



NOMINATION AND REMUNERATION POLICY

Section 178 of the Companies Act, 2013 (the “Act”) read with Regulation 19 and Part D of Schedule II of Securities and Exchange Board of India (LODR) Regulations, 2015)

Approved By	Board of Directors.
Date of Approval	11.03.2022
Revision date	12.08.2025

SENCO GOLD LIMITED

CIN: L36911WB1994PLC064637

Registered & Corporate Office:

Diamond Prestige, 41A, A.J.C. Bose Road, 10th floor,
Unit no. 1001, Kolkata-700017, West Bengal, India

NOMINATION AND REMUNERATION POLICY

PREAMBLE

In accordance with the provisions of Section 178 of the Companies Act, 2013, read with applicable rules thereto and Regulation 19 read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of the Company at its meeting held on 13th June 2015 constituted the Nomination and Remuneration Committee of the Board of Directors and also stipulated terms of reference in line with the Companies Act, 2013. The Board of Directors changed the nomenclature of the said committee to Nomination Remuneration and Compensation Committee (hereinafter referred to as committee) on 22nd May 2018. In order to recommend the persons to be appointed as Director of the Company and one level below the Board of Directors, and functional heads and to pay equitable remuneration to the Directors, Key Managerial Personnel and Senior Management of the Company, the Board on the recommendation of the Nomination, Remuneration and Compensation Committee, formulated and approved this Nomination and Remuneration Policy (“Policy”) in its duly convened meeting of the Board of Directors (“Board”), dated 11th March, 2022.

OBJECTIVE

- 1) To lay down the criteria for identifying the persons who are qualified to become directors and who may be appointed in Senior Management and recommending to the Board of Directors of the Company for their appointment and removal.
- 2) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director.
- 3) To formulate the policy relating to remuneration of Directors, Key Managerial Personnel and Senior Management.
- 4) To formulate the criteria for evaluation of the performance of all the Directors on the Board.
- 5) To devise a policy on diversity of the Board of Directors of the Company.
- 6) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

This Policy deals with:

Part A	Deals with Appointment and Removal of Director, Key Managerial Personnel and Senior Management;
Part B	Deals with Remuneration of Directors, Key Managerial Personnel and other Employees

PART A

DEALS WITH APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. TITLE

This part deals with appointment and removal of director, key managerial personnel and senior management.”

2. PREAMBLE

Section 178(2) of the Companies Act 2013 requires the Nomination and Remuneration Committee to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal.

3. DEFINITIONS

For the purpose of this Policy the following terms shall have the meanings assigned to them hereunder:

- (a) **"Board"** means the board of directors of the Company.
- (b) **Part A** of the Nomination and Remuneration Policy deals with appointment and removal of directors, key managerial personnel and senior management, as amended from time to time.
- (c) **"Key Managerial Personnel"** means
 - (i) the Chief Executive Officer or the managing director or the manager.
 - (ii) the company secretary.
 - (iii) the whole-time director.
 - (iv) the Chief Financial Officer; and
 - (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.

The Board may on the recommendations of the Nomination Remuneration and Compensation Committee, designate any other officer as a Key Management Personnel (KMP) and once a person is designated as KMP he or she should be properly informed of the responsibilities of KMP by the Management.

- (d) **"Senior Management"** shall 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 persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.
- (e) **"Committee"** means the nomination, remuneration and compensation committee of the Board.
- (f) **"Companies Act"** means the Companies Act, 2013, read with the rules made thereunder, as amended.
- (g) **"Director"** means a member of the Board; and
- (h) **"Company"** means Senco Gold Limited.

Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act, and rules and regulations made thereunder.

4. APPOINTMENT

1. The Committee shall identify and ascertain the person for appointment as Director, Key Managerial Personnel and Senior Management based on the following parameters which are relevant to the business of the Company:
 - i. Integrity
 - ii. Qualification
 - iii. Knowledge and Competency and
 - iv. Experience

2. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position concerned. In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations, management, public policy, legal, governance and other disciplines. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience. While appointing an Independent Director, the Committee should also review the independence of the proposed appointee. Further the Committee should take into consideration the directorships held by the proposed appointee in other companies.
3. The Committee shall recommend the appointment to the Board of Directors of the Company.
4. The appointment of Managing Director and Independent Director of the Company shall be strictly in accordance with the applicable provisions of the Companies Act 2013 and any other applicable law for the time being in force.
5. No person shall be appointed as a Director if he/she is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.
6. A person, to be appointed as a KMP/SMP shall possess leadership skills, decision making skills, effective communication skills and shall have ability to build team and foster team spirit.
7. A person, to be appointed as Director/KMP/SMP must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

5. TERM/TENURE

1. The tenure for the Executive Directors, Non-Executive Directors and Independent Directors shall be governed by the terms defined in the Companies Act, 2013 and SEBI (LODR).
2. The tenure of the Key Managerial Personnel (except Managing Director and Executive Directors) and Senior Management will be governed by the general rules and regulations governing Human resources /employees of the company.

6. DUTIES OF BEING A KMP OR A SMP

The Key Managerial Personnel and Senior Managerial Personnel shall discharge their duties in good faith and in the best interests of the Company and its stakeholders. They are expected to use their best endeavors and organize the resources for advancing the Company's mission. They are expected to act ethically, honestly, diligently and in good faith to protect the Company's brand equity and image. They shall act in good faith, responsibly, with due care, and competence and diligence, without allowing their independent judgment to be subordinated. They shall act in the best interests of the company and fulfill their fiduciary obligations.

