



NOMINATION AND REMUNERATION POLICY

Version – 1.2

Version	Effective date	Date of Board's Approval	Remarks
1.0	12.02.2015	12.02.2015	Adopted as per Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
1.1	22.05.2019	22.05.2019	Revision as per amendments in SEBI (LODR) Regulations, 2015.
1.2	10.08.2023	10.08.2023	Revision as per amendments in SEBI (LODR) Regulations, 2015.

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NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION

Skipper Limited (hereinafter referred to as “Skipper” or “Company”) has formulated this policy in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment or modification thereof).

The policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company. The Company considers that human resources are its invaluable assets and as a policy aims to realize full potential of such invaluable assets by harmonizing the aspirations of the human resources with the goals of the Company. The expression KMP shall have the same meaning as defined under the Companies Act, 2013. “Senior Management” means the officers and personnel of the company who are members of its core management team, excluding the Board of Directors, and comprising 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 Company Secretary and the Chief Financial Officer.

This Policy also provides a framework for identification of persons who are qualified to become Directors and who may be appointed in Senior Management and recommend to the Board their appointment.

2. OBJECTIVES OF THE POLICY

The basic objectives of this policy are:

- i. To enable the company to attract, retain and motivate high quality members for the Board and executives.
- ii. To formulate criteria for appointment of Directors, Key Managerial Personnel and Senior Management Personnel.
- iii. To set out a policy relating to remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.
- iv. To formulate criteria for appointment of Directors, Key Managerial Personnel and Senior Management Personnel.
- v. To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of a director.

3. DEFINITIONS

- 3.1 “**Board**” means Board of Directors of the Company.

- 3.2 **“Committee”** means Nomination and Remuneration Committee (NRC) of the Company as constituted or reconstituted by the Board.
- 3.3 **“Company”** means Skipper Limited.
- 3.4 **“Director”** means a director appointed on the Board of the Company including executive, non-executive and independent directors.
- 3.5 **“Key Managerial Personnel” (KMP)** includes Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-Time Director; Company Secretary and Chief Financial Officer.
- 3.6 **“Senior Management Personnel” (SMP)** means the officers and personnel of the company who are members of its core management team, excluding the Board of Directors, and comprising 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 Company Secretary and the Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013/ Listing Regulations as may be amended from time to time and shall have the meaning respectively assigned to them therein.

4. CRITERIA FOR APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNELS

The Nomination and Remuneration Committee shall consider the following for identifying and recommending persons for appointment as Directors/KMP/SMP of the Company:

- (i) The committee shall ascertain the integrity, qualification, expertise, competencies, experience and background of the person identified for appointment as Director/ KMP/ SMP and recommend to the Board his/her appointment. The committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the position.
- (ii) A person, to be appointed as Director/KMP/SMP, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company’s growth.
- (iii) A person, to be appointed as Director/KMP/SMP shall not be disqualified in accordance with any law applicable for the time being in force.
- (iv) A person, to be appointed as an Independent Director shall qualify the independence criteria’s and other criteria’s as per applicable laws applicable for the time being in force and the NRC shall

review the candidature on skills, experience and knowledge to ensure an overall balance in the Board.

- (v) 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.
- (vi) 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. COMPENSATION STRUCTURE

The compensation structure shall ensure that the remuneration is competitive in order to attract, retain and motivate the Directors/KMP/SMP/other employees and can be divided into fixed and variable components to motivate and reward high performers.

5.1 Remuneration to Non-Executive/Independent Directors:

- (i) The Non-Executive/Independent Directors of the Company shall be paid remuneration by way of sitting fees for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-Executive/Independent Directors shall be fixed by the Board and reviewed from time to time in accordance with Company's performance and the provisions of the applicable laws.
- (ii) The Non-Executive/Independent Directors may be paid commission as the Board may approve from time to time on recommendation of the Nomination and Remuneration Committee subject to limits prescribed in the Companies Act, 2013 or Rules made thereunder and approved by the shareholders.
- (iii) Travelling, fooding & lodging expenses of outstation Non-Executive/Independent Directors for attending Board/Committee meetings shall be borne by the Company.
- (iv) The Independent Directors shall not be entitled to any stock option of the Company.
- (v) Where the annual remuneration payable to a single Non-Executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, then approval of the shareholders by special resolution shall be obtained every year.

5.2 Remuneration to Executive Directors:

- (i) The remuneration paid to Executive directors shall be recommended by the Nomination and Remuneration Committee and shall be approved by the Board of Directors, subject to the subsequent approval by the shareholders at the general meeting, as the case may be.

- (ii) The remuneration for Executive Directors shall be arrived by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry, future contribution and the financial position of the Company.
- (iii) The remuneration of the Executive Directors may be divided into fixed and variable pay.
- (iv) The remuneration to be paid to the Executive Directors shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.
- (v) The fees or compensation payable to Executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-
 - (a) the annual remuneration payable to such Executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the Company, whichever is higher; or
 - (b) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits (calculated as per section 198 of the Companies Act, 2013) of the Company.

5.3 Remuneration to KMP/SMP and other employees:

As per the provisions of Section 178 of the Act and Listing Regulations, the Nomination and Remuneration Committee shall recommend the remuneration of the KMP/SMP of the Company. The Compensation for other employees would be guided by the external competitiveness and internal parity and shall be based on the KRA's identified and the achievement thereof. The increments shall usually be linked to their performance as well as performance of the Company. The remuneration structure can be divided into fixed and variable components and can also include issuance of stock options.

6. AMENDMENT OF THE POLICY

Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy. On recommendation of the Nomination & Remuneration Committee or otherwise the Board of Directors reserves its right to amend or modify the policy in whole or in part, at any time without assigning any reason whatsoever.
