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BHANSALI ENGINEERING POLYMERS LIMITED

NOMINATION & REMUNERATION POLICY

Charter Purpose:

The purpose of the Nomination and Remuneration Committee (the "committee") of the Board of Directors (the "Board") being constituted pursuant to the provision of Section 178 of Companies Act, 2013 shall be to assist the Board in discharging its responsibilities relating to compensation of the Company's executive directors and other senior level employees/personnel and Key Managerial Personnel (KMP's) etc. The committee has the overall responsibility of approving and evaluating the adequacy of the compensation and benefits plans, policies, programs and succession plans for Company's Executive Directors and the Chief Executive Officer.

Membership and organization:

The committee will be appointed by the Board and will function at its discretion. The committee shall consist of not less than three non-executive directors out of which two shall be Independent Directors and Chairman of Company can't be Chairman of Nomination and Remuneration Committee; however he can be member thereof.

Functions:

Section 178 specifies the major functions of the Nomination and Remuneration Committee as hereunder:

1. The Nomination and Remuneration Committee shall 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 their appointment and removal and shall carry out evaluation of every director's performance.
2. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that-
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals:

Provided that such policy shall be disclosed in the Board's report.

The members of the committee will be appointed by the Board and may be removed by the Board in its discretion. The Board shall designate a member of the committee as the chairperson.

Responsibilities:

The committee shall have the following responsibilities and authority:

The committee shall annually review the CEO and Executive Directors for the corporate goals and objectives of Company and will evaluate at least annually the CEO's / Executive Directors' performance in light of those goals and objectives, and determine and approve the CEO's/ Executive Directors remuneration viz consisted of following inter alia others:

- (a) annual base salary,
- (b) annual incentive bonus, including the specific goals and amount,
- (c) equity compensation,
- (d) employment agreements, severance arrangements, and change in control agreements / provisions, and
- (e) any other benefits, compensation or arrangements, based on this evaluation.

The committee, in consultation with the CEO, shall review the performance of all the Whole Time Directors, Executive Directors, Senior Management Personnel (SMPs)/ Key Managerial Personnel (KMPs). The Senior Management Personnel means personnel of the Company one level below the Board/ Executive Director(s) and includes Vice President (V.P) and above, Chief Financial Officer (CFO) and Company Secretary (CS).

The committee may also make recommendations to the Board with respect to incentive compensation plans. The committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

The committee shall annually review its own performance and shall present the results of the evaluation to the Board for their review.

The committee shall have the responsibility to maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development institute, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.

Advisors:

The Committee may seek the advice of the external specialised agencies in fixation and evaluation of remuneration of the CEO, executive directors and other senior level personnel whenever deemed required. The committee shall have the sole authority to select, retain and terminate the services of any compensation consultant to be used to assist in the evaluation of compensation for the CEO, executive directors or senior management, and shall have the sole authority to approve the consultant's fees and other retention terms and oversee the consultant's work. The compensation committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The committee shall set the compensation, and oversee the work, of its external legal counsel, accountants and other advisors with respect to compensation matters.

The committee shall receive appropriate funding from the Company, as determined by the committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, external legal counsel and any other advisors with respect to compensation matters.

- In retaining or seeking advice from compensation consultants, outside counsel and other advisors, the committee must take into consideration the recommendation of the Board in this regard.
- The committee may retain, or receive advice from, any compensation advisor as they may deem fit and proper, including directors that are not independent, after considering the specified factors. The committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of

executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

Meetings and reports:

- The committee shall meet, at such time(s) and place(s) as it deems necessary to fulfill its responsibilities and whenever such meeting is held, the meeting procedures (including meeting through video conferencing, action without meetings, notice, waiver of notice, quorum and voting requirements etc.) will be governed by the same rules as are applicable for the Board Meetings.
- The committee shall make reports to the Board regarding its actions and make recommendations to the Board whenever it is deemed appropriate.
- The committee shall prepare such reports as may be required by any law, rule or regulation to which the Company is subject.
- The committee may invite such members of management to its meetings as it deems necessary. However, the committee shall conduct its meetings without presence of such invited members if they are not required, and the CEO and any other such officers shall not be present at meetings when their compensation or performance is discussed or determined.

Compensation:

Members of the Committee shall receive such fees, if any, for their services as being committee member(s) as may be determined by the Board from time to time.

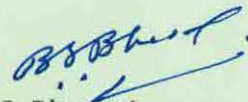
For Bhansali Engineering Polymers Limited



M. C. Gupta
Chairman
(DIN: 01362556)



B. M. Bhansali
Managing Director
(DIN: 00102930)



B.S. Bhesania
Director
(DIN: 00026222)

PLACE: MUMBAI

DATE: 07.02.2015