

NOMINATION AND REMUNERATION POLICY

APIS INDIA LIMITED

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NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY

1. Introduction:

The Nomination and Remuneration Policy (Policy) of Apis India Limited (“Apis” or “Company”) is formulated in compliance with Section 178(3) of the Companies Act, 2013 read with the rules made there under and other applicable provisions, if any, and Regulation 19(4) read with Para A of Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). This policy has been approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company.

2. DEFINITIONS

For the purpose of this Policy:

- ‘Act’ shall mean the Companies Act, 2013 and the rules made thereunder, as amended from time to time.
- “Company” means **Apis India Limited**.
- ‘Board’ shall mean the Board of Directors of Apis India Limited.
- ‘Committee’ shall mean the Nomination and Remuneration committee of the Apis India Limited, constituted and reconstituted by the Board from time to time.
- ‘Directors’ shall mean the directors of the Apis India Limited.
- ‘Independent Director’ shall mean a director referred to in Section 149 (6) of the Companies Act, 2013 read with Regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- ‘Key Managerial Personnel (KMP)’ as per Section 2 (51) of the Companies Act, 2013 shall mean the following:
 - i. The Chief Executive Officer or the Managing Director or the Manager;
 - ii. Company Secretary (CS);
 - iii. Whole-time Director (WTD);
 - iv. Chief Financial Officer (CFO);
 - v. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - vi. Such other officer as may be prescribed.
- “Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time.

- **“Nomination and Remuneration Committee”** shall mean the committee of the Board constituted, or reconstituted, as the case may be, in accordance with Section 178 of the Act and the Listing Regulations.
- **“Remuneration”** as per Section 2(78) of the Companies Act, 2013 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.
- **“Senior Management”** as per Regulation 16(1) (d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, shall mean personnel of the company who are members of its core management team excluding the Board of Directors and normally this shall comprise of all the members of management one level below the chief executive officer/managing director/whole time director/manager including chief executive officer/manager, in case they are not part of the board and shall specifically include company secretary and chief financial officer.
- **“Stock Exchange”** shall mean a recognized stock exchange on which the securities of the Company are listed i.e. BSE Limited.
- Unless the context otherwise requires, words and expression used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

3. Constitution of the Nomination and Remuneration Committee

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with Company’s policies and applicable statutory requirements.

The Committee shall consist of three or more non-executive directors out of which not less than two-third shall be independent directors provided that the Chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries. The present composition of the Committee is:

1.	Ms. Rubi Mishra	Chairperson
2.	Mr. Rohit Gupta	Member
3.	Mr. Sanjeev Kumar Singh	Member

4. Key Objective and Purpose of Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be responsible for the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, managerial personnel and other employee.
2. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that-
 - A. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - B. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - C. remuneration to directors, managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
3. Formulation of criteria for evaluation of performance of independent directors and the Board.
4. Devising a policy on Board diversity.
5. Analyzing, monitoring, and reviewing various human resource and compensation matters.
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors.
7. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
8. 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 and shall carry out evaluation of every director's performance (including independent director).
9. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors; and
10. Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee under applicable law.
11. Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

- a) administering the ESOP, 2013 (the “Plan”);
- b) determining the eligibility of employees to participate under the Plan;
- c) granting options to eligible employees and determining the date of grant;
- d) determining the number of options to be granted to an employee;
- e) determining the exercise price under the Plan; and
- f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

12. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

5. Appointment And Removal Of Director, KMP And Senior Management

1. Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Managerial Personnel or at Senior Management level and recommend his / her appointment as per Company’s Policy
- b) 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.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director or Managing 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 and explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- d) The Committee shall recommend any necessary changes to the Board.

6. Term/ Tenure:

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director/Whole time 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 of the Director appointed.

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 appointment/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 re- appointment in the Company as Independent Director after the expiry of three years from the date of cessation as such in the Company.

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 serve 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.

Independent Directors shall register themselves in the databank of Independent Directors in accordance with the provisions of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019

The Committee shall take into consideration all the applicable provisions of the Companies Act, 2013 and the relevant rules, as existing or as may be amended from time to time.

7. Evaluation

The Committee shall carry out the evaluation of performance of the every Director, KMP and Senior Management Personnel at regular interval; but at least once a year.

8. Removal

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

9. Retirement

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

10. Diversity on the Board of the Company

We recognize the need to provide standards for having a diversified Board with ability to base its decisions and help to improve the performance of the organization significantly and for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

The Board shall consist of such optimum combination of Executive, Non-Executive and Independent Directors in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

The Committee will lead the process for Board appointments and forward its recommendations to the Board. All Board appointments will be based on the skills, diverse experience, independence and knowledge, which the Board as a whole requires to be effective. The Committee shall address Board vacancies by actively considering candidates that bring a diversity of background and industry experience or related expertise. The candidates will be considered against objective criteria having due regard to the benefits of diversity on the Board.

Additionally, the Committee may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing, business development, international business, operations management or any other professional area, so as to bring diversified skill sets on Board or succeed any outgoing Director with the same expertise.

11. Familiarisation Programme:

In accordance with Regulation 25 (7) of the Regulations, the Committee shall familiarize the Independent Directors through various programs about the Company, including the following:

- a. nature of the industry in which the Company operates;
- b. business model of the Company;
- c. roles, rights, responsibilities of Independent Directors; and
- d. any other relevant information.

The Familiarization Programme comprises two segments –

a) Familiarization upon induction of new Directors:

- Inductee shall be provided with a copy of all the applicable codes and policies formulated and adopted by the Company.
- An orientation on the Company's products, markets, customers, and functions shall be provided.
- Introduction to & interaction with certain key members of the senior management of the company.
- A detailed briefing to the inductee on the roles and responsibilities as Director/independent director

- Independent directors, in particular shall be provided an overview of the criteria of independence applicable to Independent Directors as per Listing Regulations and the Companies Act,2013
 - The Director is also explained in detail the compliances required from him/her under other relevant regulations and his/her affirmation taken with respect of the same. With a view to familiarize him/her with the Company's operation, the Chairman/Managing Director provides a one-to-one interaction on the organizational set-up, the functioning of various divisions/departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the director to understand the Company, its business, and the regulatory framework in which the company operates and equips him/her to effectively fulfill his/her role as a Director of the Company.
- b) Annual Familiarization Programme**
- The Company shall on an annual basis brief its Directors inter alia about the Company's business model, shareholder profile, financial details, their roles, rights, and responsibilities in the Company.

12. Policy for Remuneration to Director/ Managerial Personnel Senior Management:

1. 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

2. Remuneration to Non- Executive / Independent Directors:

- a) 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.
- b) 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) including any commission shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder 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.

- c) 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
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3. Remuneration to Managerial Personnel and Senior Management:

- a) The remuneration to Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy. The Company follows salary structure which includes Fixed Salary, Performance Linked Incentive along with the performance criteria;
- b) The Fixed pay Basic salary, Dearness Allowance and other allowances.
- c) The Performance Linked Incentive pay shall be decided based on the balance between performance of the Company/Business and performance of the Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate and as per the policy of the Company.

13. Minutes of Committee Meeting

Proceedings of all meetings must be recorded as minutes 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.

14. Director's and Officer's Insurance

As per Section 197 (13) of the Companies Act, 2013, Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel:

15. Review

The Committee as and when required shall assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

16. Disclosure of this Policy

The policy shall be disclosed in the Annual report of the Company, as required under Section 178 Companies Act, 2013, rules made there under and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time and as may be required under any other law for the time being in force.

17. 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.

This policy was approved by the Board of Directors of the Company on 14th August, 2021



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