

# Tricom Fruit Products Limited

## Remuneration Policy

### **Introduction:**

This Policy shall be called the Remuneration Policy (the “Policy”) of Tricom Fruit Products Limited (the “Company”).

In pursuance of the Company’s Policy to consider human resources as its invaluable asset, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and Employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 (the “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) as amended from time to time, this Policy on remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (the “Committee”) and approved and adopted by the Board of Directors. This Policy has been amended on 13<sup>th</sup> February 2023 and is effective from 13<sup>th</sup> February 2023.

### **Objectives Of The Policy**

- i. To 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. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. To identify the persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- iv. To guide the Committee on appointment and removal of Director, Key Managerial Personnel and Senior Management Personnel;

v. To devise a policy on diversity of the Board of Directors;

vi. To assist the Committee on extension / continuation of the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors;

vii. To recommend to the Board, all remuneration in whatever form, payable to senior management.

### **Constitution of the Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee comprises of three Directors all are Independent Non-Executive Directors. The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirements.

### **Definitions:**

- "Board" means Board of Directors of the Company.
- "**Directors**" means Directors of the Company.
- "**Committee**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- "**Company**" means Tricom Fruit Products Limited.

"**Employees' Stock Option**" means the option given to the directors, officers or employees of the Company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

- "**Independent Director**" means a director appointed as per the provisions of Section 149(6) of the Act.

- "**Key Managerial Personnel (KMP)**" means as per Section 2(51) of the Act:  
(i) the Chief Executive Officer or the Managing Director or the Manager; (ii) Whole-time Director; (iii) Chief Financial Officer; (iv) Company Secretary; (v) such other officer, not more than one level below the Directors who is in whole-time employment and designated as key managerial personnel by the Board; and (vi) such other officer(s) as may be prescribed.

“Senior Management” shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.”

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act or Listing Regulations and as may be amended from time to time, shall have the meaning respectively assigned to them therein.

**Applicability:**

The Policy is applicable to: • Directors (Executive and Non-Executive including Independent Directors) • Key Managerial Personnel and • Senior Management Personnel

**Appointment criteria and qualifications:**

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

2. 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.

3. The Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description.

4. For the purpose of identifying suitable candidates for appointment of an Independent Director, the Committee may:

i) use the services of an external agencies, if required;

- ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
- iii) consider the time commitments of the candidates

5. The Company shall not appoint or continue the employment of any person as Managing Director /Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **Term / Tenure:**

#### **1. Managing Director/Whole-time Director:**

- The Company shall appoint or re-appoint any person as its Executive Chairman, 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.

#### **2. Independent Director:**

- For appointment / re-appointment of a person as an Independent Director, the Committee shall ensure that the proposed candidate satisfies criteria of “independence” as set out in Section 149 of the Act, the Listing Regulations and other applicable laws.

- An Independent Director shall hold office for a term not exceeding five consecutive years on the Board of the Company and will be eligible for re-appointment and disclosure of such appointment / reappointment 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.

- **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management personnel at regular interval (yearly).

- **Removal:**

Due to reasons for any disqualification mentioned in the Act or Listing Regulations, rules made thereunder or under any other applicable law, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

- **Retirement:**

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Remuneration:**

The NR Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director and KMP to the Board for their approval.

The level and composition of remuneration so determined by the NR Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be made clear and should meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

#### **i Managing Director/Whole-time Director**

a) The compensation paid to the executive directors (including managing director) will

be within the scale approved by the shareholders. The elements of the total compensation, approved by the NR Committee will be within the overall limits specified under the Companies Act, 2013.

b) Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Managing Director/Whole-time Director 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.

c) The remuneration payable by the Company to the executive directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

#### **ii Non-Executive Directors**

a. The Non- Executive Director may receive sitting fees for attending meetings of Board or NR Committee thereof. The remuneration/ commission/ compensation to the Nonexecutive Directors will be determined by the NR Committee and recommended to the Board for its approval.

b. The remuneration payable by the Company to Non-executive Directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

#### **iii KMPs / Senior Management Personnel etc.**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

#### **iv Directors' and Officers' Insurance**

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel unless otherwise specifically provided under the Act.

**Policy review**

(a) This Policy is framed based on the provisions of the Act and rules thereunder and the requirements of Listing Regulations.

(b) In case of any subsequent changes in the provisions of the Act or Listing Regulations or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or such 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, Remuneration and Compensation Committee, periodically. 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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