



BANNARI AMMAN SUGARS LIMITED

NOMINATION AND REMUNERATION POLICY

(As reviewed, amended and approved by the Board of Directors on 30th May, 2022)

1. Preamble

The Board of Directors of Bannari Amman Sugars Limited ("the Company") has constituted the "Nomination and Remuneration Committee" at its Meeting held on May 30, 2014. The constitution of Nomination and Remuneration Committee and this Policy shall be in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Role of the Nomination and Remuneration Committee (NRC)

The role of NRC shall inter alia include the following-

- a) Formulation of 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;
- b) For every appointment of Independent Director, 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 for independent director and based on the capabilities identified in such description recommend to the Board for appointment of independent director;
- c) Formulation of criteria for evaluation of Independent Directors and the Board;
- d) Devising a policy on Board diversity;
- e) 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;
- f) whether to extend or continue the term of appointment of independent director based on the performance evaluation;
- g) recommend to the board, all remuneration, in whatever form, payable to senior management.

The term "senior management" means Officers/personnel of the company as defined under SEBI (LODR) Regulations, 2015 as amended from time to time





3. Objective

The objective of this policy is to guide the Board of Directors of the company on:

- a) Appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- b) Evaluate the performance of the Directors, Key Managerial Personnel and Senior Management;
- c) Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- d) Board diversity; and
- e) Succession plan for Directors, Key Managerial Personnel and Senior Management.

4. Board Diversity

The Board of Directors shall have the optimum combination of executive and non-executive directors and at least one women director. The Board shall comprise of people with requisite skills/expertise/competencies identified by the Board of Directors.

5. Appointment and Removal of Director, Key Managerial Personnel (KMP) and Senior Management Personnel

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, skills, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/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.





d) The Company shall not appoint a person or continue the directorship of any person as non-executive director who attained the age of seventy five years unless a special resolution is passed to that effect as required under SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force).

6. Evaluation of performance of a Director/KMP/Senior Management Personnel

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

7. Removal of a Director/KMP/Senior Management Personnel

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

8. Retirement of a Director/KMP/Senior Management Personnel

The Directors including Managing Director/Whole-time Directors etc., are liable to retire as per the applicable provisions of the Companies Act, 2013 for the time being in force (including any statutory modification(s) or re-enactment(s) thereof) read with resolutions passed by the Board/members of the company from time to time.

In accordance with the prevailing policy of the company, the other Key Managerial Personnel viz. Company Secretary, Chief Financial Officer and Senior Management Personnel are liable to retire on completion of sixty (60) years of age. The Board of Directors based on the recommendation Committee will have the discretion to retain the KMP/ Senior Management Personnel in the same position/remuneration or higher position/remuneration or otherwise even after completion of the retirement age of sixty (60) for the benefit of the Company.

9. Policy for Remuneration to Directors / KMP / Senior Management Personnel

9.1 *Remuneration to Managing Director / Whole-time Directors*

The Remuneration/ Commission etc. payable to the Managing Director(s)/Whole-time Director(s), etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and subject to the approvals of Members of the Company wherever required.





The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration payable to Managing Director(s)/ Whole-time Director(s).

9.2 Remuneration to Non- Executive / Independent Directors:

The Non-Executive / Independent Directors may receive sitting fees as per the provisions of Companies Act, 2013. The amount of sitting fees, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

9.3 Remuneration to other KMPs/Senior Management Personnel

The remuneration payable to other Key Managerial Personnel viz. Company Secretary, Chief Financial Officer and Senior Management Personnel shall be based on the qualification, skills, expertise and experience in the position and prevailing market standards. The remuneration may consists of fixed/variable pay, allowances and other perquisites including contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as may be recommended by the Committee and approved by the Board from to time.

10. Implementation

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

11. Amendment to the Policy

The Board of Directors on its own and/or on the recommendations of the Committee may review/amend this policy as and when they deem necessary.

* * * * *

