

NOMINATION AND REMUNERATION POLICY

INTRODUCTION:

Saboo Sodium Chloro Limited (SSCL in brief) is committed to conducting business with integrity, including in accordance with all applicable laws and regulations. SSCL's expectations with respect to business ethics are contained in the Code of Business Conduct and Ethics (the "Code of Conduct").

This policy has been updated as per Part- D of Schedule II (1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, every listed company has to formulate a policy on Nomination and Remuneration of Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and Senior Management Personnel.

PURPOSE OF THIS POLICY:

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management Personnel.

APPLICABILITY:

This Nomination and Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and Senior Management Personnel of Saboo Sodium Chloro Limited (the "Company").

DEFINITIONS:

1. **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;
2. **Key Managerial Personnel** means:
 - I. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - II. Chief Financial Officer;
 - III. Company Secretary; and
 - IV. such other officer as may be prescribed..
3. **'Company'** means Saboo Sodium Chloro Limited.
4. **'Committee'** means Nomination and Remuneration Committee of the Company as constituted by the Board from time to time.
5. **'Independent Director'** Means a Director referred to in Section 149 (6) of The Companies Act, 2013 read with clause 49 of the listing agreement.

6. **‘Senior Management Personnel’** means a personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure.

OBJECTIVE OF THE POLICY:

1. To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management Personnel including appointment of Directors, KMPs and Senior Management Personnel positions;
2. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel;
3. To develop a succession plan for the Board and to regularly review the plan;
4. To determine remuneration based on Company’s financial position, trends and practices on remuneration prevailing in the industry;
5. To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;
6. To retain, motivate and promote talent and to ensure long term sustainability of Directors talent including KMPs & Senior Management Personnel and create competitive advantage.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The company has Nomination and Remuneration committee of the board. The Board has the power to reconstitute this committee time to time.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and recommend his / her appointment, as per Company’s Policy.
2. A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

REMUNERATION OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- **Remuneration to Managing Director / Whole-time Directors:**
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. 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 and the approvals obtained from the Members of the Company.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- **Remuneration to Non- Executive / Independent Directors:**
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be 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. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
 - e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

- **Remuneration to Key Managerial Personnel and Senior Management Personnel:**

- a) The remuneration to Key Managerial Personnel and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management Personnel.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management Personnel, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may Delegate any of its powers to one or more of its members.

AMENDMENTS TO THE NOMINATION AND REMUNERATION POLICY

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.