



**“NOMINATION AND REMUNERATION POLICY”**

**“JIYA ECO-PRODUCTS LIMITED”**

Registered Office:

G-6/7 B, Raturaj Complex,  
Opp. A.V. School Ground,  
Crecent Road,  
Bhavnagar-364001  
Tel. No.: 02841-281028

Corporate Office:

A-25, Circle ‘B’,  
Above Pakwan-2,  
Judges Bungalow Road,  
Bodakdev, Ahmedabad- 380054  
M- 75730 16361

## A) Preface:

Nomination and Remuneration Policy has been formulated in terms of the provisions of Section 178 of the Companies Act, 2013 and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Policy is framed for nomination, remuneration and performance evaluation of Key Managerial Personnel, Directors and Senior Management.

## B) Definitions:

1. **“Act”** means Companies Act, 2013
2. **“Company”** Means Jiya Eco-Products Limited or JEPL
3. **“Committee”** here means, Nomination and Remuneration Committee of the Board constituted by the Directors of Jiya Eco-Products Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013.
4. **“Board”** here means Board of Directors of Jiya Eco-Products limited.
5. **“Director’s”** means Directors of JEPL.
6. **“Key Managerial Personnel”** (KMP) means and includes:
  - a) Managing Director or CEO or Manager or WTD
  - b) Company Secretary and
  - c) Chief Financial Officer
7. **“Independent Directors”**

Independent Director means a director referred in section 149 (6) of the Companies Act, 2013

An independent director in relation to a Company, means a director other than a managing director or a whole-time director or a nominee director of the company:

- a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

- d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) who, neither himself nor any of his relatives —
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
- f) Who possesses such other qualifications as may be prescribed.

### **C) Objective:**

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key 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.

#### **D) Constitution of the Committee:**

The Board has constituted the Committee on 20<sup>th</sup> January, 2015.

<b>Sr. No.</b>	<b>Name</b>	<b>Category</b>	<b>Designation in Committee</b>
1	Nimish H. Jani	Independent Director	Chairman
2	Hetal B. Kakadiya	Woman, Non-Executive Director	Member
3	Nitin Kapadia	Independent Director	Member

#### **E) Membership and Term:**

- The Committee shall consist of a minimum of 3 directors.
- All the members of the Committee should be from Board of Members and majority of members must be Independent and Non Executive Directors including Chairperson.
- The Board of Directors of the Company may at any time revoke any member's membership to the committee.
- The Board of Directors of the Company may at any time modify the committee.
- A quorum shall be two members or any greater number determined by the Committee from time to time.
- The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a director of the Board.

#### **F) Frequency of Meeting(s):**

- The Chairman will call a meeting of the Committee if so requested by any member of the Committee.
- As a minimum, the Committee shall meet once per year.
- The Company Secretary of Company shall act as Secretary of the Committee.

#### **G) Role of the Committee**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.

- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

### **H) Appointment/ Removal of Director, KMP and Senior Management**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP 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 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.

### **I) Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### **J) Removal**

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

### **K) Retirement**

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

## **L) Policy for Remuneration to Directors/KMP/Senior Management Personnel**

### **a) Remuneration to Managing Director / Whole-time Directors:**

- 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.
- 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.

### **b) Remuneration to Non- Executive / Independent Directors:**

- 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.
- 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) 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. 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.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- 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.
- The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

### **c) Remuneration to Key Managerial Personnel and Senior Management:**

- The remuneration to Key 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 Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **M) Review/ Amendments**

Subject to the approval of Board of Directors, the "Nomination and Remuneration Committee" reserves its right to review and amend this Policy or replace the Policy entirely with a new Policy, if required, to ascertain its appropriateness as per the needs of the Company. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. All such amendments/modifications shall take effect from the date stated therein.

### **N) Website**

- The Policy shall be hosted on the website of the Company.