



# Marksans Pharma Ltd.

## NOMINATION AND REMUNERATION POLICY

### **Introduction:**

Marksans Pharma Limited (the “Company”) has formulated this policy to provide a framework for remuneration of members of the board of directors of the Company (the “Board”), key managerial personnel, and senior management employees of the Company (this “Policy”).

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and the rules made thereunder, each as amended (the “Act”) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent individual.

### **1. Appointment and removal of Director, KMP and Senior Management:**

#### **1.1 Appointment criteria and qualification:**

The Nomination and Remuneration Committee of Directors of the Company (“the Committee”) shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

For the appointment of KMP (other than Managing / Wholetime Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Wholetime Director) or Senior Management, the Managing Director is authorised to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

#### **1.2 Term:**

The Term of the Directors including Managing / Wholetime Director / Independent Director shall be governed as per the provisions of the Companies Act, 2013 and Rules made thereunder read with SEBI Listing Regulations, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

#### **1.3 Evaluation:**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.



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## **1.4 Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

## **2. Remuneration of Managing / Whole-time Director, KMP and Senior Management:**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be determined by the Committee and recommended to the Board for approval, subject to the requisite resolution passed by the members of the Company and shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder read with the SEBI Listing Regulations, as amended from time to time. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Wholetime Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

## **3. Remuneration to Non-executive / Independent Director:**

The remuneration by way of commission or sitting fees, as the case may be, to the Non-Executive Directors including Independent Director, shall be decided by the Committee and recommended to the Board for approval, subject to the requisite resolution passed by the members of the Company. However, no approval shall be required for payment of sitting fees to its directors from the members of the Company. The remuneration shall be paid in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder read with the SEBI Listing Regulations, as amended from time to time. The directors shall also be eligible for the reimbursement of expenses for attending the Board/Committee meetings.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI Listing Regulations, as amended from time to time.

As approved by the Board of Directors at its meeting held on 11<sup>th</sup> February, 2022.

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