7. IMPLICATIONS OF BEING A KMP OR A SMP

A KMP or a SMP holds fiduciary role in the Company. It is utmost important for them to exercise the given role with trust and integrity failing which non-compliances can be attracted and penalties or fines may be imposed on them and the Company pursuant to applicable provisions of the Companies Act, 2013 and the SEBI Regulations.

Further a KMP or a SMP may also be appointed as an officer in default pursuant to Section 2(60) of the Companies Act, 2013, and he/she shall be liable for any contravention of the provisions of the Companies Act, 2013, with respect to his/her area of operations.

7. REMOVAL

1. Subject to the applicable provisions of the Act and SEBI (LODR), the Committee may recommend the removal of any of the Board of Directors of the Company if he has incurred disqualification under Section 164 of the Act or as per Section 167 or Section 169 of the Act. The reason for the removal needs to be recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations and forwarded to the Board of Directors for their consideration.

2. The removal of the Key Managerial Personnel (except Managing Director/ executive director) shall be as per provisions of Companies Act, 2013 and Senior Management will be governed by general rules and regulations/ Policy governing Human resources /employees of the company.

8. RETIREMENT

The Managing Director/ Whole-time Directors (WTD) shall retire by rotation as per the provisions of the Companies Act 2013 and will also be governed by the prevailing retirement policy of the Company. Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013/ prevailing policy of the Company. The Board will have the discretion to retain the WTD, Key Managerial Personnel and the Senior Management Personnel in the same position/ remuneration or otherwise, even after attaining the retirement age for the benefit of the Company.

9. REVIEW OF THE POLICY

This policy shall be reviewed by the Nomination Remuneration and Compensation Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

10. EFFECTIVE DATE

This Policy is effective from 11th March, 2022 and is subject to amendment as may be approved by the Board on basis of the recommendation of the Nomination, Remuneration and Compensation Committee.

PART B

DEALS WITH REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES (Under section 178(3) of the Companies Act, 2013)

1. TITLE

This part deals with remuneration of Directors, Key Managerial Personnel and other employees.”

2. PREAMBLE

Section 178(3) of the Companies Act, 2013, requires the Nomination, Remuneration and Compensation Committee to recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

3. DEFINITIONS

For the purpose of this Policy and, the following terms shall have the meanings assigned to them hereunder:

- (a) **"Board"** means the board of directors of the Company.
- (b) **Part B** of the Nomination and Remuneration Policy deals remuneration of directors, Key Managerial Personnel and other employees, as amended from time to time.
- (c) **"Key Managerial Personnel"** means
 - (i) the Chief Executive Officer or the managing director or the 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.
- (d) **"Senior Management"** shall 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 persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity
- (e) **"Remuneration"** means any money or its equivalent given or passed to any person for position occupied in the Company and responsibility being vested on him and includes perquisites as defined under the Income Tax Act, 1961.
- (f) **"Committee"** means the Nomination, Remuneration and Compensation committee of the Board.
- (g) **"Companies Act"** means the Companies Act, 2013, read with the rules made thereunder, as amended.
- (h) **"Director"** means a member of the Board; and
- (i) **"Company"** means Senco Gold Limited.

Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act, 2013 and rules and regulations made thereunder

4. REMUNERATION TO MANAGING DIRECTOR/ WHOLE TIME DIRECTOR

1. The remuneration to Managing Director of the Company shall be governed by section 197, and Schedule V of the companies Act, 2013/ any other enactment for the time being in force.
2. The Committee may make such recommendations as it may consider appropriate in connection with the remuneration to Managing Director/ Whole- time Director to the Board of Directors of the Company.

5. REMUNERATION TO NON-EXECUTIVE DIRECTORS /INDEPENDENT DIRECTORS

1. The Non-Executive Directors and/or Independent Directors of the Company are eligible to get sitting fees for attending meetings of Board or Committee. The amount of sitting fees shall be examined by the NRC Committee based on the factors like performance of the Company, performance of the Board, industry practices and inputs from the Management of the Company and shall be recommended by the NRC Committee to the Board of Directors of the Company for approval, subject to the provisions of Section 197 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.
2. In addition to the sitting fees, the Management of the Company may also propose to pay profit-linked commission to the Non-Executive Directors and/or Independent Directors of the Company within the monetary limit approved by the Board and the Shareholders of the Company, subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.
3. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and SEBI (LODR), as amended from time to time.

6. REMUNERATION TO KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES

1. The remuneration of key managerial personnel and senior management shall involve a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the company and its goals
2. The fixed compensation of all employees including key managerial personnel and Senior Management will be determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation will include basic salary, housing allowance, leave travel allowance and such other allowance.
3. The annual incentive (variable pay) of all employees, if any will be linked directly to the performance of the Company.
4. Employees will also be eligible for work-related facilities and perquisites as may be determined through human resources policies issued from time to time based on the grade of the employee.
5. The annual increment of all employees, including key managerial personnel and Senior Management, will be on the basis of formal annual performance evaluation. Annual increase in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employees.

7. REVIEW OF THE POLICY

This policy shall be reviewed by the Nomination Remuneration and Compensation Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

8. EFFECTIVE DATE

This Policy is effective from 11th March, 2022 and is subject to amendment as may be approved by the Board on basis of the recommendation of the Nomination, Remuneration and Compensation Committee.