

Annex to Directors' Report - 1

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided below:

Ratio of remuneration of each director to the median employees' remuneration for FY22

Name	Designation	Ratio of remuneration to the median employees' remuneration
Mr. Deepak S. Parekh	Chairman	27
Mr. Nasser Munjee	Independent Director	4
Dr. J. J. Irani	Independent Director	4
Mr. U. K. Sinha	Independent Director	5
Mr. Jalaj Dani	Independent Director	6
Dr. Bhaskar Ghosh	Independent Director	6
Ms. Ireena Vittal	Independent Director	6
Mr. P. R. Ramesh	Non-Executive Non-Independent Director	1
Mr. Rajesh Narain Gupta	Independent Director	1
Mr. V. Srinivasa Rangan	Executive Director	105
Ms. Renu Sud Karnad	Managing Director	138
Mr. Keki M. Mistry	Vice Chairman & CEO	156

Notes:

- Mr. Nasser Munjee and Dr. J. J. Irani retired as directors of the Corporation w.e.f. July 20, 2021.
- Mr. Rajesh Narain Gupta and Mr. P. R. Ramesh were appointed as directors w.e.f. August 2, 2021.
- Remuneration to non-executive directors includes sitting fees and commission paid.
- Remuneration paid to all directors is within the overall limits approved by the shareholders of the Corporation.

Percentage increase in the remuneration of each director and key managerial personnel in FY22

Key Managerial Personnel

Name	Designation	Increase in Remuneration (%)
Mr. Keki M. Mistry	Vice Chairman & CEO	13
Ms. Renu Sud Karnad	Managing Director	14
Mr. V. Srinivasa Rangan	Executive Director	18
Mr. Ajay Agarwal	Company Secretary	15

Non-Executive Directors

During FY22, the commission to each non-executive director (other than the Chairman) was increased to ₹ 60 lac from ₹ 45 lac in the previous year. The commission to the Chairman was increased to ₹ 3.30 crore compared to ₹ 3 crore in the previous year. The increase was commensurate with the increased responsibilities and time requirements on the part of the directors on issues pertaining to the Corporation.

During the year, there was no change in the sitting fees paid to the non-executive directors for attending the board/committee meetings.

Further details are provided in Report of the Directors on Corporate Governance.

Number of permanent employees

HDFC had 3,599 employees as of March 31, 2022.

Percentage increase in the median remuneration of employees in FY22

The percentage increase in the median remuneration of employees in FY22 stood at 8%.

Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration

The average increase in the remuneration of all employees was 13% in FY22. The average increase in remuneration of whole-time directors stood at 14% and that of other employees was 13%.

The average increase in the remuneration of both, the managerial and non-managerial personnel was determined based on the overall performance of the Corporation. Further, the criteria for increase in remuneration of non-managerial personnel is based on an internal evaluation of Key Result Areas (KRAs), while the increase in remuneration of the managerial personnel is also based on the remuneration policy as recommended by the Nomination and Remuneration Committee of Directors and approved by the Board of Directors. There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Corporation.

The remuneration of key managerial personnel is based on the overall performance of the Corporation.