

## **HDFC PROPERTY VENTURES LIMITED**

### **REMUNERATION POLICY FOR THE DIRECTORS, SENIOR MANAGEMENT AND OTHER EMPLOYEES**

#### **1. Preamble**

- The main objective of this Remuneration Policy is to provide a framework for the remuneration of the Directors, Members of Senior Management and other employees of the Company.
- The primary objectives of the Policy are as under:
  - a) To ensure that the level and composition of remuneration is in line with other companies in the industry, sufficient to attract and retain right talent, at all levels and keep them motivated enough to meet the organisational objectives.
  - b) To ensure that a reasonable balance is maintained in terms of composition of remuneration (fixed and variable component).
  - c) To have performance measurement parameters in place to assess the overall performance of the Directors, Members of Senior Management and other employees.
- Based on the above objectives and broad parameters set herein, the Board of Directors of the Company at its meeting held on March 28, 2016, approved this Policy.

#### **2. Applicability**

This policy shall be applicable and act as guiding principle with regard to remuneration payable by the Company to all Directors, Senior Management and other employees of the Company.

#### **3. Remuneration of Non-executive/ Independent Directors**

The Non-executive/ Independent Directors are paid sitting fees for attending the meetings of the Board and Committees thereof, subject to overall limit as prescribed in the Companies Act, 2013 and Rules made there under and pursuant to the approval of the Board of Directors of the Company, from time to time.

#### **4. Remuneration of Senior Management and other employees**

- Senior Management shall mean and include the following:
  - Chief Executive Officer (CEO);
  - Chief Investment Officer (CIO); and
  - Chief Financial Officer (CFO)

- The Key components of remuneration package of the Senior Management and other employees of the Company shall *inter alia* comprise the basic salary, house rent allowance, transport allowance, variable allowance, sodexo meal coupon, reimbursement of mobile and home telephone bills, provision of company car and reimbursement of driver's salary, ex- gratia, performance bonus, contribution to provident fund, premium on medical insurance and personal accident insurance, gratuity, leave travel allowance, leave encashment, as applicable.
- The remuneration, performance appraisal and rewards to Senior Management and other employees, shall be in line with the stated objectives.
- The annual increments for the CEO and any other payments including but not limited to payment of bonus, shall be approved by the Vice Chairman & Chief Executive Officer and/or Managing Director of Housing Development Finance Corporation Limited, the Holding Company under intimation to NRC.
- The annual increments for the other Senior Management positions and employees shall be linked to their overall performance and as decided by the CEO in consultation with their reporting functional heads, as applicable.
- Employees must conduct themselves to ensure that no breach of Code of Conduct and all other relevant and applicable Code is committed. Any such breach will have a direct bearing on their performance appraisal and rewards and shall also attract appropriate disciplinary action.

#### **5. Disclosures in the Board's Report**

The Disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under shall be made with regard to the remuneration details of the Directors, Senior Management and other employees.

#### **6. Policy Review**

- This policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made there under, the Memorandum and Articles of Association of the Company or as may be otherwise prescribed by the Board from time to time.
- The NRC may issue/implement such guidelines, procedures, formats and/or reporting mechanism to enforce this policy as it may deem fit.

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