



## NOMINATION AND REMUNERATION POLICY

(This Policy is lastly amended and approved by the Board of Directors at its meeting held on 28<sup>th</sup> day of May, 2024.)

### INTRODUCTION:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

### OBJECTIVES OF THE COMMITTEE:

The objectives of the Policy are to comply with the provisions of Section 178 and other applicable provisions of the Companies Act 2013 and Rules made thereunder, and, Regulation 19 and other applicable provisions of the SEBI (LODR) Regulations, 2015 read with Part D of the Schedule II to the SEBI (LODR) Regulations 2015.

### EFFECTIVE DATE:

The following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting .This policy shall be operational with immediate effect.

### DEFINITIONS:

- **“Board”**:-Board means Board of Directors of the Company.
- **“Director”**:-Directors means Directors of the Company.
- **“Committee”**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **“Company”**:- Company means TGB Banquets and Hotels Limited.
- **“Independent Director”**:- shall have meaning as defined in the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.
- **“Key Managerial Personnel”**:- means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.

• **“Senior Management”**:- shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.]

**APPLICABILITY:-**

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

**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 the Company’s policy and applicable statutory requirement.

**FREQUENCY OF MEETING:**

The nomination and remuneration committee shall meet at least once in a year.

**FUNCTIONS OF COMMITTEE:**

The functions / role and scope of the NRC shall include the following: -

1. Formulate criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy relating to remuneration for the directors, Key Managerial Personnel (KMP) & other employees;
2. Identify persons who are qualified to become directors & who may be appointed in Senior Management as per criteria laid down, recommend to the Board their appointment & removal;
3. Formulation of criteria for evaluation of Independent Director and the Board;
4. Devise a policy on Board diversity;
5. Recommend to the Board of Directors, all remuneration, in whatever form, payable to Senior Management.

**APPOINTMENT CRITERIA:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

**ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:**

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the regulation 16(1)(b)(ii) of the LODR and Companies Act, 2013.

**TERM / TENURE:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time and/ or the SEBI Listing Regulations.

**REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:**

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

1. **Executive Directors** :The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the board from time to time
2. **Non-Executive Director**: The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:
  - (a) act objectively and constructively while exercising their duties;
  - (b) exercise their responsibilities in a bona fide manner in the interest of the company;
  - (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
  - (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - (e) refrain from any action that would lead to loss of his independence
  - (f) inform the Board immediately when they lose their independence,
  - (g) assist the company in implementing the best corporate governance practices.
  - (h) strive to attend all meetings of the Board of Directors and the Committees;
  - (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
  - (j) strive to attend the general meetings of the company;
  - (k) keep themselves well informed about the company and the external environment in which it operates;
  - (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
  - (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
  - (n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

## **POLICY ON BOARD DIVERSITY:**

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

## **REMUNERATION:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval in accordance with the provisions of the Act and Schedule V of the Act and other applicable Regulations. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

### **1. Director/ Managing Director**

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director 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.

### **2. Non-executive Independent Directors**

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees 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.

### **3. KMPs / Senior Management Personnel etc**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**4. Directors' and Officers' Insurance** Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

## **AMENDMENTS:**

The NRC will review this Policy periodically and recommend appropriate revisions to the Board. The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI/Stock Exchange(s) or any other appropriate Statutory Authority.