



# Prakash Industries Limited

## **Nomination And Remuneration Policy of Prakash Industries Limited in terms of Section 178 of Companies Act, 2013 and Clause no. 49 B(5) of Listing Agreement with the Stock Exchange**

### **Objective:**

To apprise and assure Board Members through Nomination and Remuneration Committee (hereinafter referred as Committee) regarding availability of framework for conducting company business efficiently by ensuring availability of requisite Talent, Reasonable and Sufficient Remuneration for retaining the Talent, Transparent Performance Evaluation and Reward System to Create High Performance Culture.

### **Applicability:**

All employees in service of Prakash Industries Limited including Directors, Key Management Personnel and Senior Management Personnel.

### **Performance Evaluation Policy:**

All employees are covered under following basic principles guiding the policy & process thereof:

#### Basic Principles:

- Objective and Transparent Performance Evaluation
- Alignment of Company Objectives and Individual Performance
- Suitably Rewarding High Performance
- Creating Performance Oriented Culture

### **Process of Performance Evaluation:**

- Company Objectives are defined on Year On Year basis in line with long term goals
- All department and individual Key Result Area (KRA) are defined in line with Company Objectives
- All employees are evaluated on annual basis based on Management by Objective
- Final evaluation of each employee in the organization is done in the month of March every year

## **Outcome of Performance Evaluation Exercise:**

- Career Plan for each position
- Training needs of incumbent
- Remuneration Enhancement
- Potential employee for future growth
- Performance Oriented Culture

## **Remuneration:**

- Remuneration is based upon Level, Responsibilities of the position and Performance of incumbent
- Remuneration is divided into two parts i.e. Fixed Cost and Variable Pay,
- Variable Pay is further divided into two parts
- Company Performance Pay
- Individual Performance Pay
- All Statutory benefits are extended to employees Attracting, Retaining and Nurturing Talent Policy Attracting Talent
- New Position availability is based on sanctioned strength/ replacement looking at three years rolling organization structure
- Competence Based hiring for all positions
- Job related
- Behavioral
- Internal & External Sourcing for each position
- Minimum Three rounds of personal meeting/ panel interview takes place for Manager & above level positions
- Each member evaluate the interviewee on prescribed format against position specific competence
- Manager & above level positions are finalized with involvement of Managing Director essentially

## **Retention & Nurturing of Talent:**

- Fair Remuneration & other employee related policies
- Transparent Performance Evaluation and Rewards System
- Defined Career path and Development Opportunities for all without bias
- Individual Competence enhancement through Training
- Involvement in Improvements and Change on regular basis
- Open Door Policy for employees

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