

**GREENSTAR FERTILIZERS LIMITED**  
**NOMINATION AND REMUNERATION POLICY**

**Objective**

The Nomination and Remuneration Committee (NRC) constituted under the Companies Act, 2013 (the Act) and the Rules made there under is to guide the Board to identify persons who are qualified to become Director and who may be appointed in Sr. Management and recommend to the Board the appointment and removal of Director, KMP and Senior Management Personnel as well in accordance with the criteria laid down for determining qualification, positive attribute and independence of a Director and recommend to the Board a Policy relating to remuneration of Director, Key Managerial Personnel and other employees.

The Nomination and Remuneration Policy (Policy) of Greenstar Fertilizers Limited (GSFL) has been formulated with the objective of guiding the Board in identifying, recognising and retaining talent for achieving Organisational goals with growth for all the Employees and Stakeholder value enhancement. GSFL acknowledges that it is important to provide a mix of reasonable remuneration, an atmosphere congenial for decision making by the Directors / Sr. Management Personnel and working atmosphere to the Employees.

The Policy applies to the Board of Directors, Key Managerial Personnel, Senior Management and the Employees of the Company

Senior Management means employees of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

**Criteria for appointment of Independent Directors / Non-Executive Directors**

The proposed appointee as Independent Director shall meet the criteria specified in the relevant provisions of the Companies Act, 2013 and Rules made there under. He shall declare his independent status prior to his appointment to the Board and maintain the same during his tenure as an Independent Director. The Independent Director and the Non-Executive Director shall possess adequate qualification, necessary skills, and expertise and business experience including board procedures.

**Criteria for appointment of Executive Directors**

The Executive Director could be a Managing Director (MD), Manager with substantial powers of management as defined under the Companies Act, 2013 or Whole-time Director (WTD).

The appointee(s) shall have requisite educational qualification with exposure in the business line of the Company. He shall have adequate skills and leadership qualities to lead a team of professionals or as the case may be the function assigned to him. Depending on the role and responsibility, he shall have had hands on experience in the relevant field. The suitability of a candidate shall be determined on a case to case basis and recommended by the NRC for consideration of the Board. After his appointment, being a Director of the Company, he shall adhere to the Code of Conduct and Business Ethics stipulated for Directors and also the applicable Code for Senior Management Employees.

**Remuneration for Directors**

**(a) For Executive Directors:**

The remuneration of the Whole Time/Executive Directors shall comprise of a fixed component and a performance linked pay, as may be recommended by the NRC and approved by the Board of Directors / Shareholders. Remuneration trend in the industry and in the region for a similar position, academic background, qualifications, experience and contribution expected of the individual will be considered in fixing the remuneration. The

Executive Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

**(b) For Non-Executive Directors including Independent Directors:**

The Non-Executive Directors will be paid sitting fees for attending the Board Meetings and Meetings of the Committees of the Board as per the provisions of the Act, the Articles of Association of the Company and as recommended by the NRC. The fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors. In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company.

Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution also sanction and pay to the Non-Executive Directors remuneration / commission in accordance with the relevant provisions of the Act. The Company shall have no pecuniary relationship or transactions with any Non-Executive Directors.

**Criteria for appointment of Key Managerial Personnel (KMP)**

The Company is required to appoint a MD/Manager/CEO and in their absence a WTD as one of the KMPs besides a Company Secretary (CS) and a Chief Financial Officer (CFO). The Chief Executive Officer (CEO) can also be a Member of the Board.

The qualification, experience and stature of the CEO could be in line with that of the Executive Directors. Where the CEO is the KMP, he shall act subject to the superintendence and control of the Board and have the substantial powers of management.

The CS shall have the qualification prescribed under the Companies Act, 2013 and requisite experience to discharge the duties specified in law and as may be assigned by the Board/MD from time to time.

The CFO shall hold Degree/Diploma in Finance from reputed institutions such as the ICAI, ICMA, IIMs, leading recognised Universities, etc., with good work experience, in finance function including but not limited to funding, taxation, forex and other core matters.

**Discretionary Power**

The NRC in exceptional circumstances shall have the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position and to decide the remuneration payable to an appointee under this Policy on a need base, while recommending to the Board.

**Evaluation**

The Committee shall evaluate at least once in a year the performance of every Director, Key Managerial Personnel and Senior Management Personnel.

**Criteria for appointment of Staff, Officers and Senior Management Personnel**

Manpower resource requirement for various functions shall be determined and approved by the Managing Director or WTD or such other persons delegated with the powers. The functional heads shall be involved in the process of selection of candidates and their recommendations duly considered by the HR Department.

The qualification, experience and skill expected of Sr. Management personnel shall be determined on case to case basis depending on the position, role and responsibility

**Manner of appointment**

The Functional Head shall decide the job description for a position and the requisite qualification and experience expected of the candidates. Candidates may be called for through references, HR Consultants, leading portals, advertisements, etc., depending on the exigencies. Screening shall be done by the HR Department in consultation with Functional Head. The shortlisted candidates may be interviewed by the Functional Head or some other Senior Departmental Person as may be nominated by him along with the HR Representative. Experts or Consultants can also be engaged in this process, if required.

Upon deciding the remuneration, joining time etc. offer letter shall be issued to the selected candidate. On due acceptance by the candidate and on his joining the Company, a final appointment letter shall be issued.

The Employees of the Company shall be governed by the Service conditions set out in the Service Rules/Standing Orders of the Company as amended from time to time.

**Guidelines for fixing remuneration to Employees who are not Directors**

The remuneration and other terms of employment are aimed to invite, inspire and retain talent for performing the requisite role.

The remuneration package and other terms, amenities, perquisites, etc. for an employee in Senior Management, Key Managerial Persons and Officer cadre may be determined on case to case basis depending on the position, role, responsibility, qualification and previous experience of the appointee and availability of persons willing to accept the offer.

The eligibility to receive performance pay shall be decided based on appraisal of the individual concerned by his immediate superior and approved by the Functional Head or the Whole-time Director with reference to the targets fixed and achieved. The Chairman or the Whole-time Director shall have the authority to moderate the ratings in line with the Organizational performance.

Remuneration and other benefits to staff cadre employees shall be in terms of the wage settlements entered into between the Management and the representatives of the Staff/recognised Union from time to time.

In fixing the remuneration structure to the employees, due regard shall be given to ensure best possible benefits to the employees within the framework of law and considering the Organisational goals, performance of the Company and sustainability to pay.

The package shall maintain a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

Employees will also be covered under Group Accident insurance, Health insurance and Directors and Officers Liability Insurance as may be applicable to the respective cadre.

**Changes to the Policy**

The Board may vary the above criteria on need basis. The NRC on its own or at the request of the Board may review and recommend the Policy from time to time and introduce changes depending on the prevailing economic scenario and manpower requirements and the performance of the Company.