

NOMINATION AND REMUNERATION POLICY OF LAXMI DENTAL LIMITED

*The policy was adopted by the Board of Directors at its meeting held on March 26, 2026,
and is effective from the same date*

INTRODUCTION

Laxmi Dental 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 Regulation 19 of 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.

The Policy has been formulated by the Company and the same was recommended for approval of the Board. Terms of reference of the Nomination Remuneration Committee (“**Committee**”) shall be continued unless terminated by the Board.

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.
- vi. Criteria of making payments to Non-Executive Directors (“**NED**”)

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 Laxmi Dental 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”** shall mean persons as defined under Regulation 16(1)(d) of the Listing Regulations and Section 178 of the Companies Act.
- i. **“Independent Directors”** means a director referred to in Section 149 (6) of the Companies Act, 2013.

CONSTITUTION OF THE COMMITTEE

1) Constitution of the Committee

Pursuant to Regulation 19 of SEBI Listing Regulations, the Company shall constitute a Nomination and Remuneration Committee consisting of at least three non-executive directors out of which at least two-third shall be Independent Director.

2) Chairperson of the Committee

The Chairperson of the Committee shall be an independent director. Provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee. 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. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

3) Meetings

The committee shall meet at least once in a financial year. Further, the meetings of the Committee shall be held as and when required. 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. The company secretary of the Company shall act as secretary to the Committee. 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. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors
- iii. devising a policy on diversity of board of directors
- iv. identifying 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
- v. 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.
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management.
- vii. Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives and non-executives of the company;
- viii. Formulation and modification of schemes for providing perks and allowances for officers and non-executives;
- ix. 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.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

1. Sitting Fee:

Non-Executive directors of the Company may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board;

2. Commission:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has either managing director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board. However the Company is not obligated to remunerate its NEDs.

3. Refund of excess remuneration paid:

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it.

4. Reimbursement of actual expenses incurred:

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings. The

Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

5. Payment to independent directors:

An independent director shall not be entitled to any stock option and shall receive Sitting fees for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law as amended from time to time. Further they may also be paid / reimbursed such sums incurred as actuals for travel, incidental and / or actual out of pocket expenses incurred by such Director / Member for attending Board / Committee Meetings. The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

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.

AMENDMENTS

Any subsequent amendment / modification in the Companies Act, 2013, SEBI Listing Regulations and / or other applicable laws, 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 of this Policy and this Policy shall stand amended accordingly.

REVIEW OF THE POLICY

The Policy shall be reviewed periodically by the Board or such individuals or committees of individuals authorised to do so, by the Board and any change in the Policy shall be approved by the Board of the Company. However, all such amendments will be subject to applicable laws, rules and regulations.

DISCLOSURES

The Policy will be available on the Company's website at <https://www.laxmidentallimited.com> . The necessary disclosure, if any, about the policy will also be made as per the requirements of SEBI Listing Regulations and other applicable laws.
