REMUNERATION POLICY

PREAMBLE

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and other benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

This Remuneration Policy applies to directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

DEFINATIONS:

- **"Board"**: Board means Board of Directors of the Company.

- **"Director":** Director means Director of the Company appointed in accordance with the Companies Act, 2013.

- **"Committee":** Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

- **"Company":** Company means Vedic Ayurveda Limited (formerly known as KD Leisures Limited).

- **"Independent Director":** means a director referred to in Section 149 (6) of the Companies Act, 2013 and/or as defined under Regulation 16 (b) of the Listing Regulations.

- **"Key Managerial Personnel**": Key Managerial Personnel ('KMP') means-

  (i) the Chief Executive Officer or the managing director or the manager;
  (ii) the Company Secretary;
  (iii) the Whole-Time Director;
  (iv) the Chief Financial Officer; and
  (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

- **"Senior Management":** 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. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute/ re-constitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Director:

Name of Directors	**Category**	**Designation**
Angad Bijan	Non-Executive, Independent Director	Chairman
Dileep Kumar	Non-Executive, Independent Director	Member
Sumeet Kaur	Non-Executive, Non - Independent Director	Member

GUIDING PRINCIPLE

The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel. The following are the guiding principles in formulating the remuneration policy:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
    - Responsibilities and duties ;
    - Time & efforts devoted;
    - Value addition;
    - Profitability of the Company & growth of its business;

    - Analyzing each and every position and skills for fixing the remuneration yardstick.
    - Standards for certain functions where there is a scarcity of qualified resources.
    - Ensuring tax efficient remuneration structures.
    - Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.
- Industry practices and cost of living are also taken into consideration.

DIRECTORS

As per the Policy followed by the Company since inception the Non-Executive Directors including Independent Directors are paid remuneration in the form of sitting fees for attending Board and Committee meetings as fixed by the Board of Directors from time to time subject to statutory provisions.

The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.

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 Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration: If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive / Independent Director:

Remuneration / Commission: The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

The Nomination & Remuneration Committee considers that a successful Remuneration Policy must ensure that some part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The term of office and remuneration of Whole Time Directors are subject to the approval of the Board of Directors, shareholders and the limits laid down under the Companies Act from time to time.

REWARD PRINCIPLES AND OBJECTIVES

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Appointment of Key Managerial Personnel & Senior Management and cessation of their service are subject to the approval of the Nomination and Remuneration Committee and the Board of Directors. Remuneration of Key Managerial Personnel and other Senior Management personnel is decided by the Managing Director or such other Executive Director who is responsible for appointment of such Key Managerial and other Senior Management Personnel, broadly based on the Remuneration Policy in respect of Whole Time Directors. Total remuneration comprises of:

1. **A fixed base salary** - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.

2. **Perquisites** – in the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone expenses, leave travel, etc.

3. **Retirement benefits** - contribution to PF, superannuation, gratuity, etc. as per Company Rules.

4. **Motivation /Reward** - A performance appraisal is carried out annually and promotions/ increments/ rewards are decided by Managing Director or such other Executive Director who is responsible for appointment of such Key Managerial and other Senior Management Personnel.

5. **Severance payments** - in accordance with terms of employment, and applicable statutory requirements, if any.

OTHER EMPLOYEES

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policies of motivation/ reward/ severance payments are applicable to this category of personnel as in the case of those in the management cadre.

DISCLOSURE OF INFORMATION

Information on the total remuneration of members of the Company's Board of Directors, Whole Time Directors and KMP/ Senior Management Personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

APPLICATION OF THE REMUNERATION POLICY

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

REVIEW OF THIS POLICY

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy.

DISSEMINATION

The Company's Remuneration Policy shall be published on its website.