SALASAR EXTERIORS AND CONTOUR LIMITED
(CIN: L45309MH2018PLC306212)

NOMINATION AND REMUNERATION POLICY

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1. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Nomination and Remuneration Committee comprising of three non-executive Independent Directors with one-half of the Independent Directors as required under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

2. OBJECTIVE

The Key Objectives of the Committee would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

3. DEFINITIONS

- "Board" means Board of Directors of the Company.
- "Company" means "Salasar Exteriors And Contour Limited".
- "Independent Director" means a director referred to in Section 149 (6) of the Companies
- Act, 2013.
- "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.

- "Nomination and Remuneration 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 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" mean 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.

4. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time.

5. GUIDING PRINCIPLES

The Policy ensures 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.

6. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a director.
b) Formulate criteria for evaluation of Independent Directors and the Board.
c) 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.
d) To recommend to the Board the appointment and removal of Directors and Senior Management.

e) To observe proper disclosure of remuneration policy and the evaluation criteria in the Company's Annual Report.
f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
g) To devise a policy on Board diversity.
h) To recommend the Board, remuneration including salary, perquisite and commission to be paid to Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
i) To recommend the Board, the sitting fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non-Executive Directors.
j) 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.
k) To perform such other functions as may be necessary or appropriate for the performance of its duties.

7. MEMBERSHIP

a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least two-thirds shall be Independent.
b) Chairman of the committee shall be an Independent Director.
c) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and any other applicable statutory requirement.
d) The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent directors in attendance.
e) Term of the Committee shall be continued unless terminated by the Board of Directors.

8. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at least once in a year.

9. REPORT

a) The Committee will report on its meetings to the Board

b) Recommendations of the committee are to be referred to the Board for its approval.

10. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and Qualifications:**

1. 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.

2. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

3. The Committee shall ensure compliance to the provisions of Section 196 of the Companies Act, 2013 and Part I of Schedule V with regard to appointment of any person as Managing Director/Whole-time Director/Manager of the Company.

4. The Committee shall receive proper consent and declaration from the proposed appointee in the prescribed format as provided under the Companies Act, 2013, before the appointment is recommended to the Board of Directors for its approval.

- **Term / Tenure:**

1. Managing Director/Whole-time Director/Manager (Managerial Person):

- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Removal:**
  Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**
  The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- **Remuneration to Managerial Person and Senior Management:**
  a) Remuneration payable to any of the managerial personnel shall be as per the provisions of the Companies Act, 2013 and rules made thereunder and shall not exceed the limits as prescribed under the Act.

- **Remuneration to Managing Director, Whole Time Director, Manager:**
  a) Committee shall ensure proper compliance of provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 while deciding their remuneration.
  b) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.

- **Remuneration to Non-Executive / Independent Director:**

  Sitting Fees:

  The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting

of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

12. Minutes of Committee Meeting

Proceedings of all meetings must be recorded in Minutes Book and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

13. Deviations from this Policy

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

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