

NOMINATION & REMUNERATION POLICY

PELATRO LIMITED

1. PREAMBLE

Pelatro Limited (the “**Company**”) has formulated this Nomination and Remuneration Policy (“**Policy**”) to provide a framework for remuneration of members of the board of directors (the “**Board**”) of the Company, Key Managerial Personnel, Senior Management and all other employees of the Company (“**Employees**”). This Policy is guided by the principles and objectives as enumerated in Section 178 (3) of the Companies Act, 2013, and the rules made thereunder, each as amended (the “**Act**”) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”). It aims to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, establish a clear relationship between remuneration and performance, and maintain a balance between rewarding short and long term performance of the Company. This Policy reflects the remuneration philosophy and principles of the Company and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

2. REMUNERATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

Non-Executive and Independent Directors (“**NEDs**”) will be paid remuneration by way of sitting fees and commission. The remuneration / commission / compensation to the NEDs will be determined by the Nomination and Remuneration Committee (“**NRC**”) and recommended to the Board for its approval. The sitting fee shall be payable to the NEDs and Nominee Directors for attending the Board and Nomination and Remuneration Committee, Audit Committee, and other committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically keeping with evolving trends in industries and considering the time and efforts spent by specific NEDs, the practice of paying differential commission will be considered by the Board. NEDs are entitled to be paid all travelling and other expenses they incur for attending to the Company’s affairs, including attending meetings of the Company. The remuneration payable by the Company to NEDs shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

3. REMUNERATION OF EXECUTIVE DIRECTOR

The compensation paid to the executive directors (including managing director) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the NRC will be within the overall limits specified under the Act and anytime the limit is exceeded, the Company will seek approval from its shareholders. The elements of compensation of the executive Director include the elements as described in paragraph 4 below. The NRC will determine the annual variable pay compensation in the form of annual incentive and annual increment for the executive director based on Company’s and individual’s performance as against the pre-agreed objectives for the year. In case of inadequacy of profit in any financial year, the remuneration payable to the executive director shall be further subject to the relevant provisions of the Act. Executive Directors will not be paid sitting fees for any Board / committee meetings attended by them. The remuneration payable by the Company to the executive Directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

4. REMUNERATION TO KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT AND OTHER EMPLOYEES

The Company's total compensation for Key Managerial Personnel/ Senior Management as defined under the Act / other employees will consist of:

- Fixed compensation
- Bonus and variable compensation in the form of an annual incentive
- Perks & benefits
- Work related facilities and perquisites.

Fixed compensation will be determined based on the size and scope of the job, as reflected by the level or grade of the position, trends in the market, the value of the job and the skills, experience and performance of the employee. Fixed compensation will include basic salary, housing allowance, special allowance, leave travel allowance and a cash allowance.

Based on the grade and seniority of employees, benefits include:

- Medical (hospitalization) insurance
- Accident insurance
- Statutory provident fund & gratuity

Employees will also be eligible for work related facilities and perquisites as determined by human resources policies issued from time to time based on the grade of the employee. A formal annual performance management process will apply to all employees Annual increases in fixed and variable compensation for individual employees will be directly linked to their performance ratings..

- Overall compensation shall be subject to periodic reviews, which considers data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.
- Employees are eligible for payments in accordance with the termination clause in their employment agreement, subject to applicable regulatory requirements.

5. COMMITTEE MEMBERS INTEREST

A member of the NRC is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated. The NRC may invite such executives, as it considers appropriate, to be present at the meetings of the NRC.

6. ADOPTION, CHANGES AND DISCLOSURE OF INFORMATION

This Policy and any changes thereof will be approved by the Board based on the recommendation(s) of the NRC.

This Policy may be reviewed at such intervals as the Board or NRC may deem necessary. Such disclosures of this Policy as may be required under the Act and SEBI Listing Regulations may be made.

7. DISSEMINATION OF POLICY

This Policy shall also be posted on the website of the Company and the details of this Policy, including the evaluation criteria, shall be disclosed in the Annual report of the Company.

DATE: 04.10.2024