



EIH ASSOCIATED HOTELS LIMITED

Registered Office: 1/24 G.S.T. Road, Meenambakkam, Chennai – 600027
CIN: L92490TN1983PLC009903

Senior Management & Key Managerial Personnel (excluding Executive Directors) Appointment and Remuneration Policy

(As amended on 29th January, 2016)

Senior Management & Key Managerial Personnel
(excluding Executive Directors) Appointment and Remuneration Policy

1. Statement of Purpose

This Appointment & Remuneration Policy (Policy) of EIH Limited (Company) and its associated entities has been prepared to ensure the following:

- 1.1 This Policy is in compliance with Section 178 (1) of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).
- 1.2 Appointment & Remuneration of the key managerial personnel and senior management is aligned to the interests of the Company and its shareholders within an appropriate governance framework.
- 1.3. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel and senior management of the quality required to run the Company successfully.

2. Scope of Policy

Applies to all key managerial personnel and senior management personnel.

- 2.1. The expression "key managerial personnel" means:
 - a. Company Secretary;
 - b. Chief Financial Officer; and
 - c. such other executive as may be prescribed
- 2.2. The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. Remuneration Philosophy for employees and new Hires:

The Company believes in paying its executives competitive remuneration. The remuneration philosophy aims at the following outcomes:

- 3.1 Remuneration is structured to align with the Company's interests, taking account of the Company's strategies and risks.
- 3.2 Drive Performance – Executive compensation is linked to individual and company performance, which, in turn, impacts the quantum of payout.
- 3.3 External Equity – Executive compensation is designed to be competitively benchmarked with the hospitality industry compensation or general industry compensation for applicable roles.
- 3.4 Internal Equity-Executives performing similar role, complexity of job are paid at similar compensation levels.
- 3.5 The Company complies with applicable legal requirements and appropriate standards of governance.

4. Remuneration guidelines

- 4.1. The remuneration paid by the company is classified under following major heads:
 - 4.1.1. Total Fixed Cost: This includes base salary, other cash allowances, perquisites and retirement benefits.
 - 4.1.2. Variable Cost: This includes variable pay linked to company and individual performance. Variable pay for senior executives constitutes a significant portion of total remuneration.
 - 4.1.3. The sum total of the Total Fixed Cost and Variable Cost is called the Cost to Company in the relevant executive's remuneration package.
- 4.2 The Cost to Company being offered to a new hire for a replacement position or new position with reference to scope of this policy is governed by the remuneration philosophy as mentioned in clause no. 3. The endeavour is to ensure internal equity in compensation is

maintained, however at the same time compensation is competitive to attract a new hire.

- 4.3** Remuneration is annually reviewed for all the executives who are eligible for compensation review in accordance with the remuneration philosophy.

EIH Associated Hotels Limited

Sudipto Sarkar
[DIN: 00048279]
Chairperson
Nomination & Remuneration Committee

EIH Associated Hotels Limited

P.R.S. Oberoi
[DIN: 00051894]
Chairman