



## **REMUNERATION POLICY**

## **I. PURPOSE**

This Policy sets out the approach and guiding principles for the Compensation of Directors, Key Managerial Personnel and other employees in Orissa Bengal Carrier Limited (OBCL).

## **II. INTRODUCTION:**

OBCL recognises the importance of aligning the business objectives with specific and measurable 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:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of quality to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) 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.

## **III. TERMS AND REFERENCES:**

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

- a) "Director" means a director appointed to the Board of the Company.
- b) "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 as may be prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- c) "Nomination and Remuneration Committee" or "NRC" or "Committee" means the committee constituted by OBCL's 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 ("SEBI (LODR) Regulations, 2015").

#### **IV. REMUNERATION CRITERIA:**

##### **A. Remuneration to Executive Directors and Key Managerial Personnel**

- a) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
- b) The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- c) The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:
  - (i) Basic Pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retiral benefits
  - (vi) Annual Performance Bonus
- d) The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NRC and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

##### **B. Remuneration to Non-Executive Directors**

- a) The Board on the recommendation of the NRC shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
- b) 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 also be entitled to profit related commission in addition to the sitting fees.
- c) Independent directors shall not be entitled to any stock option.
- d) Such other remuneration as may be prescribed by the Board in the Criteria for making payments to Non-executive Directors from time to time.

##### **C. Remuneration to other employees**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## **V. AMENDMENT**

Any amendment or modification in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Rules, Regulations and directives issued under the respective statutes and any other applicable provision relating to the remuneration/compensation/commission, etc. shall automatically be applicable to this Policy.

## **VI. DISCLOSURE**

This Policy shall be placed on the Company's website in accordance with provisions of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015 and the salient features of the policy, if any, shall be disclosed in the Board's report.

## **VII. REVIEW**

This Policy shall be subject to review as may be deemed necessary and in accordance with any statutory and regulatory amendments.

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