

## **REMUNERATION POLICY**

### **PREAMBLE**

The Nomination and Remuneration Committee of the Company has formulated this policy in terms of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

### **DEFINITIONS**

- a) Act means The Companies Act, 2013 and rules made thereunder, as amended from time to time.
- b) Company means Bharat Parenterals Limited.
- c) Board means Board of Directors of Bharat Parenterals Limited.
- d) Independent Director means a Director referred to in Section 149 (6) of The Companies Act, 2013 read with clause 49 of the listing agreement.
- e) Committee means Nomination and Remuneration Committee of the Company as constituted by the Board from time to time.
- f) Key Managerial Personnel or KMP means Managing Director, Joint Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013
- g) Senior Management Personnel means personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure
- h) ASR means Annual Salary Review.
- i) SLx means Salary Level

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

### **CONSTITUTION OF NOMINATION & REMUNERATION COMMITTEE**

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with BPL policies and applicable statutory requirements. At present, the Nomination and Remuneration Committee of the Company comprises of the following members:

- 1. Shailesh Gabhawala – Independent Director
- 2. Bharat Doshi – Independent Director
- 3. Mahendra Turakhia – Independent Director
- 4. Monica Ahir – Company Secretary

#### **KEY OBJECTIVES OF THE COMMITTEE**

- a. To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management including appointment of KMP and Senior Management positions;
- b. To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;
- c. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- d. To develop a succession plan for the Board and to regularly review the plan;
- e. To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;
- f. To retain, motivate and promote talent and to ensure long term sustainability to KMPs & Senior Management Personnel and create competitive advantage; and
- g. Consider any other matters as may be requested by the Board.

#### **MEETINGS**

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee. The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole-time Directors and/or Senior Management of the Company, as deemed necessary for proper and expeditious execution. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend general meetings of the Company.

#### **COMMITTEE MEMBERS INTEREST**

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/ her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT**

The appointment of Director, Key Managerial Personnel and Senior Management will be based on the outcome of strategic planning. The recruitment process for selection to these categories of personnel commences after the approval of manpower requisitions by the appointing authority (depending upon the SLx levels). Relevant approval of concerned is also obtained as part of the process, as deemed fit depending upon the level of hiring.

**REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:**

The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as per the Compensation and Benefit policy of the Company as revised through the Annual Salary Review process from time to time. The Human Resource department will inform the Committee, the requisite details on the proposed increments for every ASR cycle / process including payouts for the variable part (Performance Incentive). The compensation structure will also be based on the market salary survey. The survey for total remuneration would be commissioned with external consultants.

Remuneration to Non-Executive & Independent Directors:

The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Act.

**AMENDMENTS TO THE NOMINATION AND REMUNERATION POLICY:**

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

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