

BEARDELL LIMITED
CIN: L65991TN1936PLC001428
NOMINATION AND REMUNERATION POLICY

Introduction:

The Nomination & Remuneration Policy ("Policy") is formulated under the requirements of applicable laws, including the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

Definitions:

- (a) "Board" means Board of Directors of the Company.
- (b) "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- (c) "Company" means Beardsell Limited.
- (d) "Director" means a director appointed to the Board of the company.
- (e) "Independent Director" means a Director appointed as such in compliance with provisions under the Companies Act, 2013 and / or Listing Regulations of the Listing Regulations.
- (f) "Key Managerial Personnel (KMP)" means- (i) the Chief Executive Officer or the managing director or the manager; (ii) the Company Secretary; (iii) the Whole-Time Director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed under the applicable statutory provisions / regulations
- (g) "Senior Management Personnel" shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board)" and shall specifically include company secretary and chief financial officer.

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

Constitution of the Nomination and Remuneration Committee:

The Board shall constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.

Role and objective of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. For every appointment of an independent director, the Nomination and Remuneration 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 for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Director and the Board
- iv. 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.
- v. Devising a policy on Board diversity.
- vi. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and accordingly recommend to the Board his / her appointment.

- ii. The Committee should ensure that the person to be appointed as Director/ Independent Director/ KMP/ Senior Management Personnel was not disqualified under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.
- iii. 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, Listing Regulations or any other enactment for the time being in force.

Additional Criteria for Appointment of Independent Directors:

The Committee shall consider qualifications for Independent Directors as mentioned under the Companies Act, 2013 and Listing Regulations (as amended from time to time) and also their appointment shall be governed as per the provisions thereunder.

Term / Tenure:

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.

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 subject to compliance of applicable legal provisions.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board with reasons recorded in writing for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (*yearly*)

Criteria for Evaluation of Independent Director and the Board:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of their roles, duties, responsibilities as mentioned under any Act, Rules and Regulations and also on the targets / Criteria given to executive Directors by the board from time to time

2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of their roles, duties, responsibilities as mentioned under any Act, Rules and Regulations from time to time, including the following i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the company;
- (k) keep themselves well informed about the company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

(n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

Policy on Board diversity:

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like finance, law, management, sales, marketing, administration, research, corporate governance, technical operations etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also 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:

1. Director/ Managing Director

Besides the above Criteria, 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.

2. 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.

3. KMPs / Senior Management Personnel etc

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

4. Directors' and Officers' Liability Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying 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

REVIEW AND AMENDMENTS TO THE POLICY:

The Board shall review the policy periodically and reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI / Stock Exchange(s) or any other appropriate Statutory Authority.