

## PC JEWELLER LIMITED

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### NOMINATION & REMUNERATION POLICY

#### 1) PREFACE

Nomination & Remuneration Policy (“**Policy**”) is framed by PC Jeweller Limited (the “**Company**”) in accordance with Section 178 of the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) to attract, motivate and retain manpower by creating a congenial work atmosphere, encouraging initiatives, personal growth and team work by creating a sense of belonging and involvement, besides offering appropriate remuneration packages and to ensure that remuneration to the Directors, Key Managerial Personnel (“**KMP**”) and other employees matches the levels prevailing in the industry and / or comparable companies, whilst also taking into consideration the required competencies, efforts and scope of their responsibilities and duties. The Company has always considered human resources as its invaluable assets.

The objective of the Policy is to identify the persons for appointment as Director(s) and who may be appointed in Senior Management (“**SM**”) including KMP’s as well as determining the remuneration of Director, KMP and other employees.

#### 2) DEFINITIONS

- 2.1) “**Board**” means the Board of Directors of the Company.
- 2.2) “**Director**” means a Director appointed to the Board of the Company.
- 2.3) “**Independent Director**” means a Director as defined under the Act and Listing Regulations.
- 2.4) “**Key Managerial Personnel or KMP**” means the person(s) appointed as such by the Company under Section 203 of the Act.
- 2.5) “**Nomination and Remuneration Committee or Committee**” means a Committee of the Board of the Company, constituted in accordance with the provisions of the Act and Listing Regulations.
- 2.6) “**Senior Management or SM**” shall mean officers / personnel of the Company who are members of its core management team excluding the Board and shall comprise all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager (including Chief Executive Officer / Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act and / or Listing Regulations, as may be amended from time to time, shall have the same meaning respectively assigned to them therein.

### **3) APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SM**

**3.1)** The Committee shall identify and ascertain the positive attributes, qualifications, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment. Before recommending a person's candidature to the Board, apart from applicable provisions of the Act and Listing Regulations, as amended from time to time, the Committee may consider following criteria or norms collectively or individually:

- Individuals of eminence, standing and knowledge with significant achievements in business, professions and / or public service;
- Individuals having financial or business literacy / skills;
- Individuals having jewellery industry experience;
- Individuals having other qualification / experience to meet the objectives of the Company.

**3.2)** A person to be appointed as KMP or SM should possess adequate relevant qualification, expertise and experience for the position he / she is considered for.

**3.3)** The Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s) and to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for appointment as Director / KMP / SM.

**3.4)** The Committee may recommend to the Board, with reasons recorded in writing, removal of Director, KMP and SM due to reasons for disqualification in the Act or any other applicable laws. Such removal shall be subject to the provisions and compliance of applicable laws, rules and regulations.

### **4) REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR**

#### **4.1) REMUNERATION**

The term of office and remuneration / commission etc. to be paid to Whole-time / Executive / Managing Director shall be in accordance with the provisions of the Act or any other law for the time being in force, as may be applicable from time to time.

Whole-time / Executive / Managing Director will be eligible for remuneration by way of salary, allowances, perquisites and other benefits, if any, as may be approved by the shareholders on the recommendation of the Board and the Committee. They may also be paid commission based on the net profits of the Company, within the monetary limits approved by shareholders, in accordance with the Act and / or Listing Regulations, as may be applicable from time to time.

#### **4.2) MINIMUM REMUNERATION**

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the Act and Schedule V.

### **5) REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR**

#### **5.1) SITTING FEES**

Non-Executive / Independent Director will receive such remuneration by way of sitting fee for attending meetings of the Board and Committee thereof, as may be approved by the Board from time to time:

Provided that the amount of such fee shall not exceed Rupees One Lakh per meeting of the Board

or Committee thereof or such amount as may be prescribed by the Act / Central Government from time to time.

**5.2) COMMISSION**

Commission may be paid to Non-Executive / Independent Director within the monetary limits approved by shareholders, subject to the limit prescribed under the Act and / or Listing Regulations, as may be applicable from time to time.

**6) REMUNERATION TO KMP AND SM**

KMP (excluding Whole-time / Executive / Managing Director) and SM will be paid remuneration by way of salary, allowances, perquisites and other benefits, if any, as per the Company's policies and / or as may be approved by the Board / Committee based on their experience, expertise, qualifications, scope of responsibilities and duties, industry standards etc.

**7) REMUNERATION TO OTHER EMPLOYEES**

Other employees will be paid remuneration as per the Company's policies and / or as may be decided by Managing Director based on their experience, expertise, qualifications etc.

**8) GENERAL**

**8.1)** The Policy will apply to all employment(s) / engagement(s) with the Company, whether continuing or future.

**8.2)** In addition to normal / regular remuneration, PC Jeweller Limited Employee Stock Option Plan 2011 ("ESOP 2011") is also in place for eligible employees of the Company. The objective of the ESOP 2011 is to attract, motivate and retain talent and reward loyalty etc. An Independent Director shall not be entitled to any stock option of the Company.

**8.3)** The remuneration (except sitting fee) / commission etc. to Whole-time / Executive / Managing / Non-Executive / Independent Director will be recommended by the Committee to the Board for approval and shall be subject to the approval of the shareholders of the Company, wherever required.

**8.4)** The remuneration to be paid to KMP, SM and other employees shall also be governed by the limits and requirements, if any, as may be prescribed under the Act or any other law for the time being in force.

**8.5)** Where any insurance is taken by the Company on behalf of its Whole-time / Executive / Managing Directors and KMP for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel:

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**9) SCOPE LIMITATION**

In the event of any conflict between the provisions of this Policy and of Listing Regulations / the Act or any other statutory enactments, rules, the provisions of such Listing Regulations / the Act or statutory enactments, rules shall prevail over this Policy.

**10) AMENDMENT**

The Board on its own or as per the recommendations of the Committee can amend or modify this Policy in whole or in part, as and when deem fit.

In case of any amendment(s), clarification(s) etc. in the Act, Listing Regulations or any other applicable laws which are not consistent with this Policy, then such amendment(s), clarification(s) etc. would prevail over this Policy and the Policy shall stand amended accordingly.

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