



NARMADA BIO-CHEM LIMITED

(CIN: U24219GJ2001PLC039235)

NOMINATION AND REMUNERATION **POLICY**

❖ **INTRODUCTION:**

Narmada Bio-Chem Limited (“the Company”) considers manpower as its invaluable asset. This policy on Nomination and Remuneration of Directors, Key Managerial Personnels (KMPs) and Senior Management of the Company has been formulated in terms of provisions of the Companies Act, 2013 and the rules framed thereunder. The Policy has been framed by the Nomination and Remuneration Committee (“Committee”) and approved by the Board of Directors (“Board”) of the Company.

❖ **OBJECTIVES:**

This Policy has been framed with the following purpose and objectives:

- ✓ To formulate the criteria for identification and selection of suitable candidates for various positions in the senior management and also candidates who are qualified to be appointed as KMPs of the Company.
- ✓ To ascertain and maintain the diversity of the Board;
- ✓ To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / Senior Management / KMPs of the quality required to run the company successfully;
- ✓ To ascertain that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- ✓ To ensure that remuneration to Directors, KMPs 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.

❖ **APPLICABILITY:**

This Policy is applicable to:

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

❖ **CRITERIA FOR NOMINATION & APPOINTMENT:**

- The Company shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's HR Policies.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee and/or the Board shall have the authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.
- The Company shall ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.
- The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

❖ **POLICY ON BOARD DIVERSITY:**

The Board of Directors shall have the optimum combination of Directors from different areas / fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Research and Development etc or as may be considered appropriate. The Board shall have an appropriate mix of skills, qualifications, expertise and experience required for the efficient functioning of the Company and as per the timely needs of the Company.

The total number of Directors and the combination of Executive and Non-Executive Directors shall be as per the provisions laid down in the Companies Act, 2013, the rules made thereunder and any other statutory or regulatory obligation of the Company.

❖ **RETIREMENT & REMOVAL:**

The Directors, KMPs and Senior Management personnel of the Company shall retire or be removed from their positions in accordance with the disqualifications mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, as the Committee and/or Board may deem appropriate.

❖ **REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT:**

• **DIRECTOR/MANAGING DIRECTORS**

The Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

• **NON-EXECUTIVE INDEPENDENT DIRECTORS**

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

• **KMPs/ SENIOR MANAGEMENT PERSONNEL ETC**

The KMPs, Senior Management and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as approved by the Committee or the Board, if required. The break-up of pay scale and quantum of perquisites including employers' contribution to P.F, bonus, pension scheme etc shall be as per the Company's HR policies.

❖ **AMENDMENT:**

The Company reserves the right to amend or modify this Policy, in whole or in part, at any time without assigning any reasons thereof with the approval or recommendation of the Board and/or the Committee, as and when felt necessary.
