

- the company successfully.
- b) Relationship of remuneration to performance meets appropriate performance benchmarks.
 - c) There should be appropriate balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

11. REMUNERATION OF EMPLOYEES

The Company believes that composition of remuneration of the Employees should be reasonable and sufficient to attract, retain and motivate Employees. The Company follows salary structure comprising fixed and variable components. The Steering Committee shall review and approve remuneration payable to other Employees (excluding Senior Management) annually. The following remuneration structure is being followed in the Company.

- a) **Fixed Components** comprises salary, allowances, perquisites, PF etc.
- b) **Variable Components** linked to performance of Individual Employee vis-à-vis performance of the Business and Company. Variable pay shall be determined after end of the financial year in terms of performance management system manual of the Company and KRA achievement of individual Employee.

12. PERFORMANCE MANAGEMENT SYSTEM (PMS)

The Appraisal of Senior management and Staffs shall be as per the extant annual Performance Management System Manual of the Company and is being followed to ensure the following:

- Aligning organization objectives to individual goals
- Fair and Transparent assessment of performance
- Recognizing and Rewarding Performance
- Differentiating High Performance
- Understanding and developing on current and future competencies

The goals are derived from the Company's vision which is translated and aligned to Annual Business Plan. These goals are cascaded to the functional heads /Unit Heads/ Business Heads and from them to the departmental heads, and then to the respective employees in each department. In this manner, the Company's annual business goals are cascaded to all levels in the organization. The employees are rated on the basis of achievements of these goals and also a defined competency framework. The weightages of these depend on the level within the organization.

13. CLARIFICATION AND REVIEW OF THE POLICY

The Committee may, in consultation with the Board, if necessary, review or give necessary clarification and procedural alteration for effective and smooth implementation of the Policy.

The Committee may or Person nominated by him, shall review the Policy as and when it deems necessary.

This Policy may be read with the Employee Handbook of the Company, to the extent relevant or necessary for implementation purpose. However, the Handbook shall not be part of this Policy and always remain with the Company as confidential document.

14. AMENDMENTS IN THE POLICY

This Policy may be amended or substituted by the Committee as circumstances warrant. Modification / amendment / clarification shall be issued only by the KMP in consultation with the Committee.