

RISHI LASER LIMITED

Policy on Remuneration to Directors, Key Managerial Personnel and Other Employees

1. INTRODUCTION

The primary objective of the remuneration policy is to provide a framework and set standards for paying remuneration to the Directors, Key Managerial Personnel and Other Employees. The Company has therefore formulated the remuneration policy keeping in view the following objectives:

1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and Other Employees to run the Company successfully;

1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks;

1.3 Ensuring that remuneration 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;

1.4 Ensuring that remuneration packages for Directors, Key Managerial Personnel and Other Employees of the Company are fixed taking into account factors including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and Government/other guidelines; and

1.5 Ensuring that the Nomination and Remuneration Committee consults with the Chairman and Managing Director of the Company and Human Resource Department as it deems appropriate, whenever required.

2. SCOPE OF REMUNERATION POLICY

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and Other Employees of the Company

3. TERMS AND REFERENCES

In this Policy, the following terms shall have the following meanings:

3.1 "Director" means a director appointed to the Board of the Company

3.2 "Key Managerial Personnel" means (i) the Chief Executive Officer or the Managing Director or the Manager (ii) the Company Secretary; (iii) the Whole-Time Director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 "Nomination and Remuneration Committee" means the committee constituted by Board of Rishi Laser Limited in accordance with the provisions of Section 178 of the Companies Act, 2013

and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. POLICY

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration ('NR') Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Key Managerial Personnel shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non - Executive Directors

4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non - Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non - Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees subject to recommendation of the Board and subject to the approval of the shareholders.

4.2.3 The sitting fees to the Independent Directors shall not be less than the sitting fees payable to other directors.

4.3 Remuneration to Other Employees

4.3.1 Other Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs. The remuneration of other employees of the Company will be finalised by the Managing Director of the Board in consultation with the Human Resource Department of the Company.