

**REMUNERATION POLICY
OF
ATISHAY LIMITED**

1 . Preamble

The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors as required under Listing Agreement. This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 52 of the Listing Agreement.

2. Applicability

This policy is applicable to all Directors, Key Managerial Personnel (KMP), Senior Management team and other employees of Atishay Limited (“Company”).

3 Objectives

This policy is framed with the following objectives:

- I. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel, Senior Management and other Staff.
- II. To evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.
- III. To attract, retain and motivate the Senior Management including its Key Managerial Personnel and other staff, evaluation of their performance and provide necessary report to the Board for further evaluation.
- IV. The relationship of remuneration with performance is clear and meets appropriate performance Benchmarks.
- V. To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel ,Senior Management and other staff
- VI. To promote and develop a high performance workforce in line with the Company strategy.
- VII. To lay down criteria and terms and conditions with regard to identifying persons who are

Qualified to become Director (Executive & Non- Executive/ Independent/Nominee) and persons who may be appointed in Senior Management, Key Managerial Personnel and determine their remuneration.

4 Remuneration Committee

Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company’s policy and applicable statutory requirement.

At present, the Nomination and Remuneration Committee comprises of following Directors:

Name of Director	Category
Mrs.Poonam Pritam Issrani	Non Executive and independent director
Mr. Arvind V. Lowlekar	Chairman of the Committee Non-Executive and independent director
Mr.Kavindra Singh	Non-Executive and independent director

The terms of reference for the Remuneration committee include:

- Review the criteria of payment of Managerial remuneration.
- Review Managerial remuneration and recommend revision in the remuneration to the Board.

5. Remuneration to Directors

The Managing Director gets a monthly salary, perquisites and performance pay as per the policies of the Company. In the event of the Managing Director desiring to leave the service of the Company, he shall give to the Company 6 months' notice. The Company may, at its sole discretion, relieve the Managing Director of his duties any time by giving 6 months' notice.

The criteria for making payments to the Managing Director and Whole Time Director are:

1. Salary, as recommended by the Remuneration Committee and approved by the Board and the shareholders of the Company. Perquisites, retirement benefits and performance pay are also paid/provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions..
2. Remuneration paid to the Managing Director is determined keeping in view the industry benchmarks and Atishay Policies. Remuneration of the Managing Director is within the limits approved by the Board and shareholders.

The Remuneration to Non-Executive /Independent Directors:

a. Remuneration / Profit Linked Commission:

The remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

b. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act,

2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c. **Stock Options:**

Pursuant to the provisions of the Companies Act 2013, Managerial Personnel, KMP, Senior Management and an employee shall be entitled to any Employee Stock Options (ESOPs) of the Company.

6. The Criteria for making payment of Senior Management and other Staff

Key Principles of the Remuneration Policy While designing compensation for Key managerial personnel, senior management and other employees, the following set of principles act as guiding factors:

1. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders
2. Minimize complexity and ensure transparency.
3. Link to long term strategy as well as annual business performance of the company.
4. Promotes a culture of meritocracy and is linked to key performance and business drivers.
5. Reflective of line expertise, market competitiveness so as to attract the best talent.

Remuneration of Key Managerial Personnel, Senior Management and other Staff:

- a. The Remuneration to KMP, Senior Management and other staff will be determined by the Committee and recommended to the Board for approval.
- b. The remuneration to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- c. KMP ,Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board on the recommendation of the Committee.
- d. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the

provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of Board of Directors.

- e. If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.
- h. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

7 Monitoring, Evaluation and Removal

I. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management and other staff on yearly basis.

Performance Management Process

The Performance Management Process [PMP] is at the heart of our approach to become a high performance culture, with a view to improving our capability to win and deliver business, rewarding achievement, and developing people to achieve their potential.

Within this individual employees and their direct reporting manager, would jointly perform following activities:

- Agree and set personal and assignment objectives
- Assess how well objectives are met – using measurement, feedback and evidence from a variety of sources
- Assess strengths and areas for development/ improvement
- Review personal career and development plans
- Plan career development with increase of remuneration in between 5% to 15% of annual salary. Increments if declared will be effective from 1st April of each financial year subject to other necessary approvals from statutory authorities

Removal:

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

II. Minutes of Committee Meeting:

Proceedings of all meetings must be minutes and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

8 Amendment to the Policy :

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

9 Disclosure

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

