



## **WARREN TEA LIMITED**

### **POLICY RELATING TO NOMINATION AND REMUNERATION**

The Policy relating to Nomination and Remuneration had been originally framed in 2015. Since then requirements under the Companies Act, 2013 have changed and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have come into existence replacing the earlier Listing Agreement conditions. This Policy seeks to address the new requirements and is in supersession of the earlier one.

#### **1) Objectives**

- a) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down.
- b) Recommend to the Board their appointment, all remuneration and removal.
- c) To specify the manner for effective evaluation of performance of Board, its Committees and individual Directors, to be carried out by the Board or Nomination and Remuneration Committee and review its implementation and compliance.
- d) Formulate criteria for determining qualifications, positive attributes and independence of a Director.
- e) To decide whether all extend or continue the Terms of Appointment of the Independent Directors on the basis of their performance.
- f) Set out criteria relating to the remuneration for the Directors, KMP and Senior Management Personnel.

#### **2) General Appointment Criteria**

- a) To consider standards of integrity and probity, qualification, expertise, positive attributes and experience of the person for recommendation of appointment as Director, KMP or at Senior Management level.

- b) To ensure that the person so appointed as Director/Independent Director/KMP/Senior Management Personnel meets the requirements of the Companies Act, 2013, Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other enactment for the time being in force.
- c) The Director/Independent Director/KMP/Senior Management Personnel shall be appointed as per the procedure laid under the provisions of the Companies Act, 2013, Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other enactment for the time being in force.

## **Board Diversity**

The Board shall have a combination of Directors from different areas/industries as may be considered appropriate.

The Company recognizes that Board Diversity forms one of the pillars of a robust Governance and Management framework. The Company believes that best Boards are composed of individuals with different skills, knowledge, information, thought, perspective, experience, background, etc. The Board of a Company should provide leadership, strategic guidance, objective and an independent judgement to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

While ensuring the Diversity on the Board of the Company, the Company shall at all times ensure that the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and other applicable Regulations are adhered to. Appointments should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.

## **3) Remuneration**

- a) To consider and determine the Remuneration, based on the principles of (i) pay for responsibilities, (ii) pay for performance and potential and (iii) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate talent.

- b) To take into account financial position of the Company, trend in the Industry, statutory, contractual and other obligations, appointee's qualification, experience, past performance, past remuneration, etc.
- c) To bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the Stakeholders.
- d) To consider other factors as shall be deemed appropriate for elements of the remuneration and ensure compliance of provisions of Companies Act, 2013 and other applicable laws.
- e) To ensure that a balance is maintained between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company in the remuneration of Senior Management, Key Managerial Personnel and others as may be considered appropriate.

### **1 Remuneration to Non Executive Directors**

Non Executive directors may be paid remuneration by way of fee and reimbursement of expenses for participation in the Board and other meetings and commission and/or such other payments as may be permitted by the law applicable to such payments. Such payments shall be subject to the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **2 Remuneration to Executive Directors**

The remuneration to be paid to the Executive Directors shall be governed as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the approvals obtained from the Shareholders of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board, as it may consider appropriate with regard to the terms, conditions and remuneration to be paid to the Executive Directors.

### **3 Remuneration to KMP/ SMP**

The remuneration to be paid to KMP and SMP shall be recommended by the Nomination and Remuneration Committee and approved by the Board in

accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(Approved at the Board Meeting held on 28<sup>th</sup> March, 2019 )