

MAHINDRA RURAL HOUSING FINANCE LIMITED

Registered Office: 4th Floor, Mahindra Towers, P. B. Marg, Worli, Mumbai – 400018.

Corporate Identity Number: U65922MH2007PLC169791

Tel: +91 22 66526000; **Fax:** +91 22 24984170

Website: www.mahindrahomefinance.com; **email:** investorhelpline.mrhfl@mahindra.com

REMUNERATION POLICY FOR KMP's AND EMPLOYEES

This Policy shall be effective from the financial year 2014 - 15.

Objective

To establish guidelines for remunerating employees fairly and in keeping with Statutes.

Definition(s)

"Key Managerial Personnel" (KMP) as defined in section 2(51) of the Companies Act, 2013 means:

- (i) the Chief Executive Officer or the Managing Director or Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the directors who is in wholetime employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed.

Standard

The broad structure of compensation payable to employees is as under:

- ✚ Fixed pay which has components like basic salary & other allowances / flexi pay as per the grade where the employees can chose allowances from bouquet of options.
- ✚ Variable pay (to certain grades) in the form of annual / half yearly performance pay based on KRA's agreed – as applicable.
- ✚ Incentives monthly/ quarterly/ half-yearly/ annually based on Individual/ Company's Performance.
- ✚ Retrials such as PF, Gratuity & Superannuation (for certain grades).
- ✚ Benefits such ESOP scheme, car scheme, medical & dental benefit, loans, insurance etc as per grades.

Increments

- ✚ Salary increase is given to eligible employees based on position, performance & market dynamics as decided from time to time.