



## **Introduction:**

This Policy has been laid down on the recommendations of the Nomination and Remuneration Committee of the Board and is in compliance with the requirements of the section 178 Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 ("Regulations").

Nomination and Remuneration Policy ('Policy') as adopted by the Board of Directors of the Company

## **Definitions:**

- i. **"Act"** means The Companies Act, 2013
- ii. **"Regulation"** means SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 [SEBI (LODR) Regulation, 2015].
- iii. **"Board"** means Board of Directors of the Company.
- iv. **"Company"** means "Eiko Lifesciences Limited." (Formally Known as Narendra Investment (Delhi) Limited.
- v. **"Employees' Stock Option"** means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- vi. **"Independent Director"** means a director as defined in section 2(47) to be read with Section 149 (6) of the Companies Act, 2013 and 16(1) of SEBI (LODR) regulations.
- vii. **"Key Managerial Personnel" (KMP)** means key managerial personnel as defined under Section 2(51) of the Companies Act, 2013, as may be amended from time to time.
- viii. **"Committee"** shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulations 19 of SEBI (LODR) regulations, 2015.
- ix. **"Policy" or "This Policy"** means, "Nomination and Remuneration "Policy."
- x. **"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.
- xi. **"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.

## **Interpretation:**

Unless the context otherwise requires, words and expressions used in this policy and that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, and Regulations, as notified by the Securities and Exchange Board of India from time to time.

**Objectives:**

This Policy lays down the guidelines to be followed in relation to:

- (A) appointment of the directors, and key managerial personnel of the Company; and
- (B) fixation of the remuneration of the directors, key managerial personnel, and other employees of the Company

The objective of this Policy is to inter-alia:

- a. attract, recruit, and retain good and exceptional talent.
- b. list down the criteria for determining the qualifications, positive attributes, and independence (wherever applicable) of the directors for their appointment on the Board of the Company.
- c. ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements, and promotes excellence in their performance.
- d. motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders.
- e. ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective, and gender in the Board; and
- f. fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.
- g. Recommend to the Board sitting fees payable for attending the meeting of the Board/committee thereof, and any other benefits such as commission, if any payable to Non-executive Directors.
- h. To carry out function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.
- i. To perform such other functions as may be necessary or appropriate for performance of its duties.

**Appointment and Removal of Managerial Person, Director, Key Management Personnel and Senior Management****i. Appointment criteria and qualifications:**

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel and recommend to the Board his / her appointment.
- b. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the designated position.
- c. 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

**ii. Term / Tenure:****a. 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.

**b. 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.
- 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 .
- A Director shall not be a member in more than ten Committees or act as



Chairperson of more than five committees across all listed entities. (For the purpose of determination of limit, Chairpersonship and membership of the audit Committee and Stakeholders' Relationship Committee alone shall be considered.)

### **c. Evaluation**

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

### **d. Removal:**

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

### **e. Retirement:**

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

## **Remuneration Policy:**

### Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

#### **I. General:**

1. Remuneration Policy of Company is designed to attract, motivate, and retain manpower in a competitive environment considering qualification, positive attribute, integrity and independence, and is guided by the common reward framework and set of principles and objectives.
2. The Remuneration Policy applies to the Company's Senior Management, including its Key Managerial Person and the Board of Directors.
3. The remuneration / compensation / commission etc. to the Whole-time Director, 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.
4. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

5. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
6. 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.

## **II. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

### **- Fixed pay:**

The Whole-time Director/ KMP 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/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### **- Minimum Remuneration:**

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 Act and if it is not able to comply with such provisions, with the previous approval of the shareholder and/or Central Government.

### **- Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the members in General Meeting, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by passing Special resolution within two years from the date the sum becomes refundable.

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

#### Remuneration / Commission:

The Committee to recommend the remuneration of the Non-Executive/Independent Directors to the Board for its approval and will be subject to approval of the shareholders of the Company, whenever required.



## 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 Lac 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 Act.

## Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

## Membership

- The Committee shall consist of a minimum 3 non-executive directors.
- Majority of the directors shall be independent directors. (in case of Company having outstanding SR equity shares, two-third of the nomination and remuneration committee shall comprise of independent directors)
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

## Chairman

- Chairman of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **Frequency of Meetings**

The meeting of the Committee shall be held at such regular intervals as may be required.

### **Committee Members' Interests**

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **Company Secretary**

The Company Secretary of the Company shall act as Secretary of the Committee.

### **Voting**

Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### **Minutes of Committee Meeting**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

### **Implementation**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

### **Deviations from the Policy:**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

### **Amendments:**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.