

Remuneration Policy

A. Remuneration Policy for Executive Directors

- a) The remuneration paid to the Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee.
- b) Remuneration of the Executive Chairman, Managing Director and Executive Directors consist of a fixed component and commission based on the net profits of each financial year. The commission amount is linked to the Net profit of each year. The increase in fixed salary is recommended by the Nomination and Remuneration Committee based on the general industry practice and the increase given to other managers in the Company.

B. Remuneration Policy for Non-Executive Directors

Non-Executive Directors of a Company's Board of Directors add substantial value to the Company through their contribution to the Management of the Company. In addition they also play an appropriate control role. For best utilizing the Non - Executive Directors, the Company has constituted certain Committees of the Board.

Remuneration payable:

| Sr. No. | Particulars | Remuneration | Remarks |
|---------|---|--|--|
| 1 | Commission | Rs.25,00,000 per annum per Director | a) On the basis of Company's Performance and at a rate not exceeding 1% per annum of the profits of the Company distributed uniformly among the Directors. |
| 2 | Sitting Fees: For Board Meetings | Rs.75,000 per meeting | a) As per the limits prescribed by the Companies Act. b) Approval – Board |
| 3 | a) For Committee Meetings b) Corporate Social Responsibility Committee | Rs.50,000 per meeting for Nomination and Remuneration Committee, Audit Committee and Risk Management Committee Rs. 35,000 per meeting | a. As per the limits prescribed by the Companies Act. b. Approval – Board (An Independent Director shall not be entitled to any stock option.) |

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|--|--|------------------------|--|
| | c) For Finance Committee, Share Transfer Committee, Stakeholders Relationship Committee and other Committee meetings | Rs. 12,000 per meeting | |
|--|--|------------------------|--|

C. Remuneration Policy for Senior Managers including Key Managerial Personnel

1. The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario and remuneration package of the managerial talent of other comparable industries.
2. The remuneration to Senior Management employees comprises of two broad terms – Fixed Remuneration and Variable remuneration in the form of performance incentive.
3. Remuneration of Senior Management members and other employees in the management cadre largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled his/her individual performance, etc. The annual variable pay of senior managers is linked to the Company's performance, the performance of the respective divisions/functions they are attached to and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.
4. The performance incentive is based on internally developed detailed performance related matrix which is verified by the HR department.
5. Annual increase in fixed remuneration is reviewed and then approved by the Nomination and Remuneration Committee.

(Last Amended: 12th May, 2021)

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