



NOMINATION AND REMUNERATION POLICIES ("NRC")
(TERM OF REFERENCE, PROCEDURE AND RELATED POLICIES)

Online Instruments (India) Limited
(Formerly known as Online Instruments (India) Private Limited)

LOGIC

Online Instruments (India) Limited

Formerly Online Instruments (India) Private Limited

CIN: U51909KA2006PLC038521

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1. INTRODUCTION:

This Nomination and Remuneration policy (“**Policy**”) of Online Instruments (India) Limited (formerly known as Online Instruments (India) Private Limited) (the “**Company**”) has been formulated in compliance with regulatory requirements under the Section 178 Companies Act, 2013 (“**Act**”) and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**Listing Regulations**”) as amended, and other applicable laws outlining the procedures and processes to be undertaken for identifying suitable candidates to be appointed as the members of the board of directors of Company (“**Board**”), key managerial personnel and who may be appointed as senior management personnel of this Company and remuneration payable to them.

Accordingly, the Board adopted this Policy at its meeting held on **March 10, 2026**, which can be amended from time to time. This Policy shall come into force with effect from the date the Listing Regulations take effect with respect to the Company.

Unless the context otherwise requires, words and expressions used in this shall have the meaning as defined in the Act and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. MEMBERSHIP

The Nomination and Remuneration Committee (“**Committee**”) shall consist of a minimum 3 non-executive directors, 2/3 (two third) of them being independent directors. Minimum two members or one third of the members of the Committee whichever is greater, shall constitute a quorum for the Committee meeting. The members of the Committee shall be appointed or removed by the Board.

3. 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 amongst them to act as chairperson. The Chairperson of the Committee should be present at the annual general meeting of the Company to answer shareholders queries or may nominate some other member to answer the shareholders’ queries. However, the chairperson of the Board shall decide who would answer the queries.

4. TERM OF REFERENCE

- a. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);
- b. for every appointment of an independent director, 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. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (i) use the services of external agencies, if required,
 - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity, and
 - (iii) consider the time commitments of the candidates;
- c. formulation of criteria for evaluation of the performance of independent directors and the Board;
 - d. devising a policy on diversity of the Board;
 - e. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);
 - f. determining 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;
 - g. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;
 - h. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
 - i. recommending to the Board, all remuneration, in whatever form, payable to senior management;
 - j. while formulating the Remuneration Policy, should ensure that:
 - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
 - k. performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
 - administering the employee stock option plans of the Company, as may be required;

- determining the eligibility of employees to participate under the employee stock option plans of the Company;
 - granting options to eligible employees and determining the date of grant;
 - determining the number of options to be granted to an employee;
 - determining the exercise price under the employee stock option plans of the Company;
 - construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.
- l. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- m. analysing, monitoring and reviewing various human resource and compensation matters;
- n. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with Applicable Laws;
- o. framing suitable policies and systems to ensure that there is no violation, by an employee of any Applicable Laws in India or overseas, including:
- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- p. carrying out any other activities as may be delegated by the Board, functions required to be carried out by the Nomination and Remuneration Committee as provided under the Act, the Listing Regulations or any other Applicable Law, as and when amended from time to time."
- q. performing such other activities as may be delegated by the Board and/ or specified/ provided under the Act the Listing Regulations or by any other regulatory authority.

5. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted the "Nomination and Remuneration Committee" of the Board on January 8, 2026. This is in line with the requirements under the Act. 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.

6. SELECTION OF NEW DIRECTORS

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- To have relevant experience in finance/law/management/sales/marketing/administration/deliberations of Board/corporate governance or the other disciplines related to Company's business.
- The capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
- Potential conflicts of interest, and independence.

7. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTOR

1. a person of integrity and possesses relevant expertise and experience;
2. should not be a promoter of the Company, or its holding, subsidiary or associate company or member of the promoter group of the company;
3. not related to promoters or directors in the Company, its holding, subsidiary or associate company;
4. have/had no pecuniary relationship, other than remuneration as such director or transaction not exceeding ten per cent of my total income or such amount as may be prescribed under section 149(6)(c) of the Act with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
5. none of my relatives as defined in Section 2(77) of the Act:
 - i. are holding any security or interest of face value not exceeding rupees fifty lakhs or 2% of the paid-up capital of the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year or such higher amount as may be prescribed under section 149(6)(d)(i) of the Act;
 - ii. are indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed under section 149(6)(d)(ii) of the Act during the two immediately preceding financial years or during the current financial year;
 - iii. has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company for such amount as may be prescribed under section 149(6)(d)(iii) of the Act during the two immediately preceding financial years or during the current financial year; or

iv. (A) is holding securities of or interest in the Company, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

(B) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;

(C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or

(D) has any other pecuniary transaction or relationship with the Company, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.

6. Neither he/she nor any of his/her relatives

i. holds or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company or any company belonging to the promoter group of the Company in any of the three financial years immediately preceding the financial year;

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his/her employment.

ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-

(A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

- iii. holds together with me 2% or more of the total voting power of the company; or
 - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company.
 - v. is a material supplier, service provider or customer or a lessor or lessee of the Company.
7. is not less than 21 years of age.
8. is not a non-independent director of another company on the board of which any non-independent director of the Company is an independent director.
9. I hereby confirm that in compliance with sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules 2019, I have applied online to the institute for inclusion of my name in the data bank for a period of one year.
10. As per the SEBI LODR Regulations 17A I am not acting as an independent director in more than 7 Listed Company, further I am not acting as Managing Director in any company, and I am not appointed as Independent Director in more than 3 Listed Company.

8. POLICY ON BOARD DIVERSITY

The Company should endeavour to have mix of directors with experience in diverse field's viz. finance, law, management, sales and marketing, technical, administration, corporate governance, factory operations and other discipline related and beneficial to the Company's operations.

The Board should have an optimum number of executive and non-executive directors and not less than 50% of the Board should consists of the non-executive directors and shall have at least one (1) woman director on the Board subject to the applicable laws. While appointing the independent directors, care should be taken as to independence of the proposed appointee. directorship in other companies may also be taken in account while determining the candidature of a person.

9. APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

a) Appointment criteria and qualifications:

1. The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as director, key managerial personnel or senior management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.

2. A person to be appointed as director, key managerial personnel or key managerial personnel should possess adequate qualification, expertise and experience for the position he/she is considered for.
3. A person, to be appointed as director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as managing director / executive director who has attained the age of sixty years and shall not appoint independent director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of sixty years/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 sixty years/seventy years as the case may be.
5. A, whole-time key managerial personnel member of the Company shall not hold offices in more than one company except in its subsidiary company at the same time. However, a whole-time key managerial personnel member can be appointed as a director in any company, with the permission of the Board.

b) Term/Tenure:

1. Managing director/whole-time director/executive director
The Company shall appoint or re-appoint any person as its managing director and chief executive officer or whole-time director or any executive director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director

An independent director shall hold office for a term up to five consecutive years on the Board 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 two consecutive terms, but such independent director shall be eligible for appointment after expiry of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of independent director, it should be ensured that number of boards on which such independent director serves is restricted to applicable regulations in force.

c) Removal:

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director, key managerial personnel or senior management subject to the provisions and compliance of the said Act, rules and regulations.

d) Retirement:

The directors, key managerial personnel and senior management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the directors, key managerial personnel and senior management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

10.REMUNERATION POLICY

a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:

- to ensure that the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- to attract and retain skilled executives;
- to structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
- to ensure any termination benefits are justified and appropriate.
- to consider professional indemnity and liability insurance for directors and senior management.

b) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

Remuneration to Directors, KMP and Senior Management:

The objective of the Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. Remuneration to Directors/key managerial personnel and senior management will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and may involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. While deciding the remuneration package to take into consideration current employment scenario and remuneration package of the industries operating in similar comparable businesses in the geographical area of its

operations. Any stock options or any plans related to Company's stock do form part of their remuneration package.

