

Compensation Policy for KMP's

The philosophy for remuneration of directors, Key Managerial Personnel (“KMP”) and all other employees of Sintercom India Limited (“the Company”) is based on the commitment of fostering a culture of Leadership with Trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“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 (“Listing Regulations”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“NRC”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. remuneration to directors, key managerial personnel and senior management 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”

Remuneration for managing director (“MD”)/KMP/ rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:

- ❖ Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
- ❖ Driven by the role played by the individual,
- ❖ Reflective of size of the Company, complexity of the sector/industry/Company’s operations and the Company’s capacity to pay,
- ❖ Consistent with recognized best practices and
- ❖ Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
- The Company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/KMP's such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time, Industry benchmarks of remuneration,
 - Performance of the individual.
- The Company provides the rest of the employees a performance linked incentive/milestone incentive. This incentive would be driven by the outcome of the performance appraisal process and the performance of the Company/achievement of pre-decided milestones. The employees shall also be eligible for statutory bonus as per the Bonus Act.
- Further, Nomination & Remuneration committee members can further decide on the incentives/ compensation to the KMP's at their discretion.