



## **INTRODUCTION**

The Nomination & Remuneration Policy ("Policy") of the Company is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

The Policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), senior management (as defined below) and other employees of the Company and to harmonize the aspirations of human resources with the goals of the Company.

## **COMPANY'S BACKGROUND**

Gian Life Care Limited ('Gian' or "the Company") is a fast growing professionally managed organization with an ultra-modern fully integrated, manufacturing facility dedicated to provide diagnostic and related healthcare tests and services to patients and healthcare providers. We established the organization in 2018. 'Gian' is committed to Quality services that address the prevention, diagnosis and treatment of diseases, thus enhancing people's health and quality of life.

## **DEFINITION**

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company.

"Company" means Gian Life Care Limited.

"Committee(s)" means Committees of the Board for the time being in force as per the provisions of the Companies Act 2013.

"Directors" means Director of the Company.

"Independent Director" means a Director referred to in section 149(6) of the Companies Act, 2013 and rules.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by them and includes perquisites as defined under the Income-Tax Act, 1961.

"Key Managerial Personnel (KMP)" means

- Chief Executive Officer or
- the Managing Director or

- the Manager
- Whole Time Director
- Chief Financial Officer
- Company Secretary

Senior Management Personnel” means the personnel of the Company who are member of its core management team excluding Board of Directors normally; this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

### **CONSTITUTION OF COMMITTEE**

The Board has constituted the “Nomination and Remuneration Committee” of the Board on April 12, 2019. This is in line with the requirements under the Companies Act, 2013 (“Act”). This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together. The Board has authority to reconstitute this Committee from time to time.

### **OBJECTIVE**

As a measure of Good Corporate Governance and in compliance with the provisions of Section 178 of Companies Act 2013, the Nomination Remuneration Committee dealt with the following matters:

- Criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board;
- Identify the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
- Carry out the evaluation of Director’s performance;
- Recommend to the Board the appointment and removal of Directors, KMP and Senior Management;
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- Devise a policy on Board diversity, composition and size;
- Succession planning for replacing Key Executives and overseeing their orientation and successful alignment with the philosophy of the Company;
- Carry out any other 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;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

**PART A – POLICY FOR APPOINTMENT AND REMOVAL 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 his/her appointment, as per Company's interview and selection procedure.
- A person should possess adequate qualification, 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 is sufficient / satisfactory for the position.
- The Company shall not appoint or continue the employment of any person as the M.D or Whole-time Director or a manager who
  - a) is below the age of twenty-one years or has attained the age of seventy years; Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;
  - b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
  - c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
  - d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

**TERM & TENURE**

a) Managing Director/ Whole Time Director

Special to any contract between Managing or Whole time Director and the Company, a Managing or Whole time Director shall not, while he/she continues to hold that office, be subject to retirement by rotation and he/she shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provisions of any contract between him and the Company), he/she shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

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 of up to maximum of 5 years each, 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.

Rotation: An Independent Director shall not be liable to retire by rotation pursuant to the provisions of sub-sections (6) and (7) of section 152 of the Companies Act, 2013.

### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly.

### **REMOVAL**

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

### **RETIREMENT**

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

## **PART B – POLICY FOR REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

### **REMUNERATION TO MANAGING DIRECTOR /WHOLE-TIME DIRECTORS:**

- a) The Remuneration / Commission etc. to be paid to Managing Director / Whole-time Directors, 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 the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

**REMUNERATION TO NON-EXECUTIVE/INDEPENDENT DIRECTORS:**

- I. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors;
- II. All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) 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. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be;
- III. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company;
- IV. Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause(b) above if the following conditions are satisfied:
  - a) The Services are rendered by such Director in his capacity as the professional; and
  - b) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

**REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

**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.