- a. The remuneration/compensation/commission etc. to be paid to directors will be determined by the Committee and recommended to the Board for approval.
- b. The remuneration and commission to be paid to the managing director/Whole-time director shall be in accordance with the provisions of the Act, and the rules made thereunder.
- c. 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.
- d. Where any insurance is taken by the Company on behalf of its directors, key managerial personnel and senior management to indemnify 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

Remuneration of key managerial personnel and senior management:

The pay program for key managerial personnel and senior management has been designed around three primary pay components: base/fixed pay, performance bonus and stock incentives. These three components together constitute the "Total Rewards" of the key managerial personnel and senior management.

1. Base/Fixed pay: It is guaranteed pay and paid periodically, usually monthly or bi-monthly or as per payroll policy by country.
2. Performance Bonus: Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.
3. Stock Incentives: Stock or Equity based incentives can be either time based or performance-based equity grants. Time-based stock incentives, in the form of Restricted Stock Units (RSUs) or/and stock options, are vested based on continuation of service. Performance-based stock incentives, in the form of Stock Options and/or RSUs, vest upon the achievement of certain performance parameters. The stock incentives may be governed by any ESOP Scheme as may be approved by the shareholders or any other plans as may be amended.
3. The total rewards for key managerial personnel and senior management are designed to ensure their continued alignment with organizational goals. The

Committee aims to ensure that key managerial personnel and senior management pay is reflective of market pay, consisting of a mix of base/ fixed pay, performance bonus and stock incentives.

4. The emphasis on stock incentives ensures alignment with shareholders' interests, through a continued focus on the Company's sustainable, long-term performance.

Remuneration for 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 HR - manager.

Minimum remuneration to the whole-time directors:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its whole-time Directors in accordance with the provisions of Schedule V of the Act.

Remuneration to non-executive/ independent directors:

Remuneration: The remuneration payable to each non-executive director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Act and the rules made thereunder. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its non-executive / independent directors in accordance with the provisions of Schedule V of the Act.

1. Stock incentive: The independent directors shall not be entitled to any stock incentive of the Company; and
2. The remuneration to the non-executive directors (including independent directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Criteria for payment of remuneration as determined by the Board	
Particulars	Amount in INR
Fixed Pay	
Board/Committee Attendance Fees	
Non-Executive Chairman	
Chairperson of Audit Committee	
Chairperson of other Committees	
Members of Audit Committee	
Members of other Committees	

Criteria for payment of remuneration as determined by the Board	
Travel fee (per meeting)	
Incidental fee (per meeting)	
Lead Independent Director	

Notes: (1) The Company normally has five regular Board meetings in a year. Independent directors are expected to attend at least four quarterly Board meetings and the AGM.

(2) For directors based overseas, the travel fee shown is per Board meeting. This is based on the fact that additional travel time of two days will have to be accommodated for independent directors to attend Board meetings in India.

(3) For directors based overseas, incidental fees shown are per Board meeting. This fee is paid to non-executive directors for expenses incurred during their travel to attend Board meetings in India.

11. AGENDA, MINUTES AND REPORTS

Meeting of the Committee can be held whenever required. The members of the Committee shall meet at least once in a year. The chairperson of the Committee shall be responsible for establishing the agenda for meetings of the Committee. Minutes of all meetings of the Committee shall be prepared to document the discharge of responsibilities by the Committee. The minutes of the meeting shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the Board. The company secretary of the Company shall act as the secretary of the Committee and ensure that the Committee receive information and papers in a timely manner to enable full and proper consideration to be given to the issues.

12. SUCCESSION PLANS:

Establishing and reviewing Board, key managerial personnel 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.

13. AMENDMENT, DISCLOSURE AND SEVERABILITY:

Any subsequent amendment/modification in the Listing Regulations or the Act or any other governing acts/rules/regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

In any case, if any part of this Policy is in contradiction to the provisions of the applicable laws, to such extent, the Policy shall be severable, and the provisions of the law be complied with.



The Policy shall be disclosed on the website of the Company and in the annual report of the Company, as required under the Act and the Listing Regulations and as may be required under any other law for the time being in force.

**For Online Instruments (India) Limited
(Formerly Online Instruments (India) Private Limited)**

For Online Instruments (India) Limited

**Shivanand Mallappa Mahashetti
Managing Director
DIN: 01180544**

Authorised Signatory

The Policy is adopted by the Board of Directors on March 10, 2026

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