitment process for Key Managerial Personnel and Senior Management.
- The appointment of KMP and Senior Management shall be approved by the Board on prior recommendation of the Nomination and Remuneration Committee.
- The management considers various factors while evaluating a person for appointment as senior management including individual's background, business acumen, analytical abilities, competency, skills, abilities (viz. leadership, ability to exercise sound judgment), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz; marketing technology, prospective operations of the Company;
- The appointee while continuing in his / her office shall not engage in any business or commercial activity, which might detrimentally conflict with the interest of the Company.
- The KMP and Senior Management shall have a well-defined appraisal and performance evaluation framework.

8. TERM OF EXECUTIVE DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

The Company shall appoint or re-appoint Executive Directors for a term not exceeding five years at a time.

The KMP and Senior Management Personnel shall retire as per the prevailing HR policy of the Company. In the event any Director, KMP and Senior Management attracts any disqualification mentioned in the Act or under any law, the Committee may recommend to the Board the removal of the said Director, KMP or Senior Management.

9. REMUNERATION TO DIRECTORS / KMP (NON-BOARD AND OTHER THAN SENIORMANAGEMENT) / SENIOR MANAGEMENT AND OTHER EMPLOYEES:

Remuneration to Directors:

a. Executive Directors

- The remuneration to the Executive Directors shall be governed by the provisions of the Act, Listing Regulations or any other enactment for the time being in force. The remuneration shall take into account the Company's performance, the contribution of the Executive Directors for the same, remuneration trends in general, meeting of appropriate benchmarks (such as remuneration paid in like- size companies) and which will ensure and support a high-performance culture. The Executive Directors will also be entitled to sitting fees as paid to Non-Executive and Independent

NOMINATION & REMUNERATION POLICY



Directors (unless specifically waived by them or not entitled in terms of their respective agreements).

b. Non-Executive Directors

- The Non-Executive Directors and Independent Directors will receive sitting fees / commission as per the provisions of the Act and in compliance with the provisions of the Listing Regulations. The amount of the sitting fees will not exceed the ceiling / limit under the Act. An Independent Director will not be eligible to any stock option of the Company.
- The Board of Directors will from time-to-time fix the sitting fees for attending the meetings of the Board and its Committees on the recommendations of the Committee. The Board of Directors has fixed the sitting fees payable to Directors for attending the Meetings of the Board and its respective Committees.
- The Non-Executive Directors and Independent Directors will be paid commission in aggregate an amount of 1% of the standalone Net Profit of the Company in the financial year as calculated in terms of Section 198 read with Section 197 of the Act. The Commission to Non-Executive Directors and Independent Directors will be paid on a uniform basis to reinforce the principle of collective responsibility. If a Non-Executive Director or Independent Director works as such only for a part of the year, he will be paid commission for the relevant financial year on a proportionate basis for the period during which he held the post of such Director. The commission will be payable only after the Annual Audited Financial Statements are approved by the Shareholders at the Annual General Meeting of the Company. The Non-Executive Directors and Independent Directors may forgo receiving of commission / sitting fees by making a request to the Board.

c. Remuneration to KMP and Senior Management

- The remuneration to KMPs and Senior Management will be benchmarked on the remuneration package prevailing in the country and industry and will have a fixed component and a performance-based component.
- Remuneration to be paid to Senior Management in whatever form, whether at the time of appointment or during annual revisions shall be recommended by the Committee to the Board for its approval.

a. Remuneration to other employees

- The remuneration including revision in remuneration of other employees shall be decided by the Board of Directors in consultation with the Manager (HR) within the overall framework of compensation and appraisal policy of the Company.

NOMINATION & REMUNERATION POLICY



10. BOARD DIVERSITY

- a) The Company acknowledges the importance of diversity within the Board and the Committee is fully committed to ensure that a transparent board nomination process is in place which is based on merit and that encourages diversity of thought, experience, background, knowledge, ethnicity, perspective, age and gender.
- b) The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that woman with the right skills and experience can play in contributing to diversity of perspective in the Boardroom;
- c) The Committee shall ensure that the Company has an appropriate blend of functional and industry expertise;
- d) The Committee shall monitor and periodically review the Board Diversity and recommend to the Board so as to improve one or more aspects of its diversity and measure progress accordingly;
- e) The Committee shall monitor and periodically review the Board Diversity and recommend to the Board any changes so as to improve one or more aspects of its diversity and measure progress accordingly.