

NOMINATION & REMUNERATION POLICY
(Framed under Section 178 of the Companies Act, 2013)

1. Introduction

1.1 At SBC Exports Limited, we consider human resources as its valuable assets, to pay equitable remuneration to Executive Directors, Key Managerial Personnel (KMPs) and Employees of the Company, to harmonies aspirations of the human resources consistent with goals of the Company and pursuant to Companies Act 2013, the Policy on Nomination and Remuneration of Directors, Key Managerial Personnel And Senior Management was formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

1.2 Pursuant to Section 178 of the Companies Act 2013, the Board of Directors has constituted Nomination and Remuneration Committee consisting of three non-executive directors out of which not less than one half are Independent Directors. The Chairman of the Committee is an Independent Director.

2. Policy Objectives:

The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees. The Key Objectives of the Committee would be:

- a) Guidance the Board in relation to appointment or removal of Directors, Kay Managerial Personnel and Senior Management.
- b) Formulation of criteria for determining qualifications, experience, positive attributes and independence of Directors.
- c) Formulation of Policy regarding remuneration of Directors, KMPs, Senior Management Personnel.
- d) Formulation of criteria for evaluation of Independent Director and evaluation of performance of the Board.
- e) Recommendation to the Board regarding remuneration payable to the Executive Directors, KMPs, and Senior Management.

3. Evaluation:

As per the provisions of Section 134 and 178 of the Act, the performance of the Board of a Company is to be evaluated annually by the Nomination and Remuneration Committee and a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors shall be mentioned in the Board's report. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Scope of the Policy:

The Policy is applicable regarding appointment and remuneration in case of:

- Executive Directors
- Key Managerial Personnel (KMPs)
- Senior Management Personnel

5. Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct

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7. Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

8. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees 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.

9. Review and Amendments:

- The NRC or the Board may review the Policy as and when it deems necessary.
- The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

10. Removal:

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