



TRISHAKTI INDUSTRIES LIMITED

REMUNERATION POLICY

Effective- April 28, 2025

[As revised and approved by Board of Directors on April 28, 2025]

Trishakti Industries Limited
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**FRAMED UNDER SECTION 178(3) OF COMPANIES ACT, 2013 AND REGULATION 19 OF THE
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Remuneration Policy of Trishakti Industries Limited is formulated by the Nomination and Remuneration Committee in line with the prevailing provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy aims to set out criteria for the remuneration of Directors, Key Managerial Personnel, and senior managerial positions.

The Company recognizes the importance of human resources in its growth and success and strives for a diverse Board with a mix of Executive and Independent Directors, providing the desired vision, governance structure, and mission to achieve its goals.

OBJECTIVE

The objective of this Policy is to provide a guiding framework for appointing qualified individuals as Directors, Key Managerial Personnel (KMP), and Senior Management Personnel (SMP), recommending their remuneration, and evaluating their performance. This Policy outlines the following key aspects:

- i. Guiding the Board in relation to the appointment and removal of Directors, KMP, and Senior Management.
- ii. Formulating criteria for determining qualifications, competencies, positive attributes, and independence for appointment of Directors.
- iii. Establishing criteria for Independence in line with the Companies Act and Listing Regulations for evaluation of Independent Directors and the Board.
- iv. Recommending a policy on remuneration for Directors, KMP, and Senior Management to the Board.
- v. Evaluating the performance of the Board.
- vi. Devising a policy for Board diversity.
- vii. Providing recommendations on the formulation, implementation, and timely updation of Employee Stock Options Plans and Schemes.

This Policy aims to ensure a structured and transparent approach to appointments, remuneration, and performance evaluation, aligning with the Company's goals and objectives.

NOMINATION AND REMUNERATION COMMITTEE (“NRC” OR “COMMITTEE”)

The Constitution of the Nomination and Remuneration Committee is in line with the requirements under the Companies Act, 2013 and the Listing Regulations, following the conversion of the Company from a Private Limited to a Public Limited Company. The Board has the authority to reconstitute this Committee from time to time. 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 Committee shall comprise of at least three Directors, all of whom shall be non-executive Directors, and at least two-thirds of the Directors shall be Independent. The Chairperson of the Company may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and Listing Regulations. The Constitution of the Committee shall be disclosed in the Annual Report.

As per the requirement of the Act, a minimum of two members or one-third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance, shall constitute a quorum for the Committee meeting. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as the same.

The Chairperson of the Nomination and Remuneration Committee should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries. The term of the Committee shall be perpetual unless otherwise terminated by the Board of Directors.

The meeting of the Committee shall be held at least once a year. Proceedings of all meetings must be minutes and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee Meeting will be tabled at the subsequent Board and Committee meeting.

A member of the Committee is not entitled to be present when their own remuneration is discussed at a meeting or when their performance is being evaluated. The decisions at the Committee meetings shall be made by a majority of votes of Members present and voting, and any such decision shall for all purposes be deemed a decision of the Committee. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

GENERAL

This Policy is structured into three distinct parts, each addressing key aspects of the Nomination and Remuneration Committee's responsibilities:

Part 1: Outlines the matters to be dealt with and recommended by the Committee to the Board, providing guidance on the Committee's role and responsibilities.

Part 2: Focuses on the appointment and removal of Directors, Key Managerial Personnel (KMP), and Senior Management, establishing criteria and procedures for these critical decisions.

Part 3: Covers remuneration for Directors, KMP, and Senior Management, ensuring fair and competitive compensation practices that align with the Company's goals and objectives.

Part 1

Matters to be dealt with and recommended by the Committee to the Board, providing guidance on the Committee's role and responsibilities.

Size and Composition of the Board: The Nomination and Remuneration Committee (NRC) is responsible for reviewing the size and composition of the Board to ensure an optimal balance of executive and independent Directors. This balance is crucial for maintaining the Board's independence and providing the necessary expertise and experience to drive the Company's success. The NRC will also ensure that the Board is structured to make informed decisions, bringing diverse perspectives and skills to the table in the best interests of the Company.

Appointment of Directors: The NRC will formulate criteria for determining the qualifications, positive attributes, and independence of a director. Based on these criteria, the Committee will recommend a policy on remuneration for directors, considering factors such as

qualifications, integrity, expertise, and experience. The NRC will also recommend remuneration packages for senior management, ensuring that they are fair and competitive.

Succession Plans: The NRC is responsible for establishing and reviewing succession plans for the Board, Key Managerial Personnel (KMP), and Senior Management. This will ensure that the Company is prepared for any unexpected vacancies and can continue to operate smoothly without disruption.

Evaluation of Performance: The Committee will advise on the process for evaluating the performance of every Director. The evaluation process will cover the Board as a whole, Board Committees, and individual Directors. Performance evaluation of Independent Directors will be conducted by the entire Board, excluding the Independent Director being evaluated.

Familiarization of Independent and Other Non-Executive Directors: The NRC will identify and execute education programs for the Board to ensure that Independent Directors and other Non-Executive Directors are well-informed about the business, industry, and their legal responsibilities and duties.

