

BLB LIMITED

CIN: L67120DL1981PLC354823

NOMINATION, REMUNERATION & EVALUATION POLICY

(Effective from 01st January, 2022)

*[Modified & Approved by the Board of Directors in its meeting held on 30th
December, 2021]*



The Nomination, Remuneration & Evaluation Policy is amended hereunder as per the provisions of Section 178(4) of the Companies Act, 2013 read with Regulation 19(4) read with Part 'D' of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy is also available on the website of the Company viz, www.blblimited.com." The amended policy shall be applicable on the Company w.e.f. 01st January, 2022.

I. INTRODUCTION

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of BLB Limited (the "Company").

"Key Managerial Personnel" (KMP), in relation to Company means—

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed by Central Government from time to time;
- (d) "senior management" shall mean officers/ personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all 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.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



II. PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

III. ACCOUNTABILITIES

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.

The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

IV. COMPOSITION OF THE COMMITTEE

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 Non-Executive Directors, at least two-thirds of the Directors shall be Independent Directors.
- b) Majority of members shall constitute a quorum for the Committee Meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

V. CHAIRMAN OF THE COMMITTEE

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.



VI. ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is responsible for:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (1A) For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) 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 of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.]

VII. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.



VIII. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

IX. APPOINTMENT OF DIRECTORS/ KMP's AND SENIOR OFFICIALS

- ❖ Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/ a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:
 - Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
 - The skills and experience that the appointee brings to the role of KMP/ Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
 - The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- ❖ Personal specifications:
 - Degree holder in relevant disciplines;
 - Experience of management in a diverse organization;
 - Commitment to high standards of ethics, personal integrity and probity;
 - Commitment to the promotion of healthy practices and health & safety in the workplace;



X. LETTER OF APPOINTMENT

Each Director/ KMP and Senior Official(s) is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

XI. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination & Remuneration Committee determines individual remuneration packages for Directors, KMP's and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government / other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

(i) Remuneration:

a) Base Compensation (fixed salaries)

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The Nomination & Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.



(ii) Statutory Requirements:

- ❖ Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- ❖ Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act and in case of inadequacy of profits the total managerial remuneration is payable as per Schedule V of the Companies Act, 2013.
- ❖ The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of Schedule V.
- ❖ The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/ Whole Time Director/ Manager and ten percent in case of more than one such official.
- ❖ The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- ❖ The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.
- ❖ The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- ❖ The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.



- ❖ The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

XII. EVALUATION/ ASSESSMENT OF DIRECTORS/ KMP's AND SENIOR OFFICIALS OF THE COMPANY

The evaluation/assessment of the Directors, KMP's and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following criteria may assist in determining how effective the performances of the Board, its committees and individual directors to be carried have been:

- ❖ Leadership & stewardship abilities
- ❖ Contributing to clearly defined corporate objectives & plans
- ❖ Communication of expectations & concerns clearly with subordinates
- ❖ Obtain adequate, relevant & timely information from external sources
- ❖ Review & approval achievement of strategic and operational plans, objectives, budgets
- ❖ Regular monitoring of corporate results against projections
- ❖ Identify, monitor & mitigate significant corporate risks
- ❖ Assess, implement and follow policies, structures & procedures
- ❖ Direct, monitor & evaluate KMP's, senior officials
- ❖ Review succession plan
- ❖ Effective meetings
- ❖ Assuring appropriate board size, composition, independence, structure
- ❖ Clearly defining roles & monitoring activities of committees
- ❖ Review of corporation's ethical conduct



Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/ Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

XIII. REVIEW

In case of any subsequent changes in the Companies Act or any other regulations which makes any of the provisions in the Policy inconsistent with the Companies Act or regulations, then the provision of the Companies Act or regulations would prevail over the Policy and the provisions of the Policy would be modified in due course to make it consistent with law.

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

**By the Order of the Board of Directors
For BLB Limited**



Apel
**Anshul Mehra
Executive Director
DIN: 00014149**

**Date: 31.12.2021
Place: New Delhi**