

TRILOGIC DIGITAL MEDIA LIMITED

Nomination and Remuneration Policy

The Board of Directors of Trilogic Digital Media Limited (The Company) has already constituted the Nomination and Remuneration Committee. It was referred with the Name “ Remuneration Committee”. Post notification of Companies Act, 2013, the name of the said committee was changed to Nomination and Remuneration Committee consisting of three non executive directors with two Independent directors.

I. Objective:

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

1. Assess necessary and desirable competencies of Board members, KMPs and Senior Management;
2. Review Board succession plans;
3. Evaluate the Board’s performance;
4. To devise a policy for Board Diversity
5. Make recommendations to the Board on:
 - remuneration and incentive policies for the members of Board, KMPs and Senior Management;
 - recruitment, retention and termination policies for KMPs and senior management;

II. Definitions:

1. Act : means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. Board: means Board of Directors of the Company.
3. Directors mean Directors of the Company.
4. Key Managerial Personnel means
5. Chief Executive Officer or the Managing Director or the Manager;
6. Whole-time director;
7. Chief Financial Officer;
8. Company Secretary; and
9. such other officer as may be prescribed
10. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

III. Appointment and removal of Directors, KMP and Senior Management:

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. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
3. Due to reasons for any disqualification as mentioned in the Companies Act, 2013, and rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations
4. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act 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.
5. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of independent directors

IV. Term/ tenure:

a. Managing Director/ Executive Directors:

1. The Company shall appoint or re-appoint any person as its Executive Chairperson, 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:
 - An independent director shall hold office for a term up to 5 consecutive years on the Board of a company, but shall be eligible for reappointment 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 2 consecutive terms, but such independent director shall be eligible for appointment after the expiration of 3 years of ceasing to become an independent director provided that he shall not, during the said period of 3 years, be appointed in or be associated with the company in any other capacity, either directly or indirectly

- Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

V. Evaluation:

1. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.
2. The Committee shall develop a succession plan for the Board and Senior Management and regularly reviewing the plan.

VI. Remuneration for Whole Time Directors, KMP and Senior Management Personnel:

1. The Committee shall lay down criteria relating to the remuneration for the Directors, Key Managerial Personnel and other employees in compliance with the relevant provisions of the Companies Act, 2013
2. The Committee shall determine the remuneration / compensation / profit-linked commission etc. to the Managing Director and Independent Directors and recommended to the Board for approval.
3. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
4. The Non-executive Independent Directors of the Company shall be paid sitting fees in terms of the Companies Act, 2013, and rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force. The quantum of sitting fees will be determined as per the recommendation of the Committee and approved by the Board of Directors of the Company. An independent director shall not be entitled to any stock option.
5. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
6. If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

VII. Disclosures:

This policy shall be disclosed in the Annual Report as part of Board's report therein.

IX. Board Diversity:

1. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.
2. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity in order to enable it to discharge its duties and responsibilities effectively.
3. At all time, the Board shall consist of at least one Woman Director.

X. Membership:

1. The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.
2. Minimum two members shall constitute a quorum for the Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.
5. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.
6. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
7. The Company Secretary of the Company shall act as Secretary of the Committee.

XI. Chairperson:

1. Chairperson of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
4. Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

XII. Frequency of Meeting:

The meetings of the Committee shall be held as may be required.

XIII. Duties of The Committee:

1. The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend a Board a policy relating to the remuneration for the directors, KMPs and other employees.
3. 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.
4. To ensure that Relationship of remuneration to performance is clear and meets appropriate performance benchmark
5. To ensure that Remuneration to directors, KMPS and senior management involves a balance between fixed and incentive [ay reflecting short and long term performance objectives appropriate to the working of the company and its goals

XIV. General:

The Policy would be subject to revision/amendment in accordance with the applicable laws. The Company reserves the right to alter, modify, add, delete or amend any of the provisions of this Policy.