



NOMINATION & REMUNERATION POLICY

PREAMBLE

This Policy on Nomination and Remuneration has been formulated in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Requirements) Regulations, 2015.

OBJECTIVES

The key objectives of the Nomination & Remuneration Committee are:

- To guide the Board with regard to appointment/removal of the Directors, Key Managerial Personnel and Senior Management of the Company;
- To ensure proper mechanism for the evaluation of Board and its Committees; and
- To recommend to the Board, the remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The key objectives of this Policy are to ensure that:

- The level of remuneration paid is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and the Senior Management;
- Relationship of remuneration to performance is clear and meets appropriate benchmark; and
- Remuneration 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.

DEFINITIONS

“**Board**” means the Board of Directors of the Company.

“**Company**” means “Shakun Polymers Limited”

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013.

“**Key Managerial Personnel**” or “**KMP**” means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder. As per Section 203 of the Companies Act, 2013, the following are whole-time Key Managerial Personnel:

- (i) Managing Director (including Joint Managing Director) or Chief Executive Officer;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer.

“**Nomination and Remuneration Committee**” or “**the Committee**” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Requirements) Regulations, 2015.

“**Policy or This Policy**” means, “Nomination and Remuneration Policy.”

“**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.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads and position held on or above the General Manager cadre.

COMPOSITION OF THE NOMINATION & REMUNERATION COMMITTEE

The Committee is constituted by:

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|-------|-------------------------|-----------------------------------|
| (i) | Mr. Deepak Kanabar | - Chairman (Independent Director) |
| (ii) | Dr. (Mrs.) Surekha Devi | - Member (Independent Director) |
| (iii) | Mr. Atul Kumar Garg | - Member (Non-executive Director) |

ROLE OF THE COMMITTEE

1. To identify 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 their appointment and removal.
2. To carry out effective evaluation of performance of Board, its Committee and individual directors.
3. Evaluation can be carried out either by the Board, by the Committee or by an Independent external agency and review its implementation and compliance
4. To formulate criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board, a Policy, relating to remuneration for the directors, Key Managerial Personnel and other employees.
5. To formulate the criteria for evaluation of Independent Directors and the Board.
6. To devise a policy on Board diversity.
7. To recommend/review remuneration of the Managing Director and Whole-time-directors based on their performance and defined assessment criteria.
8. To administer, monitor and formulate detailed terms and conditions of the Employees Stock Option scheme, if needed.
9. 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.
10. To perform such other functions as may be necessary or appropriate for the performance of its duties.

MEETINGS OF THE COMMITTEE

- Any two members present will constitute quorum for the meeting.
- Meetings of the Committee may be held from time to time as may be required.
- A Member of the Committee is not entitled to be present when his/her remuneration is discussed or when his/her performance is being evaluated.

APPOINTMENT OF DIRECTORS, KMP AND SENIOR MANAGEMENT

Appointment Criteria and Qualifications

Subject to the applicable provisions of the Companies Act, 2013 and HR Policy of the Company, the Committee shall identify and ascertain the qualifications, experience and integrity of the person for appointment as Director / KMP / Senior Management level and recommend to the Board his/her appointment.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Remuneration

The Committee would determine the remuneration of the Directors/ KMP/ Senior Management Personnel keeping in view the following:

- Ensure that the level and components of remuneration are reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees;
- No director/KMP/ other employee is involved in deciding his or her own remuneration;
- The trend prevalent in the similar industry, nature and size of business to be kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- Ensure that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Consistent application of remuneration parameters across the organization.
- Provisions of law with regard to making payment of remuneration, as may be applicable, should be complied with.

Following criteria will also be considered:

- Responsibilities and duties;
- Time and efforts devoted;
- Value addition;
- Profitability of the Company and growth of its business;
- Standards for certain functions where there is a scarcity of qualified resources;
- Ensuring tax efficient remuneration structures;
- Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.

AMENDMENTS

Any or all the provisions of this policy are subject to revision/modification by the Committee, as may be required.

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