



**WARDWIZARD FOODS AND BEVERAGES LIMITED
NOMINATION & REMUNERATION- CUM –BOARD DIVERSITY POLICY**

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NOMINATION & REMUNERATION- CUM –BOARD DIVERSITY POLICY

I. PREAMBLE

The Nomination & Remuneration - Cum - Board Diversity Policy ("Policy") of the Company has been formulated in accordance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Company, the Board of Directors of the Company had, constituted the Nomination and Remuneration Committee.

Further SEBI (Listing Obligation and Disclosure Requirements) (Third Amendment) Regulations, 2024 were notified by SEBI vide notification dated 12th December, 2024. For effecting the changes as notified in the said notification, the revised Policy was approved and adopted by the Board of Directors of the Company.

The role of the Committee shall, *inter alia*, include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- ii. determination of criteria to recommend Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP);
- iii. Formulation of criteria for evaluation of Directors including Independent Directors and the Board;
- iv. Devising a policy on Board diversity;
- v. Identification of persons who are qualified to become Directors including Managing Director and / or Whole-time Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
- vi. Recommend to the Board, appointment and removal of Director, KMP and SMP.

II. OBJECTIVE

In view of the above background, the Policy is formulated to enable the Committee to execute its role and responsibilities as mentioned above in the Act and SEBI Listing Regulations.

III. DEFINITIONS

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Company"** means "Wardwizard Foods and Beverages Limited" (WFBL)
- iii. **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- iv. **"Key Managerial Personnel"** (KMP) means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) such other officer as may be prescribed.

- v. **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted or reconstituted by the Board from time to time in accordance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- vi. **“Policy or This Policy”** means, “Nomination & Remuneration - Cum - Board Diversity Policy”.
- vii. **“Remuneration”** 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.
- viii. **“Senior Management Personnel” (“SMP”)** shall mean the officers and personnel of the Company 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 and shall specifically include the functional heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of directors, by the Company.

IV. **GUIDING PRINCIPLES**

It is further clarified that in the case of the Company, the remuneration to the Managing Director, would be governed by the terms and conditions as to remuneration applicable in his grade whereas in the case of other directors the Company only pays the sitting fee and incidental expenses for attending the meetings of the Committee of Directors as well as the Board. It is further clarified that the sitting fee in respect of other directors is being deposited with the government treasury at the end of each financial year based on his/her actual attendance. No sitting fee or incidental expense is being paid to the Managing Director.

V. **APPLICABILITY**

The Policy is applicable to:

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

VI. **COMPOSITION AND FUNCTIONING**

The constitution, composition and functions of the Committee shall be in line with the requirement of the Act and SEBI Listing Regulation. Tenure of the Committee shall be continuous unless terminated by the Board of Directors. The Board shall constitute or reconstitute the Committee from time to time to make it consistent with the applicable statutory requirements.

The Company Secretary shall act as the Secretary of the Committee. Minutes of the meetings shall be recorded and maintained by the Company Secretary and subsequently presented to the Chairman and the members of the Committee for approval.

The meeting of the Committee shall be held at such regular intervals as may be required. Chairman of the Committee should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

VII. PROCEDURE FOR SELECTION AND APPOINTMENT

The Committee shall follow the procedure mentioned below for appointment of Directors (including independent directors), KMPs and SMPs and recommend their appointments to the Board.

1. The Committee shall consider the following criteria for nominating / inducting a Director, on the Board of the Company:
 - i. Existing composition of the Board;
 - ii. Skill sets (both professional and behavioral) required to be represented on the Board, taking into consideration the requirement of law, size and scale of Company's operations, and nature of business and industry in which the Company operates;
 - iii. qualification, expertise and experience; and
 - iv. ethical standards of integrity and probity.
2. The Committee shall consider the following criteria for appointing a person as KMP and/ or SMP of the Company:
 - i. Qualification and experience should be commensurate with the function to be headed; and
 - ii. ethical standards of integrity and probity.

The management shall be responsible for selection of candidates for KMP and SMP positions / roles. The Committee shall review the candidates shortlisted and accordingly finalise the same for recommending to the Board for appointment.