Board Diversity: The Committee will ensure that the composition of the Board is diverse and unbiased, reflecting a balanced pool of talent with varying perspectives, experiences, and expertise. The Policy on Board Diversity is available on the Company's website.

Remuneration Framework: The Committee is responsible for formulating a framework for the remuneration of Directors and reviewing and making recommendations to the Board regarding remuneration packages. This framework will ensure that remuneration is fair, competitive, and aligned with the Company's goals and objectives.

- i. Remuneration of executive Directors.
- ii. Remuneration of non-executive Directors and the chairperson (if non-executive) and the Sitting Fees per meeting if any
- iii. Remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any.
- iv. Ensure that the Remuneration framework is formulated in a way that it motivates the KMPs, and Senior Management to maintain a relationship for a long term with the Company.
- v. Ensure that a balance is maintained the fixed and performance linked variable pay. vi. Ensure that the remuneration, the incentive compensation, and equity-based plan are within the thresholds of the statutes.

PART 2

Appointment and removal of Directors, Key Managerial Personnel (KMP), and Senior Management, establishing criteria and procedures for these critical decisions.

Appointment Criteria and Qualifications: The Nomination and Remuneration Committee (NRC) will identify and assess the integrity, qualification, expertise, and experience of potential candidates for appointment as Director, Key Managerial Personnel (KMP), or Senior Management. The Committee will recommend the appointment to the Board based on its assessment.

The NRC has the discretion to determine whether a candidate's qualifications, expertise, and experience are sufficient for the position. To identify suitable candidates, the Committee may:

- Utilize external agencies, if necessary
- Consider candidates from diverse backgrounds, taking into account diversity and time commitments

Term/Tenure: Managing Director/Whole-time Director: The appointment or re-appointment of a Managing Director or Whole-time Director will be for a term not exceeding five years at a time, as per Section 196 of the Companies Act, 2013. No re-appointment shall be made earlier than one year before the expiry of the term.

An Independent Director shall hold office for a term up to five consecutive years on the Board and will be eligible for re-appointment on passing a special resolution by the Company. No Independent Director shall hold office for more than two consecutive terms, but they shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Retirement: As per Section 152(6) of the Companies Act, 2013 and the Articles of the Company, two-thirds of the Directors are liable to retire by rotation, and one-third are liable to retire at every general meeting. The retiring Directors can be re-appointed by shareholders by casting votes in favor in excess of votes cast against the resolution.

Independent Directors and Nominee Directors are excluded from the calculation of two-thirds. A small shareholder director will always be a non-rotational director and will be counted in two-thirds but cannot be retired by rotation.

The one-third Directors who are liable to retire at the AGM will be decided by the FIFO method, with the longest-serving Director retiring first. If two or more Directors are appointed on the same day, the decision will be made by draw of lot.

Removal: The Committee may recommend the removal of a Director, KMP, or Senior Management to the Board, subject to the provisions and compliance of the Companies Act, 2013, rules made thereunder, and other applicable laws and regulations. The recommendation will be based on reasons recorded in writing.

PART 3

Remuneration for Directors, KMP, and Senior Management, ensuring fair and competitive compensation practices that align with the Company's goals and objectives.

Fixed Pay: Managerial Personnel, Key Managerial Personnel (KMP), and Senior Management shall be eligible for a monthly remuneration as approved by the Board of Directors on the recommendation of the Committee. This remuneration will be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder, as well as the SEBI (LODR) Regulations, 2015, as applicable.

The breakdown of the pay scale and quantum of perquisites, including employer's contribution to Provident Fund, pension scheme, medical expenses, etc., will be decided and approved by the Board on the recommendation of the Committee. Shareholder approval will be obtained wherever required.

Remuneration in Case of Inadequate Profits or No Profits: In the event of inadequate profits or no profits in any financial year, the Company will pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013. No amount shall be payable by way of remuneration except within the limits prescribed in Schedule V.

If any Managerial Person draws or receives, directly or indirectly, remuneration in excess of the

prescribed limits or without necessary approvals, they shall refund such sums to the Company. Until such sum is refunded, the Managerial Person shall hold it in trust for the Company.

Remuneration to Non-Executive/Independent Directors: The remuneration/commission payable to Non-Executive or Independent Directors, if any, shall be in accordance with the statutory provisions of the Act and the rules made thereunder.

Non-Executive Directors may receive remuneration by way of fees for attending meetings of the Board or Committee thereof, which is excluded from the above limit. However, the amount of such fees shall not exceed the prescribed limits per meeting of the Board or Committee or such amount as may be decided by the Board of Directors from time to time.

POLICY REVIEW

This Policy is formulated in accordance with the Companies Act, 2013 and the Listing Regulations. If any subsequent amendments to the Act or regulations render the Policy's provisions inconsistent, the Act or regulations shall prevail. The Policy will be reviewed and updated by the Nomination and Remuneration Committee as necessary to ensure compliance with changing regulations or as deemed appropriate. Any proposed changes or modifications will be presented to the Board of Directors for approval.
