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**GEMINI EDIBLES & FATS INDIALIMITED**

**NOMINATION AND REMUNERATION POLICY**

Regd. Office: Freedom House, 8-2-334/70&71, (Opp: SBI Executive Enclave),  
Road No.5, Banjara Hills, Hyderabad-500 034,  
Telangana State, India.  
Ph. No. 040-67357888  
CIN: U15205TG2008PLC058708

## **NOMINATION AND REMUNERATION POLICY**

### **1. INTRODUCTION:**

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 Section 178 (3) of the Companies Act, 2013 and the rules made thereunder, each as amended (the "Act") this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated ("Policy").

The Board had adopted this Policy at its meeting held on October 16, 2023.

### **2. THE OBJECTIVES OF THE POLICY**

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 to determine their remuneration.

To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.

To carry out evaluation of the performance of Directors.

To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

### **3. DEFINITIONS**

"**Board**" means Board of Directors of the Company.

"**Directors**" means Directors of the Company.

"**Committee / NRC**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"**Company**" shall mean Gemini Edibles & Fats India Limited.

"**Independent Director**" means a Director referred to in Section 149 of the Companies Act, 2013 and as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"**Key Managerial Personnel (KMP)**" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Company Secretary; and
- iii. Chief Financial Officer.

“Senior Management Personnel” means Head of the Departments of the Company.

#### 4. APPLICABILITY

The Policy is applicable to:

- i. Directors (Executive and Non-Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel

#### 5. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s). The Chairperson of the company may be appointed as a member of NRC but shall not chair the NRC meetings.

The NRC shall meet at such intervals as it may deem fit to carry out the objectives set out in the policy. A quorum for NRC shall be the presence of one-third of its strength or two members, including at least one independent director. However, in the case of presence of an interested director such quorum as prescribed by Secretarial Standards shall apply. The NRC members may attend the meeting physically or via permitted audio-visual mode, subject to the provisions of the applicable Regulations. The committee shall have the authority to call such employee(s), senior official(s) and / or external parties, as it deems fit as invitees for deliberations. The Company Secretary shall act as secretary to the committee.

#### 6. FUNCTIONS OF THE NRC

The NRC shall, inter-alia, perform the following functions:

- i. 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;

The Nomination and Remuneration Committee, while formulating the above 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;
- ii. Formulating criteria for evaluation of performance of independent directors and the board of directors of the Company (the “**Board**”);
  - iii. 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 their appointment and removal and carrying out evaluation of every director’s performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance;
  - iv. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- v. Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- vi. Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- vii. Analyzing, monitoring and reviewing various human resource and compensation matters;
- viii. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- ix. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas;
- x. Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the Companies Act, 2013 or any other applicable laws; and
- xi. Performing such other functions as may be necessary or appropriate for the performance of its duties.

**7. ELIGIBILITY CRITERIA FOR APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

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.

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.

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.

**8. TERM AND REMUNERATION**

**Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time 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.

The remuneration / compensation / commission etc. to the Whole-time Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. for Whole time Directors shall be subject to the approval of the shareholders of the Company.

Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees 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.

The Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

### **Chief Financial Officer (C.F.O), Company Secretary (C.S) and Senior Management Personnel**

The remuneration / compensation etc. to the Chief Financial Officer, Company Secretary and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

The Chief Financial Officer, Company Secretary and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee.

### **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.

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. However, if a person who has already served as an Independent Director for 5 years or more in the Company, he / she shall be eligible for appointment for one more term of 5 years only.

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 seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

### **Remuneration to Non- Executive / Independent Director**

#### Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### Commission

Commission 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 Companies Act, 2013.

## **9. EVALUATION**

The Committee shall carry out evaluation of performance of every Director Annually.

## **10. 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, 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.

## **11. RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 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.

By Order of the Board  
For **Gemini Edibles & Fats India Limited**

Sd/-

**Authorised Signatory**