

MANAGERIAL REMUNERATION POLICY

PREMIER CHENNAI PROPERTIES LIMITED

Managerial Remuneration Policy

I Preamble :

- (1) Premier Chennai Properties Limited (PCPL) is a professional institution with its own cadre of personnel and distinctive business practices. It has its functional expertise in areas of Real Estate development. PCPL endeavors to follow best practices

- (2) The HRD strategy is to :
 - (a) Attract and retain competent resources
 - (b) Provide competitive performance based compensation and benefits
 - (c) Ensure clear communication of vision and business plans

II Compensation Forums :

Nomination Committee & Remuneration Committee :

The Committee was constituted in March 2014 for recruitment of key management employees, to determine the criteria and quantum of compensation for Whole-time Directors and Key management employees and to determine the annual increments to the employees of the Company

III Statutory Provisions :

Pursuant to the notification of the Companies Act 2013 the following provisions thereof have been considered while formulating the Remuneration Policy at PCPL :

- (a) Remuneration for Whole-time, Non-Executive Directors, Key Management Personnel and Senior Management
- (b) Role of the Nomination and Remuneration Committee
- (c) Disclosures in the Directors' Report

IV Objective :

- (1) The key objective of the Managerial Remuneration Policy is to enable a framework that allows competitive and fair rewards for the achievement of key deliverables

- (2) While deciding remuneration for the employees including the Whole-time Directors' various factors such as the market scenario, business

performance of PCPL and the remuneration practices in the financial sector are considered

- (3) The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate. The Relationship of remuneration to performance should be clear and meet appropriate performance benchmarks

V **Remuneration Pattern** :

- (1) **Structure** : A summary of the current structure set for the Whole-time Directors is as mentioned below :

Components	Item	Description	Policy
Base Salary	<ul style="list-style-type: none"> • Reflects the Directors' experience, criticality of the role with and the risk factor involved 	<ul style="list-style-type: none"> • Consolidated Salary fixed for each financial year within the scale approved by the shareholders • Paid on a monthly basis 	Normally positioned as the highest as compared to the other employees

VI **Key Management Personnel** :

- (1) The Key Management Personnel (KMP) in PCPL are the Managing Director, Chief Financial Officer and the Company Secretary
- (2) The KMPs have operational responsibilities in addition to the responsibilities specified by the Companies Act, 2013. In view of Company law regulations, the compliance roles of Whole-time Directors and the Key Managerial Personnel far outweigh that of any other level, and consequently the risk parameters associated with these jobs are of a significantly higher level as compared to the junior levels
- (3) The remuneration package of the Key Management comprises of :

Fixed Remuneration: This includes a Monthly Salary as per the Rules of the Company

Variable Remuneration: This is based on the Company's and the individual's performance

VII **Senior Management**

- (1) The expression “Senior Management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads excluding the Key Managerial Personal
- (2) The Senior Management have operational responsibilities
- (3) The remuneration package of the Senior Management comprises of :

Fixed Remuneration : This includes a Monthly Salary as per the Rules of the Company

VIII **Non-Executive Directors** :

Non Executive Directors are paid Sitting Fees for attending the Board / Board Committee/s Meetings in accordance with the Companies Act, 2013. The Board is responsible for setting policy in relation to the remuneration of the Non-Executive Directors

IX **Succession Planning** :

- (1) Succession plan ensures continuity in operation and services, in the event of exit of key members of the organisation, by supply of suitably qualified and motivated employees who can take up such higher roles and responsibility
- (2) The Company is committed in creating a paradigm of identifying, monitoring, assessing and developing a pipeline of talent. The Company shall continuously engage in the process of developing career path of employees, to recruit and retain top-performing or high talent employees; and gearing them up for the future organisational requirements
- (3) If the Company is unable to fill a key position through internal promotions, the Company shall close the position by recruiting an external candidate whose experience and expertise best matches with its predecessor, in a time bound manner

X **Role of the Nomination and Remuneration Committee (NRC)** :

The role of the Nomination and Remuneration Committee includes the following:

- (1) Identification and appointment of Directors, Key Managerial Personnel and Senior Employees

- (2) Formulation of criteria for evaluation of Independent Director and the Board and criteria and quantum of compensation for Whole-time Directors
- (3) Determination of the annual increments and performance related pay, if any of the employees

XI **Disclosures** :

PCPL being a listed entity, the Board of Directors would have to disclose the details of the managerial remuneration in the Director's Report to the Shareholders

XII **Review and Modification** :

As the Policy is derived from the provisions of Companies Act, 2013, provisions of this policy shall stand revised to emulate any amendment to the Companies Act, 2013

The Board of Directors of PCPL may also amend or modify this Policy in whole or in part at any time for increasing the effectiveness of the Managerial Remuneration Policy