

## **NOMINATION AND REMUNERATION POLICY OF BASANT AGRO TECH (INDIA) LIMITED**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges (as amended from time to time), this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company. All the members of the "Nomination and Remuneration Committee" are Independent Directors.

### **OBJECTIVE & ROLE OF COMMITTEE**

The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other employees. The Key Objectives of the Committee would be:

- 1) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 2) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and other employees and to determine their remuneration.
- 3) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the same industry.
- 4) Formulation of criteria for evaluation of Independent Director and the Board.
- 5) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- 6) To provide reward to Key Managerial Personnel and Senior Management, linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- 7) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 8) To develop a succession plan for the Board and to review the plan regularly.
- 9) To assist the Board in fulfilling responsibilities.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

### **DEFINITIONS**

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

“**Company**” means Basant Agro Tech (India) Limited

“**Independent Director**” means a director referred to in Section 149 (6) of the Companies Act, 2013

“**Key Managerial Personnel**” means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

#### **a. APPOINTMENT CRITERIA AND QUALIFICATIONS**

- i. The Committee 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 to the Board his / her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of 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 seventy years.

**b. TERM / TENURE**

**i. MANAGING DIRECTOR/WHOLE-TIME DIRECTOR:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or 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.

**ii. INDEPENDENT DIRECTOR:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company 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.

**c. EVALUATION**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals.

**d. REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**e. RETIREMENT**

The Director, KMP and Senior Management Personnel 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 Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**1. REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

a) The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

- b) The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force and shall:
  - (i) take into account, financial position of the company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.;
  - (ii) be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.
- c) Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- d) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013 and the remuneration in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 as amended from time to time shall be subject to prior approval of the Central Government.
- e) The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending Board Meetings of the Company, provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013.

## **2. IMPLEMENTATION**

- a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b) The Committee may Delegate any of its powers to one or more of its members.

## **3. REVIEW AND AMENDMENT**

- a) The NRC or the Board may review the Policy as and when it deems necessary;
- b) The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary;
- c) This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.