

I G PETROCHEMICALS LIMITED
NOMINATION, REMUNERATION AND EVALUATION POLICY
=====

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

This policy on nomination and remuneration of Directors, Key Managerial and Senior Managerial Personnel has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961;

“Key Managerial Personnel” means: i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; ii) Chief Financial Officer; iii) Company Secretary; and iv) such other Senior Managerial Personnel as may be prescribed.

“Senior Managerial Personnel” shall mean President, Chief Marketing Officer, Chief Financial Officer, Company Secretary and such functional heads who are part of the core management team of the Company.

Objective:

The objective of the policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- that the Board comprises of directors with diverse background and varied experience and
- remuneration to directors, key managerial and senior managerial personnel 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.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in this policy and their appointment and removal.
- To recommend to the Board policy relating to remuneration for directors, key managerial and senior management personnel.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGERIAL PERSONNEL

The Committee shall identify the person based on his qualification, expertise and experience for appointment as Director, KMP or at Senior Management level and recommend his / her appointment to the Board.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

a) Independent Director:

An Independent Director shall hold office for a maximum term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Managerial Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Managerial Personnel shall retire as per the applicable provisions of the Act or prevailing terms and conditions relating to their appointment, as the case may be.

POLICY FOR REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGERIAL PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors and the same shall not be subject to the approval of Audit Committee.

2) Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial and Senior Managerial Personnel:

- a) The remuneration and the revision thereof for Key Managerial and Senior Managerial Personnel shall be in accordance with the annual performance appraisal programme of the Company. The appraisal programme shall be benchmarked on the basis of 'pay for performance'. The Committee shall review the appraisal guidelines/policy from time to time and shall have the powers to recommend changes therein.

The Managing Director of the Company shall carry out the appraisal which shall be broadly on the following parameters:

- i. A comparative benchmark with the industry standards.
- ii. Roles and responsibilities shared.
- iii. Co-relates with the performance of the executives.
- iv. Attract, retain and motive talent.
- v. Understanding the philosophy of the Company
- vi. Contribution to the business of the Company

The above policy was adopted by the Board of Directors at their meeting held on 10th February, 2015 and subsequently modified on 3rd May, 2017 and 10th November, 2020, 5th August, 2022 and 18th May, 2023