



## SOBO FILMS HOLDING LIMITED

### NOMINATION AND REMUNERATION POLICY

[Pursuant to the provisions of Section 178 of the Companies Act, 2013 (“the Act”) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”)]



## 1) BACKGROUND

Nomination and Remuneration Policy (“**Policy**”) of SOBO FILMS HOLDING LIMITED is being formulated in terms of Section 178 of the Companies Act, 2013 (“**the Act**”) read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Requirements) Regulations, 2015 (“**Listing Regulation**”), as amended from time to time.

This Policy on nomination and remuneration of Directors, Key Managerial Personnel’s (KMP) and Senior Management Personnel and other employees has been formulated by the Nomination and Remuneration Committee (“**the Committee**”) which shall act as a guideline for determining, inter alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

## 2) OBJECTIVE

The objective of the policy is as under:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for recommendation of appointment of a director (executive/ non-executive/ independent) to the Board; and.
- To specify the manner for effective evaluation of performance of the Board, its Committees, Individual Directors, to be carried out either by the Board, the Committee, or by an Independent external agency and review its implementation and compliance.
- To recommend to the Board the remuneration payable to the Directors, KMP’s and senior management personnel.
- Board Diversity;
- Succession plan for Directors, Key Managerial Personnel and employees in Senior Management.

## 3) DEFINITIONS

a) In this Policy, unless the context otherwise requires:

- ‘**Board of Directors**’ or ‘**Board**’, in relation to the Company, means the board of directors of the Company.
- ‘**Committee**’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in terms of the Act and LODR Regulations.



- ‘Independent Director’ means a director referred to in Section 149(6) of the Act read with LODR Regulations.
  - ‘Key Managerial Personnel’ (KMP) shall have the meaning described to it in the Act and the Rules made thereunder.
  - ‘Policy’ means this Nomination and Remuneration Policy, as may be amended from time to time.
  - ‘Senior Management Personnel’ 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 include the functional heads.
- b) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/ or LODR Regulation as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### 4) APPLICABILITY

This Policy is applicable to:

- Directors
- Key Managerial Personnel
- Senior Management Personnel

#### 5) MEMBERSHIP

- The Committee shall consist of such number of directors as is required under applicable laws.
- Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
- The quorum for the Meeting of the Committee shall either be two members or one third of the total strength of the Committee, whichever is higher (including at least one independent director in attendance).
- The term of the Committee shall be continuous unless terminated by the Board of Directors.

#### 6) CHAIRMAN





- The Chairman of the Committee shall be an Independent Director and all members of the committee shall be Non-Executive Directors.
- The Chairman of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not be the Chairman of the Committee.
- The Chairman of the Nomination and Remuneration Committee meeting shall be present at the Annual General Meeting or may nominate some other member to answer the shareholder's queries.

#### 7) FREQUENCY OF MEETINGS

- The meeting of the Committee shall be held at such intervals as may be required subject to a minimum of one meeting in a financial year.

#### 8) 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 is considered appropriate, to be present at the meetings of the Committee.

#### 9) SECRETARY

- The Company Secretary of the Company shall act as Secretary of the Committee.

#### 10) VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### 11) RESPONSIBILITY OF THE COMMITTEE

The Committee is responsible for:

- formulating criteria for determining qualifications, positive attributes and independence of director for the purpose of this Policy;
- advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including non-executive directors), KMPs and Senior Management;
- monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and Senior Management;



- To formulate a criterion for evaluation of independent Directors, Board and the Board Committees and carry out evaluation of every Director's performance through use of technology platform for self-evaluation and peer evaluation;
- Extend the term of appointment of Independent Directors based on their performance evaluation report;
- monitoring and evaluating the application of this Policy;
- monitoring and evaluating current remuneration structures and levels in the Company;
- Review ageing of key open/ vacant positions in the organization;
- Recommend to the board, all remuneration, in whatever form, payable to senior management, including the composition into fixed pay, performance linked incentive, commission, employee stock option scheme;
- To review the Company's incentive compensation and equity-based plans and recommend changes as necessary, oversee administration of these plans, grant incentives to eligible employees, in consultation with management, and allot shares when options are exercised;
- Review the Succession plan for Directors, Key Managerial Personnel and employees in Senior Management and the successor readiness roadmap; and
- Any other responsibility as determined by the Board.

#### **12) APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and/or Senior Management Personnel and recommend to the Board his / her appointment.
- The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- Appointment of Directors, KMPs and Senior Management Personnel is subject to compliance with provisions of the Act and LODR Regulations.

#### **13) AMENDMENT**

- Any change in the Policy shall be approved by the Board of the Company. The Board 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.



- In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of the Statute(s) shall prevail.

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