

SWADESHI POLYTEX LIMITED

NRC POLICY

OBJECTIVE

The Nomination and Remuneration/Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The objective of this policy is to lay down a framework in relation to appointment of Directors, Key Managerial Personnel (KMP) or Senior Management Personnel and remuneration payable to them. The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel & Senior Management Personnel.
- Formulate the criteria for determining qualifications, positive attributes of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel & Senior Management Personnel.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel & Senior Management Personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

COMPOSITION

The Nomination and Remuneration Committee shall consist of at least three non-executive directors as members out of which not less than one-half shall be independent directors. The appointment and removal of the members of the Committee shall be as per the provisions of Companies Act, 2013 and the Rules made there under.

MEETINGS:

(1) Meetings: The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of Companies Act, 2013 and Rules made there under and as per the applicable law, if any, for the time being.

The Chair shall preside over all Committee meetings. However, the Chairman/Chairperson of the company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee.

(2) Secretary and Minutes: The Company Secretary shall act as the Secretary for Committee meetings. Minutes of the meetings shall be recorded and maintained by the Company Secretary and shall be presented to the Committee for approval at its subsequent meeting.

(3) Quorum: The quorum for the Committee meeting shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by Video Conferencing or by other audio visual means shall also be counted for the purposes of quorum.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR/KMP/SENIOR MANAGEMENT PERSONNEL

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 to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

Remuneration to Director

No remuneration is being paid to any director of the Company. The Non-Executive Independent Director may receive sitting fees 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.

In future, if the Company decides to pay remuneration to any of the Director of the Company then it 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.

Remuneration to KMP and Senior Management Personnel:

The Committee shall review, monitor and, if advisable, approve and recommend for approval by the members of the Board, the compensation packages for Key Managerial Personnel and Senior Management. The compensation package recommendation shall be based on their performance evaluation conducted pursuant to this mandate, aligned with the longer interests of the Company and its shareholders as well as other factors and criteria, as may be determined by the Committee from time to time.

REPORTING TO THE BOARD

The Chair shall report to the Board on material matters arising at the Committee meetings and where applicable, shall present the Committee's recommendations to the Board for its approval.

DELEGATION OF RESPONSIBILITIES AND AUTHORITIES:

Committee is authorized to delegate its responsibilities or authorities to such person (s) at its discretion, subject to the provisions of the Companies Act, 2013 and other applicable laws.