

NOMINATION AND REMUNERATION POLICY OF BHARTI REALTY LIMITED

Preamble

The Board of Directors ("Board") on the recommendation of the Nomination & Remuneration Committee ("Committee") has approved and adopted this Nomination, Remuneration Policy ("Policy") in compliance with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder.

Objectives

The main objectives of this Policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (executive and non-executive including Independent directors), Key Managerial Personnel ("KMP") and persons who may be appointed in senior management positions.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage for the Company.
- To determine remuneration of directors, KMPs.
- To provide for rewards linked directly to their effort, performance, dedication and achievement of Company's targets.

A. Attributes, qualifications and diversity

Directors and Key Managerial Personnel

The Committee shall be responsible for identifying a suitable candidate for appointment as director or as KMP of the Company.

The Board shall consist of such number of Directors as is necessary to effectively manage the Company of the size and nature as of Bharti Realty Limited, subject to compliance with the provisions of Companies Act, 2013 and Articles of Association of the Company. The Board shall strive to have an appropriate combination of Executive, Non-Executive and Independent Directors.

While evaluating a person for appointment / re-appointment as director or as KMP, the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, abilities (ability to exercise sound judgement), professional experience & functional expertise, educational and professional background, personal accomplishment, age, experience, understanding of the real estate sector / industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.

The Committee shall ensure that the proposed director satisfies the following additional criteria:-

- Eligible for appointment as a director on the board of the Company and is not disqualified in terms of Section 164 and other applicable provisions of the Companies Act 2013.
- Has attained minimum age of 25 years and is not older than 70 years.
- Does not hold directorship in more than 20 companies (including private and public limited companies) or 10 public limited companies incorporated in India.
- Will be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.

While evaluating a person for appointment / re-appointment as an independent director, the Committee shall ensure that the proposed appointee satisfies the following additional criteria:-

- Meet the baseline definition and criteria of “independence” as set out in Section 149 of the Companies Act, 2013 and other applicable laws.
- Should not hold the position of independent director in more than seven (7) Indian listed companies and if serving as whole time director / managing director in any Indian listed company then in not more than three (3) Indian listed companies.
- Should not hold any board / employment position with a competitor in the geographies where the Company is operating. However, the Board may in special circumstances waive this requirement.

The reappointment / extension of term of any board members shall be on the basis of their performance evaluation.

Senior Management

While evaluating a person for appointment / re-appointment in a senior management position, the management shall consider various factors including individual's background, competency, skills, abilities (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. marketing technology, finance or such other discipline relevant to present and prospective operations of the Company.

Senior Management: means personnel of the company who are members of its core management team excluding Board of Directors and shall comprise of all members of management one level below the executive directors, including all functional heads.

B. Remuneration Policy

The overall limits of remuneration of the board members including executive board members (i.e. managing director, whole time director, executive directors etc.), if paid, will be governed by the provisions of Section 197 and Schedule V of the Companies Act, 2013, rules made thereunder and shall be approved by the shareholders of the Company and shall be subject to availability of profits of the Company.

Within the overall limit approved by the shareholders, on the recommendation of the Committee, the Board shall determine the remuneration. The Board can determine different remuneration for different directors on the basis of their role, responsibilities, duties, time involvement etc.

Non-executive directors including independent directors

- Profit-linked commission – Nil**
- Sitting Fees – INR 25,000/-** for board and all committee meetings held in a single day only to Independent Directors. The Board, upon recommendation of the Nomination and Remuneration Committee, may decide to pay remuneration to non-executive directors including independent directors, by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board.

Executive Board Members

The remuneration (including revision in the remuneration) of executive board members, if any, shall be approved by the Board on the basis of the recommendation of the Nomination & Remuneration Committee.

The remuneration payable to executive board members shall consist of:

- Fixed Pay** which is payable monthly, and shall include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per the Company's policy and
- Variable Pay** (paid at the end of Financial Year) directly linked to the performance of the individual employee (i.e. achievement against pre-determined KRAs), his / her respective

Business Unit and the overall company's performance (c) Long term incentive / ESOPs as may be decided by the Nomination and Remuneration Committee from time to time.

Remuneration to Key Managerial Personnel (other than Managing Director and Whole-Time Director) and other employees in Senior Management

The remuneration of Key Managerial Personnel (other than managing director and whole time director) shall be decided on case to case basis.

The remuneration payable to other employees in senior management and any revision thereof shall be done as per the compensation and appraisal policy of the Company.

The remuneration payable to key managerial personnel and other employees in senior management shall consist of

- (a) **Fixed Pay** which is payable monthly and include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per the Company's policy
- (b) **Variable Pay** (paid at the end of Financial Year) directly linked to the performance of the individual employee (i.e. achievement against pre-determined KRAs), his / her respective business unit and the overall Company performance (c) Long term incentive / ESOPs as may be decided by the Committee from time to time.

Disclosures by the Company

This Policy shall be disclosed in the Company's annual report.

General

The Directors of the Company and Company Secretary are jointly authorized to amend the Policy to give effect to any changes / amendments notified by Ministry of Corporate Affairs w.r.t. any matter covered by this policy. The amended policy shall be placed before the Board for noting and ratification.
