

## **CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS**

With the advancement in corporate governance norms brought by the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Non-Executive Directors (NEDs) play a crucial role in ensuring the independent oversight of the Board. They make significant contributions by dedicating their time to Board and Committee meetings and by providing valuable insights and strategic guidance to the Company's management as required.

The remuneration payable to the Non-Executive Directors of the Company shall be in accordance with the following provisions:

### **Criteria:**

The total remuneration should align with the company's scale, the complexity of its industry and operations, as well as its financial ability to afford such remuneration.

### **Sitting Fees:**

The sitting fees presently paid to the Non-Independent Non-Executive Directors ("NED") and Independent Directors ("ID") is Rs. 25,000/- per meeting of the Board or a Committee thereof. Quantum of sitting fees may be subject to review on a periodic basis, as required.

The overall remuneration, including sitting fees and commission (if any), should be fair and adequate to attract, retain, and motivate NEDs and IDs in line with the company's needs, while also reflecting the challenges it faces and its future growth objectives.

Note: No sitting fees are paid to any other Executive Directors, except NEDs and IDs.

### **Remuneration:**

Besides sitting fees, company is not paying any remuneration/salary/commission etc. to the NEDs and IDs.

### **Reimbursement of Expenses:**

In addition to sitting fees, Non-Executive Directors (NEDs) and Independent Directors (IDs) shall be reimbursed for all reasonable expenses incurred in connection with the performance of their duties. Such expenses may include, but are not limited to, costs related to attending Board and Board Committee meetings, general meetings, meetings with shareholders, creditors, or management, site visits, as well as participation in induction and training programs organized by the Company for Directors etc.

### **Review:**

The Nomination and Remuneration Committee (NRC) shall review and recommend to the Board that the payment of sitting fees remains within the limits prescribed by applicable laws and regulations. The aggregate remuneration payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

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