



**ELICA PB WHIRLPOOL KITCHEN APPLIANCES PRIVATE LIMITED**

**REMUNERATION POLICY**

Approved By	Board of Directors
Last Reviewed/Modified	30 <sup>th</sup> January 2023

## **A. Introduction**

This Remuneration Policy ("Policy") is formulated pursuant to Section 178 of the Companies Act, 2013 and rules made thereunder.

Terms not defined herein shall have the same meaning as defined under the Companies Act, 2013 and the rules made thereunder (including any statutory modification/re-enactment thereof for the time being in force) ("Act") or any other applicable law.

## **B. Objective and Purpose**

The Policy is framed to set out the approach of remuneration or compensation to Directors, Key Managerial Personnel and other employees in the Company, thereby facilitating the Company to recruit and retain the best talent.

## **C. Constitution of Nomination and Remuneration Committee**

The Board has constituted the "Nomination and Remuneration Committee" ("NRC") of the Board pursuant to the provisions of the Act. The Policy and NRC Charter shall assist the NRC and Board in discharging its duties & responsibilities.

## **D. Criteria and Guiding Principles for remuneration**

The Company is dedicated to achieving leadership in all product categories and delivering superior stockholder value. To achieve our objectives, we ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## **E. Remuneration to Non Executive/Independent Directors**

The Non Executive/Independent Directors may be paid remuneration by way of sitting fees as per the limits prescribed under the Act. The criteria for making payment of remuneration will be attendance at the Board and Committee meetings held during the year, Company's performance, contribution made by the Director, and such other factors as the NRC may deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Act subject to shareholders approval.

## **F. Remuneration to Executive Directors, KMP and Senior Management**

The appointment and remuneration of Executive Directors, Key Managerial Personnel (KMP) and Senior Management is recommended by NRC and approved by the Board. In case of Executive Directors the appointment including remuneration is approved by the shareholders also.

The terms of appointment is by virtue of their employment/contract of service or Employment Agreement, by whatever name called, with the Company as management employees and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period, other compensation, benefits, allowances or any other payments by whatever name called are governed by the applicable policies at the relevant point in time.

The total reward for Executive Directors, KMP and Senior Management are reviewed and approved by NRC annually, taking into account external benchmarks, individual performance.

The remuneration to Executive Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. A fair portion of Executive Directors, KMP and Senior Management total reward is linked to Company's performance. This creates alignment with the strategy and business priorities to enhance shareholder value.

## **G. Remuneration to Other employees**

The terms of appointment of other employees is by virtue of their employment / contract of service with the Company and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period, other compensation or benefits, etc. are governed by the applicable policies at the relevant point in time.

## **H. Excess Remuneration**

If any director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed under the Act, such remuneration shall be refunded to the Company and until such sum is refunded, the amount shall be held in trust by such director for the Company. The Company shall not waive the recovery of any sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

## **I. Review and Modification**

NRC shall periodically review and make recommendations to the Board of Directors with respect to director compensation.