

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. Introduction:

1.1 PKH Ventures Limited recognises the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration 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.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 "Director" means a director appointed to the Board of the Company.

3.2 "Key Managerial Personnel" means

(i) the Chief Executive Officer or the managing director or the manager;

(ii) the company secretary;

(iii) the whole-time director;

(iv) the Chief Financial Officer; and

(v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and

(vi) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” means the committee constituted by PKH Ventures Limited Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

4.1 Remuneration to Executive Directors and Key Managerial Personnel:

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NRC Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall/may include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors/KMPs & Non executive and Independent Director)

(v) Retrial benefits

(vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the NRC Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors

4.2.1 The Board on the recommendation of the NRC Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall/may also be entitled to profit related commission in addition to the sitting fees, including the reimbursement of the expenses including but not limited to traveling.

5. Qualifications and criteria

5.1 The Nomination and Remuneration Committee (NRC), and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s operations.

In evaluating the suitability of individual Board members, the NRC Committee may take into account factors, such as:

- General understanding of the Company
- Business dynamics, global business
- Social perspective

- Educational and professional background
- Standing in the profession
- Personal and professional ethics, integrity and values
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

5.2 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number
- Shall not be disqualified under the Companies Act, 2013.
- Shall give his/her written consent to act as a Director
- Shall endeavor to attend all Board Meetings and wherever he/she is appointed as a Committee Member, the Committee Meetings
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel
- Shall disclose his/ her concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his / her shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity listing Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other relevant laws, The NRC shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

5.3 Criteria of Independence

The NRC shall assess the independence of Directors at the time of appointment/re-appointment and the Board shall assess the same as require. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of appointment of independence, as laid down in Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 shall, inter alia.

6. Policy review

This Policy may be amended, modified or supplemented, from time to time, to ensure compliance with any amendment, modification or supplementation to the Companies Act, 2013 and rules made there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Act, 1992 and rules/regulations/ guidelines made there under, RBI regulations/guidelines or any other law and any other regulatory provisions applicable to the Company and/or its' business relating to employee/directors' compensation, issued from time to time.

Any such amendment shall be made by the Board of the Company, which shall be ratified at the next meeting of the NRC of the Company, held after such amendment.

The NRC may issue/implement such guidelines, procedures, formats and/or reporting mechanisms to enforce this Policy as it may deem fit.


