

BANSWARA SYNTEX LIMITED

Nomination and Remuneration Policy

1. Preface:

- a. The Company considers its human resources as its asset. The Company has a system of payment of remuneration to all its employees which suits to the employees' role and responsibilities, employees' performance and contribution towards the achievement of Company's goals.
- b. As per the requirement of provisions of 178 of the Companies Act, 2013 and also the listing agreement with the Stock Exchanges, this Nomination and Remuneration policy (N.R. Policy) has been formulated. This will cover nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other employees.

2. Objectives of this NR Policy:

- a. To assess the person for appointment as director, Key Managerial Personnel and Senior Management Personnel.
- b. To lay down criteria to carry out evaluation of the Director's performance.
- c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel & other employees to work towards the long term growth and success of the Company.

3. Definitions:

- a. "Board" means the Board of Directors of the Company.
- b. "Directors" means the Directors of the Company.
- c. "Company" means Banswara Syntex Limited.
- d. "Key Managerial Personnel"(KMP) means
 - Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole-time Director;
 - Chief Financial Officer;
 - Company Secretary;



- e. "Senior Management Personnel" means, the post of President (Commercial) and President at Banswara Plant.
- g. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

4. NR Policy

NR Policy is divided into three parts as follows:

I. Qualifications

Criteria for identifying persons who are qualified to be appointed as a Directors/ KMP /Senior Management Personnel of the Company:

a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

c. Senior Management Personnel KMP and Other Employees

The appointment of the Senior Management Personnel will be considered on the basis of the relevant experience and expertise required for meeting job requirement, besides this the academic qualification MBA/Finance Graduate will also be considered by Board.

For the appointment of Key Managerial Personnel i.e. Managing Director, Chief Executive Officer, Manager and Whole Time Director, the relevant experience and the qualification will be considered. For the appointment of Chief Financial Officer the person should be Chartered Accountant (CA) with relevant experience. For the appointment of Company Secretary the person should be Company Secretary (CS) with membership of Institute of Company Secretaries of India along with relevant experience.

II. Remuneration

- a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel



The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

b. Structure of Remuneration for Non-executive Director

Non Executive Directors are being paid fees for attending meeting of the Board of Directors of the Company and Committees thereof, apart from incidental expenses. The Company reimburse them travelling expenses or other expenses they incur for attending the above meetings as well as General Meetings or to attend other events for Company's Affairs.

Any increase in the maximum aggregate remuneration payable to Whole Time and Non Executive Directors beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the General Meeting by way of special resolution and/or of the Central Government, as may be applicable.

c. Structure of Remuneration for Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

III. Evaluation

a. Criteria for evaluating Non-executive Board members:

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel

Criteria for evaluating performance of KMP and Senior Management Personnel shall

be done by the Whole Time Directors based on their day to day performance.

c. Criteria for evaluating performance of Other Employees

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

5. Communication of this Policy

This Policy shall be posted on the web-site of the Company and in the Annual Report of the Company.

6. Amendment

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**Approved in Board Meeting
dated 13.08.2014**



**R.L. TOSHNIWAL
Chairman of the Meeting**