

## **DUNCAN ENGINEERING LIMITED**

### **REMUNERATION POLICY**

#### **OVERVIEW**

This policy is framed in terms of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Section 178 of the Companies Act, 2013 and rules thereof including any amendments thereunder, to cover the remuneration of the directors, key managerial personnel and other employees & diversity of board of directors (“Policy”).

This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Nomination & Remuneration Committee.

Words and expressions used in this Policy shall have the meaning ascribed to them in the Companies Act, 2013 and the Rules framed thereunder and the SEBI Listing Regulations, as amended from time to time or any other law or regulation as applicable to the Company.

#### **OBJECTIVE**

The objective of the Company’s Remuneration policy is to ensure that Company’s Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivized for enhanced performance.

#### **COVERAGE:**

##### **A. Policy on Board Diversity:**

The Board of Directors shall comprise of persons who have expertise in the areas of business that the Company operates in and such persons having expertise to help the Company to diversify its business at the appropriate times.

The Nomination and Remuneration Committee of the Board shall recommend persons with the requisite expertise to the Board of Directors for co-option on the Board, at its discretion.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

##### **B. Guidelines for determining remuneration of:**

1. Executive Directors
2. Non-Executive Directors
3. Key Managerial Personnel & Senior Management Personnel
4. Other Employees

Following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP), Senior Management Personnel and other Employees.

### **1. Executive Directors**

Remuneration to Executive Directors may be linked with some or all of the following:

- a. Increase in stakeholder's wealth
- b. Target achievement in term of sales, margin vis-à-vis industry bench mark
- c. Overall health of organization
- d. New initiatives taken and diversification by the organization
- e. Optimum utilization of resources of the organization
- f. Long term goal setting of the organization
- g. Industry Pattern
- h. Risk Mitigation
- i. Remuneration should be reasonable and sufficient to attract and retain directors of quality.

### **2. Non- Executive Directors**

Remuneration to Non-Executive Directors including Independent Directors:

- a. Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or its committee, at a rate that is as per the provisions of the Companies Act 2013.
- b. They shall also receive reimbursement of reasonable expense incurred in attending the Board, and Committee Meetings.
- c. Non-Executive Non-Independent Directors may be remunerated by way of commission within the limits specified under the Companies Act 2013 with the approval of Board of Directors. Remuneration may be linked with some or all of the following:
  - i. Attendance in meeting & participation in discussions
  - ii. Adequate knowledge of company business & economic scenario
  - iii. Effectiveness in discharging functions, roles & responsibility
  - iv. Defining role & effective coordination & monitoring
  - v. Overall health of organization

### **3. Key Managerial Personnel and Senior Management**

Remuneration to Key Managerial Personnel and Senior Management may be linked with some or all of the following

- a. Achievement of given targets
- b. Increase in stakeholder's wealth
- c. Improvement made in the processes of the organization
- d. People management
- e. Optimum utilization of resources of the organization
- f. Industry pattern
- g. New Initiatives taken

#### **4. Other Employees**

Remuneration to other employees may be linked with some or all of the following

- a. Qualification, Experience, and merits
- b. Initiative in optimization/increase in performance efficiencies
- c. Achievements of given target
- d. Industry Pattern
- e. Inflation

Remuneration of Executive Directors and KMP shall be within such limits as prescribed by the Companies Act and other statutes as applicable from time to time. In addition to the fixed monthly remuneration Executive Directors shall be entitled to commission/performance bonus as determined by the Board from time to time based on the performance parameters set in this regard.

#### **AMENDMENT**

Based on the recommendation of the Nomination & Remuneration Committee, the Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate or in accordance with any amendment to the applicable provisions of the Act, including rules thereof and / or the provisions of the SEBI Listing Regulations.

For and on behalf of the Board of Directors  
of Duncan Engineering Limited

SD/-  
Akshat Goenka  
Managing Director  
DIN: 07131982

Date: 01.11.2022