

REMUNERATION POLICY OF SHREE CEMENT LIMITED

1. Vision and Objective

Shree believes in nurturing a people friendly environment which is geared to drive the organization towards high and sustainable growth. Each and every personnel working with Shree strives to achieve the Company's vision of being the best in the industry.

2. Objective of the policy

The objective of the remuneration policy is: -

- i. to enable the Nomination cum Remuneration Committee to attract highly qualified executives to join the Shree's Board of Directors and Top Management
- ii. to enable the top management to attract, recruit and retain people at senior level positions in the organization
- iii. to enable the top management working along with senior personnel and Human Resource group of the organization to attract, recruit, motivate and retain the best talent available to join its team
- iv. to create value for all stakeholders in an efficient and responsible manner by accomplishing as above mentioned
- v. the directors, executive and prescribed officers are remunerated fairly and responsibly with the long term interest of the company in mind
- vi. An effective remuneration policy is in place, aligned with the company strategy and applied consistently throughout the entity at all employees levels.

3. Scope of the Policy

The policy is applicable for:

- (i) appointment and fixing of remuneration for all the Directors as well as Key Managerial Personnel (KMP) of the Company which includes the Chief Financial Officer and the Company Secretary. It also includes the appointment of other senior management personnel viz. Key Functional incharge like Technical Head, Marketing Head, Power Plant Head, Commercial Head which the Board may decide to appoint and who may report to the top management of the Company. Further, the appointment and remuneration of other employees of the company shall also be guided by this policy although the specific implementation may be undertaken by the respective department responsible for hiring in the Company.

(ii) Board of Directors

The Nomination cum Remuneration Committee is responsible to set remuneration policies for members of the Board of Directors of the company. The remuneration for members of the Board shall be based on various factors as below:

Factors for deciding Remuneration for Working Directors

SN	At the time of Appointment	Annual Performance Increment/Revision of Remuneration
1.	Qualification, Background and Experience of each individual	Performance of the company
2.	Accolades and Recognition conferred on the individual	Performance of the sector in which the Company operates and overall economic condition
3.	Remuneration of similar executives of peer groups	ESG /Sustainability Performance of the Company
4.	Responsibility and profile of individual person	Any Special achievements/contributions
5.	Previous stints, if any	
6.	Remuneration drawn from previous employer	

The Nomination and Remuneration Committee may consider any other factor considered relevant by it for deciding on the remuneration of Working Directors.

Factors for deciding Remuneration for Non-executive Directors (Including Independent Directors)

Component	Factors
A. Sitting Fee	Sitting Fee for attending Board/Committee meetings as decided by the Board from time to time within limits prescribed by law
B. Commission	Commission as decided by the Board within the ceiling specified under the Companies Act, 2013 considering the following factors:- <ul style="list-style-type: none"> • Performance of the company • Attendance and time spent in attending of Board/Committee meetings • Performance of the Director concerned • Any other specific factor as considered relevant

Components of Remuneration for Working Directors

The remuneration of the members of the Board of Directors consisting of Working, Directors shall normally include the following: -

SN	Components of Remuneration
1.	Fixed remuneration
2.	Performance based remuneration (if decided by the committee)

3.	Other perquisites and benefits
4.	Pension and other retiral schemes
5	Commission as decided by the Board within the ceiling specified under the Companies Act, 2013

Remuneration components may differ for each member depending upon its role and responsibility.

(iii) Key Managerial Personnel (Other than Board members) and Senior Executives

The remuneration of Key Managerial Personnel and other senior management people appointed by the Board for filling higher management positions who shall be reporting to the top management of the company shall consider and be based considering the below factors:-

Sl. No.	Factors for deciding Remuneration
1.	Qualification, Background and Experience of each individual
2.	Responsibility and profile of individual person
3.	Performance of the Company
4.	Award and recognition of the individual
5.	Remuneration of similar executives in peer group
6.	ESG /Sustainability Performance of the Company

Components of Remuneration

Remuneration components shall differ for each individual depending upon his role and responsibility. The remuneration of the Key Managerial Personnel and other senior management personnel shall normally include the following: -

Sl. No.	Components of Remuneration
1.	Fixed remuneration
2.	Performance based remuneration
3.	Other perquisites and benefits
4.	Pension and other retiral schemes

(iv) Other employees not covered above

The components of remuneration of all the employees of the company other than those specifically covered above shall normally include the following:

Sl. No.	Components of Remuneration
1.	Fixed remuneration
2.	Performance based remuneration
3.	Other perquisites and benefits
4.	Pension and other retiral schemes

The appointment and details of remuneration of the scope of people covered above shall be broadly based on the factors above. The actual implementation regarding appointment and remuneration fixing can be taken up by the HR department responsible for hiring in the company.

(v) **Carrier Growth Plan**

Appropriate carrier growth plan shall be devised for all the senior and middle level management employees considering their potential skills, experience etc. with a view to create leadership pool with the Company as well as providing growth opportunities for senior management people.

(vi) **Advances/Loan to Employees**

Company may grant advances/loan to its employees as per its Employees' Loan Policy subject to the compliance of the provisions of the Companies Act, 2013 & Rules made thereunder and further clarifications issued by the Ministry of Corporate Affairs from time to time.

(vii) **Claw back**

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013 and the rules made thereafter, the Company shall recover from its Directors as well Key Management Personnel, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

(viii) **Approval and Disclosure**

All approval as required under the Companies Act or any other relevant act or rules from the Shareholders, Governments or any other agency for making the remuneration effective for the covered group shall be obtained by the Secretarial department of the Company. Wherever required under any law, rules or regulation, the details of remuneration of all people covered under this policy shall be disclosed by the Secretarial / Accounts department of the Company.