



PREMI INVEST

Remuneration Policy

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1. Background, Objective and Applicability of this Policy

Hasham Investment and Trading Company Private Limited ('the Company / HITCPL') is a non-banking financial services company ("NBFC") registered with the Reserve Bank of India.

The Nomination & Remuneration Policy ("Policy") of the Company is formulated under the Companies Act, 2013 ("Act"), Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs ("RBI Circular") read with guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs and other applicable laws (hereinafter referred to as "Relevant laws").

This Policy shall be effective from 1st April, 2023.

2. Objective and Purpose

The objectives of the Policy are:

- i. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (Whole-time/non-executive/independent) of the Company ("Director");
- ii. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the key talents required to run the Company successfully;
- iii. To ensure that the relationship of remuneration to performance is clear and meets performance benchmarks; and
- iv. To ensure that the remuneration to Directors, Key Managerial Personnel ("KMP"), Senior Management and Employees involves a balance between fixed and incentive pay reflecting the performance objectives appropriate to the working of the Company and its goals:

3. Constitution of the Nomination and Remuneration Committee

The Board has constituted the Nomination and Remuneration Committee ("NRC / Committee") of the Board in line with the requirements under the Relevant Laws. This Committee identifies and formulates criteria for determining qualifications, positive attributes for the Board, and independence of Directors. The Committee recommends to the Board, the appointment and removal of the Director. The Committee also reviews the compensation of executive directors, key managerial personnel, and other employees of the Company and frames. Further, the Committee supervises the administration of the ESOP scheme based on the Board's approval.

This Policy and the NRC terms of reference as prescribed below are integral to the functioning of the NRC and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

The terms of reference of the Committee are as below:

- i. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

- ii. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, the Committee or by an independent external agency and review its implementation and compliance.
- iii. To review and approve corporate goals and objectives relevant to the compensation of the whole-time Directors, evaluating their performance in light of those goals and objectives and either as a Committee or together with the other independent Directors (as directed by the Board), determine and approve whole-time Directors' compensation based on this evaluation; make recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.
- iv. Identify individuals suitably qualified to become Board members and recommend them to the Board for their appointment.
- v. Assess the independence of Independent Non-Executive Directors.
- vi. To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer ('CEO').
- vii. To recommend remuneration and commission payable to Non-executive Directors of the Company from time to time.
- viii. Review the compensation of the CEO and Executive Directors of the Company and make recommendations to the Board.
- ix. Conduct periodic benchmarking studies of the Company's compensation vis-a-vis other companies in the sector and recommend appropriate changes in compensation to the Board.

4. Definitions

Key Managerial Personnel (KMP)	As defined in Section 2 (51) of Companies Act, 2013, as amended from time to time and shall include: the Chief Executive Officer or the managing director or the manager; the company secretary; the whole-time director; the Chief Financial Officer; 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 such other officer as may be prescribed;
Senior Management Personnel (SMP)	As defined in 'Explanation' to Section 178 of the Companies Act, 2013 as amended from time to time and inter alia includes 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.
Claw Back	A claw back is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested remuneration to the NBFC under certain circumstances.
Malus Arrangement	A malus arrangement permits the Company to prevent vesting of all or part of the amount of a deferred

	remuneration. Malus arrangement does not reverse vesting after it has already occurred.
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5. Remuneration to the Independent Directors and Non – Executive Directors

The Independent directors shall be eligible for the below mentioned:

- i. Sitting fees for attending the Board meetings or the meetings of the Committee of the Board on the basis of recommendation of the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.
- ii. Commission as decided by the shareholders of the Company.
- iii. Any other payments in terms of the Act.

In addition to the above, the Company will bear or reimburse the normal travelling, boarding and lodging expenses of Independent Directors and non-executive directors incurred for the purpose of attending board/ committee meetings or for attending any other duties on behalf of the Company.

6. Remuneration to the Executive Directors

The remuneration of the executive directors shall be recommended by the NRC and approved by the Board of Directors of the Company and shall be a combination of:

- i. **Fixed Pay:** Shall also include the perquisites and contributions towards superannuation/retiral benefits. Monetary equivalent of benefits of non-monetary nature (such as free furnished house, use of company car, etc.) may also be a part of fixed pay.
- ii. **Variable Pay/Annual Incentive:** Based on the performance parameters as decided by the NRC and subject to the approval of the Board of Directors of the Company. The variable pay may be in the form of cash-based incentives.
- iii. The Executive Directors shall be eligible for cash-based incentives as per the Company's policies subject to the NRC approval.

7. Remuneration of the Senior Management & KMPs (other than Executive Directors)

The remuneration of the Senior Management & KMPs shall be recommended by the NRC and approved by the Board of Directors of the Company and shall be a combination of:

- i. **Fixed Pay:** Shall also include the perquisites and contributions towards superannuation/retiral benefits. Monetary equivalent of benefits of non-monetary nature (such as free furnished house, use of company car, etc.) may also be a part of fixed pay.
- ii. **Variable Pay/Annual Incentive:** Based on the performance parameters as decided by the NRC and subject to the approval of the Board of Directors of the Company. The variable pay may be in the form of cash-based incentives. Provided that there should be a proper balance between the cash and cash-based incentives. The variable pay should be truly and effectively variable and can be reduced to zero based on performance at an individual, business-unit and company-wide level.

- iv. **Long Term Incentive:** SMP & KMP are eligible to cash-based incentives as per the Company's policies subject to the NRC approval. Any incentive shall be linked with performance at an individual, business-unit and company-wide level.

8. Remuneration of the Employees of the Company

- i. Employees shall be assigned grades/ bands according to their qualification and work experience, competencies, as well as their roles and responsibilities in the organization.
- ii. Remuneration of employees shall be determined with in the appropriate grades/ bands and shall be based on various factors such as job profile, skill sets, experience and performance.
- iii. Employees are eligible to ESOP or any other cash-based incentives as per the Company's policies subject to the NRC approval. Any incentive shall be linked with performance at an individual, business-unit and company-wide level.

9. Claw Back

- i. The SMP/KMP shall repay to the fullest extent permitted by law and as directed by the NRC, any annual incentive or other performance-based compensation awards received by him or her during the previous financial year if the NRC determines in its sole discretion, exercised in good faith, that the SMP/KMP engaged in fraud or misconduct as determined by the NRC;
- ii. The NRC shall have full and final authority to make all determinations under this Policy, including without limitation whether the Policy applies and if so, the amount of the incentives to be repaid or forfeited by the SMP/KMP. All determinations and decisions made by the NRC pursuant to the provisions of this Policy shall be final, conclusive and binding on all persons, including the Company, its affiliates, its shareholders and employees.
- iii. Each incentive agreement or other document setting forth the terms and conditions of any annual incentive or other performance-based award/incentive granted to the SMP/KMP shall be deemed to include the provisions of this Policy. The remedy specified in this Policy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Company.

10. Malus Arrangement

The NRC shall have full and final authority to prevent vesting of all or part of the amount of a deferred remuneration. Provided that there shall not be any reverse vesting after it has already occurred.

11. Exception to the Policy

Any exception to the policy shall be approved by the NRC / Board.