

NOMINATION AND REMUNERATION POLICY

1. BACKGROUND

The Board of Directors of GOTHI PLASCON (INDIA) LIMITED have constituted the **NOMINATION AND REMUNERATION COMMITTEE** in accordance with the provisions of the Companies Act, 2013 and Listing Agreement entered into with the Stock Exchanges.

In compliance with the requirements set out under Section 178 of the Companies Act, 2013 (“Companies Act”) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Committee has formulated this Nomination and Remuneration Policy (“Policy”) in order to pay equitable remuneration to the Directors, Key Managerial Personnel and employees of the Company and to harmonize the aspirations of human resources with the goals of the Company.

2. DEFINITIONS

2.1. “Company” means **GOTHI PLASCON(INDIA) LIMITED** .

2.2. “Committee” means the Nomination and Remuneration Committee as defined under the Companies Act, 2013 and Listing Obligations and Disclosure Requirements Regulations, 2015. (Listing Regulations).

2.3. “Director” means a Director appointed on the Board.

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

2.5. “Key Managerial Personnel” means key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

2.6. “senior management” mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this Policy and not defined, shall have the meanings ascribed to them under the Companies Act,2013 and the Listing Regulations as may be amended from time to time.

3. ROLE

The Committee constituted by the Board leads the process for appointment and remuneration of Directors and Key Managerial Personnel in accordance with the requirements of the Companies Act and Listing Regulations. All the Board appointments are based on merits. The role/terms of reference of the Committee are as follows:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of board of directors;
- v. identifying 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 of directors their appointment and removal.
- vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vii. recommend to the board, all remuneration, in whatever form, payable to senior management.
- viii. To perform such functions as may be detailed in the Listing Regulations, Companies Act, 2013 and the relevant Rules made there under.

4. CONSTITUTION AND QUORUM OF THE COMMITTEE

The Constitution and Quorum of the Committee shall be as per applicable provisions of the Companies Act, 2013 and Listing Regulations, 2015 as may be amended from time to time.

5. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

(a) Appointment criteria and qualifications

- i. The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- ii. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
- iii. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- iv. For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board.
- v. For the purpose of identifying suitable candidates, the Committee may;
 - a. use the services of an external agencies, if required
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity and
 - c. consider the time commitments of the candidates
- vi. The Company shall appoint or continue the employment of a person as Managing Director /wholtime Director and non-executive Director who has not attained the maximum age of retirement as prescribed under Companies Act, 2013 and Listing Regulations, 2015.
- vii. The Company shall not appoint any resigning independent director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director

(b) Term / Tenure

1. The appointment and tenure of director , Managing Director and whole time director would be governed by the applicable provisions of the Companies Act, 2013 and Listing Regulations, 2015
2. Independent Director : The appointment and tenure of Independent Director would be governed by the applicable provisions of the Companies Act, 2013 and Listing Regulations, 2015.

(c) Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of Director, Senior Management personnel or Key Managerial/Management Personnel due to reasons for disqualification in the Companies Act or any other applicable act, rules and regulations. Such removal shall be subject to the provisions and compliance of applicable laws, rules and regulations..

(d) Retirement

The Board of Directors, Key Managerial/Management Personnel and Senior Management shall retire as per the applicable provisions of the Companies Act, other applicable laws and regulations.

6. REMUNERATION

i. Remuneration for Independent Directors and Non-Executive Directors:

- a. Independent Directors and non-executive directors may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) within regulatory limits.
- b. In addition to the sitting fees, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, meetings with shareholders/creditors/management, induction and training (organized by the Company for Directors),etc.

ii. Remuneration for Executive Directors, Key Managerial Personnel and Senior Management:

- a. The remuneration to be paid to the Managing Director & CEO shall be recommended by the Committee to the Board and governed by the percentage / slabs / conditions as per the provisions of the Companies Act.
- b. The remuneration / compensation etc. to the Managing Director, Key Managerial Personnel and Senior Management personnel will be determined by the Committee and recommended to the Board for approval, while keeping in mind the following guidelines:
- c. Some of the key guiding principles that may be followed by the Committee at the time of determining any remuneration for Executive Directors, Key Managerial Personnel and Senior Management personnel shall include:
 - (i) remuneration should be reasonable and sufficient to attract, retain and motivate the employees to be aligned with the requirements of the Company (taking in consideration the challenges faced by the Company and its future growth imperatives);
 - (ii) Financial condition of the Company;
 - (iii) overall remuneration practices should be consistent with the recognized best practices;
 - (iv) market competitive;
 - (v) reflective of size of the Company, complexity of the sector / industry / Company's operations and the Company's capacity to pay;

(vi) aligned to regulatory requirements.

7. POLICY IMPLEMENTATION

The Committee is responsible for recommending the nomination and the remuneration policy to the Board in the matters mentioned above. The Board is responsible for approving and overseeing implementation of the aforesaid policies.

8. MODIFICATIONS AND REVIEW OF THE POLICY

In case of any subsequent changes in the Companies Act or any other regulations which makes any of the provisions in the Policy inconsistent with the Companies Act or regulations, then the provision of the Companies Act or regulations would prevail over the Policy and the provisions of the Policy would be modified in due course to make it consistent with law.