3. The Company shall ensure that the person so proposed to be appointed as Director/ Independent Director / KMP / SMP should not be disqualified under the Act, rules made there under, SEBI Listing Regulations, or any other enactment for the time being in force.
4. In case of the appointment of Independent Director, the incumbent should comply with the additional criteria of his / her independence as prescribed under the Act, rules framed there under and the SEBI Listing Regulations. For selection of Independent Director, the Company may use the data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by anybody, institute or association, as may be notified by the Central Government, having expertise in creation and maintenance of such data bank.

Re-appointment of independent director shall be on the basis of report of performance evaluation.

5. The Director/ Independent Director/ KMP/ SMP shall be appointed as per the procedure laid down under the provisions of the Act, rules made thereunder, SEBI Listing Regulations or any other enactment for the time being in force.

VIII. CESSATION

A director shall cease to be a member of the Board in the following cases:

1. Upon retirement by rotation;
2. Retirement / resignation / cessation from employment of the Company;
3. Death;
4. The Director has been disqualified in terms of the provisions of the Act, rules made there under, SEBI Listing Regulations, or any other enactment for the time being in force; and Such other circumstances as the Board may deem appropriate.

An employee shall cease to be a KMP/ SMP in the following cases:

1. Resignation;
2. Retirement;
3. Violation of the Code of conduct of the Company;
4. Change in role and /or designation upon internal transfer; and
5. Such other circumstances as the Board may deem appropriate.

IX. REMUNERATION

The Committee will recommend the remuneration to be paid to Directors, KMPs and SMPs to the Board for their approval. The Committee shall ensure that:

- a. The level and composition of remuneration so determined shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and SMP of the quality required to run the Company successfully;
- b. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. Remuneration to Directors, KMP and SMPs 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.

A. Managing Director/ Whole-time Director(s)

Besides the above criteria, the remuneration/ compensation/ commission etc to be paid to Managing Director, Whole-time Director(s) etc shall be governed as per provisions of the Act read with Schedule V and rules made there under or any other enactment for the time being in force.

B. Non-Executive / Independent Directors

The Non-Executive Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof, reimbursement of expenses for participation in the Board and other meetings and profit related commission if so decided and approved by the Board/Shareholders as per the provisions of the Act.

Provided that the amount of such fees shall not exceed the amount as prescribed under the Act read with the rules made there under or any other enactment for the time being in force. Further, independent directors shall not be entitled to any stock option.

The Non-Executive Independent Directors may be paid remuneration for services rendered in any other capacity, like to serve as a member of Selection Committee for recruitment of SMP and/or any other specific assignment given by the Company from time to time. The remuneration paid for such services shall be subject to provisions of the Act and approval of the Board, based on the recommendation of the Committee.

Provided that the payment of remuneration for services rendered by any such director in other capacity shall not be included in the overall ceiling prescribed under the Act read with Schedule V and rules made there under, if –

- a. The services rendered are of a professional nature; and
- b. In the opinion of the Committee, the director possesses the requisite qualification for the practice of the profession.

C. KMPs/ SMPs

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

X. EVALUATION

The Company has formulated a Policy for evaluation of the directors, Board, as a whole, and the Committees. The Board is responsible to conduct performance evaluation of its own performance, its Committees and the directors, individually.

The Committee is responsible for implementation of the methodology followed by the Company, for performance evaluation of the Board, its Committees and the directors, individually.

XI. DIVERSITY OF THE BOARD COMPOSITION AND FUNCTIONING:

The present composition of the Board of Directors is such that it includes the expertise of Directors from diverse fields so as to steer the Company in the right direction with the support and guidance available in the different fields. The composition of Directors encompasses the expertise in the field of Finance, Organizational management, Legal & Taxation, Banking, Auditing, human relation, policy making etc.

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The Committee shall review and assess the extent to which the appropriate mix of diversity, skills, experiences and expertise are represented on the Board and report to the Board from time to time.

The Directors contribute their respective expertise in meeting overall business objectives of the Company and it is only due to their contribution, the Company is able to sustain and grow despite rough economic weather.

XII. REVIEW AND AMENDMENT:

The Committee shall review this Policy once in three (3) years or upon any changes required on account of regulatory amendments. This Policy and every subsequent modification, alteration or amendment made thereto, shall be promptly disclosed on the Company's website at www.gsfclimited.com. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. will prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, shall be made if there are specific reasons to do so in an individual case.

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