

REMUNERATION POLICY

1. Objective

The objective of the remuneration policy of the Company is to attract, motivate and retain qualified and expert individuals that the company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of stakeholders.

For the purpose of attaining these ends, the Company has constituted a Nomination and Remuneration Committee which is entrusted with the task of devising a transparent reasonable and fair policy of remuneration for its directors, key managerial personnel and senior management employees / senior executives.

The Remuneration policy has been formulated with a view to:

- 1) Devise a transparent system of determining the appropriate level of remuneration throughout all levels of employees and teams in the Company;
- 2) Encourage personnel to perform to their highest level
- 3) Provide consistency in remuneration throughout the Company; and
- 4) Offer incentives on the premise of aligning the performance of the business with the performance of key employees and teams within the Company.

2. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee ("Committee") is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, KMP and Senior Executives from time to time.

The objective of the Nomination and Remuneration Committee is to assist the Board of Directors of the Company and its controlled entities in fulfilling its responsibilities to shareholders by:

- (i) ensuring that the Board of Directors is comprised of individuals who are best able to discharge the responsibilities of directors in consonance with the Companies Act, 2013 and
- (ii) Ensuring that the nomination processes and remuneration policies are equitable and transparent.

The responsibilities of the Nomination and Remuneration Committee include:

- (i) formulating a criteria for determining qualifications, positive attributes and independence of a director;
- (ii) recommending to the Board of Directors a policy, relating to the remuneration for the directors, key managerial personnel and senior management employees;
- (iii) formulating a criteria for evaluation of performance of Independent Directors and the Board of Directors and on the basis of the report of performance evaluation, it shall be



determined whether to extend or continue the term of appointment of the independent director;

- (iv) devising a policy on Board diversity; and
- (v) identifying persons who are qualified to become directors and who may be appointed as part of the 'senior management' or core management team of the Company in accordance with the criteria laid down, and recommending to the Board of Directors the appointment and removal of such personnel.

3. Remuneration for Non-Executive Directors

Non-Executive Directors ("NED") are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them. NED's are reimbursed any out of pocket expenses incurred by them for the purpose of the Company including but not limited to travel expenses; hotel expenses and other expenses incurred by them as incidental to the performance of their duties

4. Remuneration for Executive Directors, Key Managerial Personnel (KMP) and Senior Executives

The following elements are taken into consideration for determining the Remuneration of Executive Directors, KMP and Senior Executives:

- The remuneration policy reflects a balance between the interests of main stakeholders as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the company, while taking into account the interests of its stakeholders. Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.
- To ensure that highly skilled and qualified KMP/Senior Executives can be attracted and retained, Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to in terms of size and complexity.
- In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the corporate governance regulations, societal and market trends and the interests of stakeholders.
- Company's policy is to offer the Directors, KMP and Senior Executives a total compensation comparable to the peer group.

Total Compensation (TC)

The total compensation of the Managing Director and Senior Executives consists of the following components:

1. Base salary



2. Variable income –
- Annual Performance Pay (APP)
 - Performance-related Long-Term Incentive Plan (LTIP)

Base salary

On joining the Company, the Managing Director, KMP and Senior Executives receive a base salary comparable to the peer group. Every year, base salary levels are reviewed by the Committee.

5. Remuneration for other Employees.

Remuneration of middle and lower level employees of the Company consists entirely of fixed pay which is reviewed on an annual basis. Increase in the remuneration of employees is affected based on an annual review taking into account performance of the employee and the performance of the Company also.

6. Employee Stock Options

It is a long term objective of the Company to introduce employee stock options to inculcate a sense of ownership among the employees of the Company.

7. Alignment of Remunerations

The Committee strives to achieve that the remunerations of the Directors, Senior Executives, Middle and lower level employees are aligned to each other.

8. Term of Appointment

The term of appointment of the Managing Director and other Executive Directors is generally for a period of 5 years and renewed for similar periods from time to time, whereas the term of the other employees, generally is upto the age of superannuation. However the Company may also appoint consultants for shorter periods on need basis.

The terms and condition of appointment, a reference could be made to the fact that the terms and conditions of appointment enunciated vide the letter of engagement entered into by non-executive directors with the company and the contract entered into by Executive Directors, Key managerial personnel and senior executives with the Company, shall be the governing agreements setting out factors such as the expectations for the performance, the key performance indicators, measures and criteria for assessment or evaluation of performance.

9. Post Retirement Benefits

All the executive directors and employees are entitled to retirement benefits such as provident fund, superannuation fund and gratuity.



10. Review and implementation

- i. The Whole time Director shall conduct an evaluation of performance for all employees on an annual basis to monitor and review, and if necessary, revise the appropriateness of each remuneration package.
- ii. The remuneration package payable to the employees of the Company shall be approved by the Board.
- iii. The Committee shall be responsible for monitoring the implementation of the Remuneration Policy, conducting a review of the same from time to time and advising the Board on the mode of revision of the policy such as inclusion of long-term incentives that would contribute towards creating a sustainable value for shareholders of the Company.

11. Amendment

The Company reserves the right to amend or modify the Remuneration Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the employees, key managerial personnel and senior executives unless the same is notified to them in writing.

