

REMUNERATION POLICY

1. Introduction:

The Company considers human resources as its invaluable asset. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMPs) and other employees (including SMPs) has been formulated in terms of the provisions of the Companies Act, 2013 read with rules and the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonies the aspirations of human resources consistent with the goals of the Company.

SMPs / 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 shall specifically include the functional heads, by whatever name called and the 108[persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity].

2. Objective and purpose of the policy:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors (Executive and Non-Executive) and recommend to the Board policies. relating to the remuneration of the Directors, KMP and other employees
- To formulate the criteria for evaluation of performance of all the Independent Director and Directors on the Board; N to devise a policy on Board diversity;
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals and support the organization's business strategy, operating objectives and human capital needs.

3. Constitution of Nomination and Remuneration Committee:

The Board has constituted the Remuneration Committee on April 29, 2004. The nomenclature of the said Committee was changed to "Nomination and Remuneration Committee" on 17th April, 2014. This is in line with the requirements of the Companies Act, 2013. The Board has the authority to reconstitute the Committee from time to time.

4. Terms of Reference of the Nomination and Remuneration Committee:

The Nomination & Remuneration Committee is the sub - committee of the Board of Directors of the Company and the terms of reference of the Committee shall be decided by the Board from time to time. The roles and responsibilities of the Nomination and Remuneration Committee shall be as follows:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management (as defined by the Company and / or as defined under applicable laws including Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
3. To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
4. To review the ongoing appropriateness and relevance of the remuneration policy;
5. To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
6. To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to the Executive Directors and other senior executives and the performance targets to be used;
7. To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the Company's standard form contract for Executive Directors from time to time;

8. To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the Directors, Key Managerial Personnel and other employees.

5. Appointment of Directors and Key Managerial Personnel:

The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and KMP and recommending candidates to the Board, when circumstances warrant the appointment of a new Director and KMP, having regard to the experience and expertise as may be deemed appropriate by the Committee at the time of such recommendation.

6. Term of appointment of Directors:

1. Managing Director/ Whole-time Director/Manager: The Company shall appoint or re-appoint any person as its Managing Director, Whole- time Director or Manager for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.
2. Independent Directors: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such person serves is restricted to seven listed companies as an Independent Director; and in case such person is serving as a Whole-time Director in any listed company the number of boards on which such person serves as Independent Director is restricted to three listed companies.

7. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder including any amendments made thereon and any other applicable acts, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, Rules and Regulations.

8. Retirement:

The Directors and KMP (Chief Financial Officer and Company Secretary) shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors and KMP after attaining the retirement age, for the benefit of the Company.

9. Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees as detailed hereunder:

Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rules, 2014 (including any statutory modification or re-enactments thereof from time to time).

10. Remuneration of Managing Director, and Executive Director:

1. The remuneration/commission to the Managing Director, and Executive Director will be determined by the Committee and recommended to the Board for approval.
2. The remuneration, commission and increments to be paid to the Managing Director, and Executive Director shall be in accordance with the provisions of the Companies Act, 2013 and the rules made there under.
3. At the time of appointment or re-appointment, the Managing Director, and Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Managing Director and Executive Director within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder.

4. The remuneration shall be subject to the approval of the Members of the Company in General Meeting, as applicable.
5. The remuneration of the Managing Director, and Executive Director is broadly divided into fixed and variable components. The fixed compensation shall comprise of salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise of performance bonus/commission.
6. In determining the remuneration (including the fixed increment and performance bonus/commission) the Nomination & Remuneration Committee shall consider the following:
 - a) The relationship of remuneration and performance benchmarks is clear;
 - b) Balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
 - c) Responsibility required to be shouldered by the Managing Director, and Executive Director and the industry benchmarks and the current trends;
7. The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

11. Remuneration of Key Managerial Personnel and other employees:

1. In determining the remuneration of the KMPs and other employees, the Nomination & Remuneration Committee shall consider the following:
 - a) The relationship of remuneration and performance benchmark is clear;
 - b) Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - c) The remuneration is divided into two components viz. fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive;
 - d) The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market;

2. The Managing Director & will carry out the individual performance review of the KMPs, based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove and decide on the annual increment and performance incentive. The overall policy for such calculations will be explained to the Nomination & Remuneration Committee for its review and approval.
3. Such performance reviews will be carried out by the KMPs for other employees and discussed with the Managing Director & to decide on the annual increments and performance incentives.

12. Remuneration to Non-Executive / Independent Director:

The Non-Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof except Stakeholders Relationship Committee/ Shareholders Grievance Committee Meeting, for which no sitting fees shall be paid. The sitting fees shall be paid as per the applicable provisions of the Companies Act, 2013 and rules made there under.

Sd/-
Ms. Pallavi Jha
Chairperson and Managing Director
1st Floor, Construction House,
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Date: 31st July, 2025

Sd/-
Mr. Sanjay Jha
Whole-time Director,
1st Floor, Construction House,
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Date: 31st July, 2025