TAiNWALA

NOMINATION AND REMUNERATION POLICY

INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel ("KMP") and employees of the Company, and in terms of the provisions of Section 178 of the Companies Act, 2013 ("Act") and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") as amended from time to time this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Committee and approved by the Board of Directors.

OBJECTIVE AND PURPOSE OF THE POLICY:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and to determine their remuneration.
- To assist in succession planning of its CEO/ Managing Director.
- To review the performance of Directors.
- Remuneration to Directors & KMP involves a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- Guide and review Compensation Policy of the Company including Sales Incentive Plan, Variable Pay, stock option plans, etc. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

DEFINITIONS:

"Board" means Board of Directors of the Company.

"Director" means Directors of the Company who are members of the Committee.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Company" means Tainwala Chemicals and Plastics (India) Limited.

"Independent Director" means a Director referred to in Section 149(6) of the Act.

"Key Managerial Personnel" (KMP) means -

i. the Chief Executive Officer or the Managing Director; or Manager;
ii. the Company Secretary.
iii. the Whole- time director;
iv. the Chief Financial Officer;
v. *such other officer, not more than one level below the Directors who is in whole time employment, designated as Key Managerial Personnel by the Board; and
vi. such other officer as may be prescribed

("Senior Management" would include all members of management one level below the CEO/ MD/ Whole Time Director/ Manager (including CEO/ Manager, in case CEO/ Manager is not part of the Board) and should specifically include the Company Secretary and the Chief Financial Officer (CFO).)

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act, Listing Regulations and/ or any other SEBI Regulation(s) as may be amended from time to time shall have the meaning respectively assigned to them therein.

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) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act, and applicable statutory requirements.
c) Either two (2) or one third (1/3rd) of the members of the Committee, whichever is greater, including at least one Independent Director in attendance shall constitute a quorum for the Committee meeting.
d) Membership of the Committee shall be disclosed in the Annual Report.
e) Term of the Committee shall be continued unless terminated by the Board.

CHAIRPERSON:

a) Chairperson of the Committee shall be an Independent Director.
b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as the Chairperson.
d) Chairperson of the Committee shall be present at the Annual General Meeting or may authorize any other member of the Committee to answer the shareholders' queries.

MEETINGS:

The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of Act, and Rules made thereunder and as per the applicable laws, if any, for the time being which shall not be less than one meeting in a year. (The Committee shall meet at least once in a year.) Non-executive Director(s) will be paid sitting fees for attending each meeting of the Committee of an amount as is being paid in respect of other committee meetings of the Board.

Proceedings of all meetings must be minuted and signed by the Chairperson of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

COMPANY SECRETARY:

The Company Secretary shall act as the secretary to the committee.

COMMITTEE MEMBERS' INTERESTS:

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated;

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VOTING:

Matters arising for determination at Committee meetings shall be decided by consensus or by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee;

In the case of equality of votes, the Chairperson of the meeting will have a casting vote.

APPLICABILITY:

The Policy is applicable to Directors (Executive and Non-Executive), KMP and Senior Management Personnel.

The Committee shall:

- Formulate 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.

- For every appointment of an independent director, 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.
- Formulate the criteria for payment to Non-executive Directors and evaluation of performance of independent directors and the board of directors.
- Shall device a Policy on Board Diversity.
- Oversee the identification of persons who are qualified to become a Director and who may be appointed in senior management in accordance with the criteria laid down in this policy.
- Shall consider 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.
- Recommend to the Board, appointment, removal of Director and Senior Management.
- Recommend to the Board remuneration payable to Senior Management.
- Shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
- Shall work with the Chairperson to plan for CEO/ Managing Director's succession including plans for interim succession in the event of an unexpected occurrence or a planned transition and submit to the Board to nominate potential successors to CEO.
- Delegate such activities to the CEO/ Managing Director as the Committee deems necessary and to review the actions taken by the person on such activities.

DISCLOSURE:

This policy and the evaluation criteria shall be disclosed in the Annual Report.

MODIFICATION:

The Committee or the Board of Directors of the Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with the regulations and/ or to accommodate organizational changes within the Company.