

TIMESCAN LOGISTICS (INDIA) LIMITED
REMUNERATION POLICY

1. INTRODUCTION

The Nomination & Remuneration Policy (“**Policy**”) of Timescan Logistics (India) Limited (“**the Company**”) is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”).

- i. Section 178 (3) of the Companies Act, 2013 provides that *“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”*.
- ii. Under these circumstances, the Nomination and Remuneration Committee of the Board of Directors of the Company, proposes to formulate a Remuneration Policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of Section 178 (4) of the Companies Act, 2013 and Clause 49 (IV) (b) (4) of the Listing Agreement.

2. OBJECTIVE AND PURPOSE OF THE POLICY

In line with the requirements of the listing agreement and the Companies Act, 2013, the objectives and purpose of the policy is that the Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

3. APPLICABILITY

The Remuneration Policy applies to the (i) Directors viz. Executive, Non-Executive and Independent Director (ii) Key Managerial Personnel (iii) Senior Management Personnel and (iv) Other Employees of the Company. The Remuneration Policy shall also apply to all future/ continuing employment/ engagement with the Company.

4. DEFINITIONS

‘Board’ means Board of Directors of the Company.

‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.

'Company' means Timescan Logistics (India) Limited formerly known as Timescan Logistics (India) Private Limited.

'Directors' means directors of the Company.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.

'Key Managerial Personnel (KMP)' means

- i) the Managing Director or Chief Executive Officer or manager;
- ii) the Managing Director or Chief Executive Officer or manager;
- iii) the Company Secretary;
- iv) the Chief Financial Officer;
- v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi) such other officer as may be prescribed

5. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted the "Nomination and Remuneration Committee" of the Board in line with the requirements under the Companies Act, 2013. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

6. QUALIFICATION OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board of his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- Appointment of Independent Directors are subject to compliance of provisions of Section 149 of the Companies Act, 2013, read with Schedule IV to the Act and rules framed thereunder.

7. POSITIVE ATTRIBUTES OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS

- Directors are to demonstrate integrity, qualification, credibility, trustworthiness, ability to handle

conflict constructively, and the willingness to address issues proactively.

- Actively update their knowledge and skills with the latest developments in the Foreign Trade and Shipping industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees

8. CRITERIA FOR APPOINTMENT OF KMP AND PERSONNEL AT SENIOR MANAGEMENT

A person shall be appointed as a KMP or at Senior Management if,

- The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- He/ She is capable of practicing and encouraging professionalism and ensuring transparent working environment.
- A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- He/ She is competent to build teams and carry the team members along, for achieving the goals and objectives and Company's mission.

9. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- a. To formulate a criteria for determining qualifications, positive attributes and independence of a

Director.

- b. To formulate criteria for evaluation of individual Directors and the Board.
- c. 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.
- d. To carry out evaluation of every Director's Performance.
- e. To recommend to the Board the appointment and removal of Directors and Senior Management.
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- g. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h. To devise a policy on Board diversity.
- i. 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.
- j. To perform such other functions as may be necessary or appropriate for the performance of such duties.

10. REMUNERATION OF EXECUTIVE DIRECTORS

- The remuneration of the Executive Directors are recommended by the Nomination and Remuneration Committee and subsequently, the Board approves and adopts the same and wherever necessary forwards the same for the approval of the shareholders in the General Meeting of the Company.
- Executive Directors remuneration is evaluated annually against performance and a benchmark of Freight Forwarding & Logistics Company, which in size and function are similar to the Company.
- The Committee ensures that a significant proportion of Executive Directors remuneration is structured so as to link rewards to corporate and individual performance. In determining packages of remuneration, the Committee may consult with the Managing Director/ Whole-time Director as appropriate.
- The total remuneration of Managing Director/ Whole-time Director shall, *inter alia*, consist of Basic

Salary, House Rent Allowance, Conveyance Allowance, Medical Allowance, Special Allowance, Medical Reimbursement for self and family members, Bonus, Leave Travel Allowance, Electricity Expenses, Utility Expenses, House Maintenance, Books & Periodicals.

- In addition, they shall also be entitled to contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity, Encashment of un-availed leave at the end of tenure and Reimbursement of any out-of-pocket expenses incurred by Directors while discharging their functions/ duties on behalf of the Company.

11. REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees. The Articles of Association of the Company have entrusted the Board of Directors of the Company to decide the remuneration payable to the Non-Executive Directors of the Company within the limits permissible under the Companies Act, 2013 and Rules framed thereunder for each meeting of the Board of Directors or Committee Meetings attended by them.

Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives). Quantum of sitting fees may be subject to review on a periodic basis, as required.

12. REMUNERATION OF KMP, PERSONNEL AT SENIOR MANAGEMENT AND OTHER EMPLOYEES

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including employer's contribution to Provident fund, Pension Scheme, Medical Expenses, club fees etc. shall be as per the Company's HR policies.

13. GUIDING PRINCIPLES

The Guiding Principles for the Remuneration Policy shall be as under:

- 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 the 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.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- 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.

14. DISSEMINATION

Details of Policy including information relating to the remuneration of Directors and KMP shall be disclosed in the Annual Report as part of Board's Report.

15. AMENDMENT TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deem fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and the Policy shall stand automatically amended from the effective date as laid down under such amendment(s), clarification(s) and circular(s).

16. POLICY REVIEW

- a. This Policy is framed based on the provision of the Companies Act, 2013 and rules thereunder and the requirements of Listing Regulations with the Stock Exchanges.
- b. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- c. This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

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