

**Remuneration Policy**  
**For Directors, Key Managerial Personnel and other employees**

**I. Preamble:**

The Board of Directors of Parab Infra Limited (“PIL” or “the Company”) have adopted this Remuneration Policy for Directors, KMP’s and other employees.

**II. The objective and purpose of this policy are:**

- To lay down criteria, to fix the terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial position and to determine their remuneration.
- To determine the remuneration based on the Company’s size, financial position, trends and practices on remuneration prevailing in peer companies, in the real estate industry.
- To carry out the evaluation of the performance of Directors, Key Managerial Personnel and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

In the context of the aforesaid criteria, the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

**III. Effective Date:**

This policy is effective from 14th February, 2017.

**IV. Constitution of the Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee comprises of the following members:

<b>Sr. No</b>	<b>Names of the Member</b>	<b>Designation</b>
1	Mr. Shakil Bilali	Chairperson
2	Mr. Paresh Rathod	Member
3	Ms. Khushboo Parkar	Member

The Board has the power to reconstitute the Committee consistent with the Company’s policy and applicable statutory requirements.

## **V. General:**

- This Policy is divided into three parts:  
Part – A covers the matters to be dealt with and recommended by the Committee to Board  
Part – B covers the appointment and nomination and  
Part – C covers remuneration and perquisites etc

### **PART –A**

#### **MATTERS TO BE DEALT WITH AND RECOMMENDED TO BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE:**

The Committee shall:

- formulate the criteria for determining qualifications, positive attributes and independence of a director.
- identify persons who are qualified to become a Director and persons who may be appointed in Key Managerial and Senior Management position in accordance with the criteria laid down in this policy.
- recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

### **PART – B**

#### **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:**

##### **Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as a Whole time Director who has attained the age of 70 years. Provided that the term of the person holding this position may be extended beyond the age of 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice such motion indicating the justification for extension of appointment beyond 70 years.

**Term / Tenure:****1. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding 5 years at a time. No re-appointment shall be made earlier than 1 year before the expiry of term.

**2. Independent Director:**

An Independent Director shall hold office for a term upto 5 consecutive years on 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 2 consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1<sup>st</sup> October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for 1 more term of 5 years only.

At the time of appointment of Independent Director, it should be ensured that number of Board on which such Independent Director serve is restricted to 7 listed Companies as an Independent Director and 3 listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

**Evaluation:**

The Committee shall carry out the evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**Removal:**

Due to reason for any disqualification mentioned in the Companies Act, 2013 read with rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend the Board with reason recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act read with rules and regulations.

**Retirement:**

The Director, KMP and Senior Management Personnel 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 Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age for the benefit of the Company.

**PART – C****POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:****General:**

1. The remuneration / compensation / commission to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to Board for their approval. The remuneration / compensation / commission shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to Board which should be within the slabs approved by the shareholders in the case of Whole-time Director. Increments will be effective from 1<sup>st</sup> October in respect of a Whole-time Director and 1<sup>st</sup> April in respect of other employees of the Company.
3. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Financial Officer, the Company Secretary and any other employees 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. Provided that if such person is proved to be the guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:****1. Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by Board on the recommendation of the Committee members.

## **2. Minimum Remuneration:**

If, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director 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 Central Government.

## **3. Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sum to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## **Remuneration to Non-Executive / Independent Directors:**

The non-executive / independent Directors may receive remuneration

- a) by way of sitting fees for attending the Board and Committee meetings;
- b) by way of commission as a percentage of net profits of the Company, as decided from time to time by the Nomination and Remuneration Committee of the Company and in any other permissible mode.

The remuneration payable shall be subject to the provisions of Companies Act, 2013, SEBI Listing Regulations, 2015, Board and shareholders' approval, as may be required.

## **VI. Stock Options:**

The independent Directors shall not be entitled to any stock options of the Company.

## **VII. Chairman:**

In the absence of Chairperson, the members of the Committee present at the meeting shall choose any amongst them to act as a Chairperson.

## **VIII. Quorum:**

Minimum 2 members shall constitute a quorum for the Committee meeting.

## **IX. Frequency of meetings:**

Meetings of the Committee could be held at such intervals as may be required.

**X. Minutes of the Committee Meeting:**

Minutes of all meetings must be signed by Chairperson of the meeting or at subsequent meeting.

**XI. Approval of the Remuneration Policy:**

This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors.

This Remuneration Policy is binding on the Board of Directors including its provisions on stock options. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Board's minutes.

**XII. Amendments:**

The Nomination and Remuneration Committee shall review the policy from time to time and make necessary recommendations to Board. Any amendment to this policy can be made only with the approval of Board of Directors.