

KAMARAJAR PORT LIMITED

NOMINATION & REMUNERATION POLICY

1.0 BACKGROUND

Pursuant to provisions of the Companies Act, 2013, the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees. Consequent to transfer of entire shareholding of Government of India in KPL to Chennai Port Trust on 27.3.2020, KPL has become a wholly owned subsidiary of Chennai Port Trust. Pursuant to the road map for disinvestment, the Directors shall be appointed by Chennai Port Trust in compliance with the Companies Act, 2013. Further, as per the Share Purchase Agreement entered between The President of India (Seller) and Chennai Port Trust (Acquirer), no action (except in the ordinary course of business of the Company) shall be taken by the acquirer which may adversely impact the seniority, compensation and benefit packages (including retirement benefits), and growth and progression plans/prospects of the employees of the Company, except with the prior written consent of the Seller for a period of 3 (Three) years after the closing date.

2.0 NOMINATION & REMUNERATION POLICY

(1) Appointment of Directors

Chennai Port Trust shall nominate Directors on the Board of the Company including Independent Director in compliance with the provisions of Companies Act, 2013 and rules framed thereunder as amended from time to time. The Board, on the recommendation of the Nomination and Remuneration Committee, shall appoint the Directors as per the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company. All directors will be ultimately appointed by the members of the Company.

(2) Remuneration of Directors

- The Remuneration of Chairman and Managing Director will continue to be governed by the terms and conditions of the appointment order issued by the Ministry of Shipping (now Ministry of Ports, Shipping and Waterways), Government of India.
- Remuneration of Executive Directors would be as per applicable DPE pay structure.
- Sitting fees for Independent Directors shall be paid as approved by the Board from to time in terms of Section 197 of Companies Act, 2013 read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(3) Remuneration of other Employees including KMP

- Pay structure of the other employees including KMP shall continue to be governed by the DPE pay structure in line with the Share Purchase Agreement executed.