



## **IFFCO KISAN LOGISTICS LIMITED**

### **REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES-IKLL:**

#### **1. Scope and Objectives:**

This Remuneration Policy of the Company provides a framework and sets out the guiding principles for the Nomination and Remuneration Committee (the “N&R Committee”) for recommending to the Board the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of IFFCO Kisan Logistics Limited (the “Company”).

The primary objectives of this Policy are as under:

- a.) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, at all levels, the quality talent required to run the company successfully.
- b.) To ensure that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c.) To ensure that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

#### **2. Definitions:**

In this Policy, the following terms shall have the following meanings:

- a.) “**Director**” Means a director appointed to the Board of the Company.
- b.) “**Key Managerial Personnel**” or “**KMP**” means Members of the core management team of the Company including all Whole Time Directors, Managing Director/CEO, and the functional heads one level below the MD/CEO, including the CFO and the Company Secretary
- c.) “**Nomination and Remuneration Committee**” or “**N&R Committee**” means the committee constituted by Company’s Board in accordance with the provisions of sec. 178 of the Companies Act, 2013.



### **3. Remuneration to Non- Executive/ Independent Directors:**

- a.) Subject to the overall limit as prescribed in the Companies Act, 2013 and rules made thereunder, as amended from time to time, the Board shall review and approve the remuneration payable to the Non- Executive Directors of the Company.
- b.) Non- Executive Directors shall be entitled to Sitting Fees for attending the Board and Audit Committee Meetings.
- c.) The Independent Directors shall not be eligible for the Stock Options, if any.

### **4. Remuneration to Managing Director , CEO,CFO and other Directors :**

- a.) The MD is appointed for a fixed tenure as approved by the Shareholders and tenure may be renewed upon expiry subject to recommendations by Board, N&R Committee and approval of Shareholders.
  
- b.) The Remuneration payable to MD ,CEO, CFO and other Directors may be fixed in consultation with IKLL Holding Enterprise-IFFCO.

### **5. Remuneration to Key Managerial Personnel (other than MD & CEO and Whole-time Directors) :**

- a.) The Key Components of Remuneration Package of KMPs shall comprise of Basic Pay, Dearness Allowance, House Rent Allowance, Leave Travel Allowances other allowances, Medical Reimbursement, Liveries allowance, Retiral Benefits including contribution to Provident Fund and Gratuity .
  
- b.) The Board, on recommendation of the N&R Committee, shall review and approve the Remuneration Package for the KMPs of the Company.

### **6. Remuneration to Other Employees:**

- a.) Employees shall be assigned grades according to their qualifications and work experience,competencies as well as their roles and responsibilities in the company. Individual remuneration shall be determined within the appropriate grade and shall

be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

b.) Remuneration Package of Employees of the Company shall normally comprise of Basic Pay, Dearness Allowance, House Rent Allowance, Leave Travel Allowances other allowances, Medical Reimbursement, Liveries allowance, Retiral Benefits including contribution to Provident Fund and Gratuity .

c.) Remuneration Package for the Employees under each grade shall be determined and reviewed with the approval of the Board/ N & M Committee.

#### **7. Disclosure (s) in the Board's Report :**

As required under the relevant provisions of the Companies Act, 2013, and the rules made there under appropriate disclosures with regard to the remuneration details of the Directors, KMPs, Senior Management and other employees shall be made in the Board's Report of the Company .

#### **8. Policy Review:**

a.) This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made there under, the Memorandum and Articles of Association of the Company or as may be otherwise prescribed by the Board from time to time.

b.) This Policy will be reviewed by the N&R Committee in case of any modification or change, the same shall be recommended to the Board for approval.

c.) The N&R Committee may issue/implement such guidelines, procedures, formats and/or reporting mechanisms to enforce this Policy as it may deem fit.