

# **VERONICA PRODUCTION LIMITED**



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

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The provisions of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') lays down provisions relating to payment of remuneration to the Non-Executive Directors.

The Company believes that the remuneration payable to Non-Executive Directors should reflect the size of the Company and complexity of operations and should be consistent with recognized best practices. The overall remuneration payable is and shall always be reasonable to attract, retain and motivate directors to be aligned to the Company and its future growth imperatives. In this regard, the remuneration paid to the independent directors shall be determined keeping in view the industry benchmarks and also based on their membership in various committees of the Board.

The provisions of Listing Regulations provide that the Board of Directors shall recommend in consultation with the Nomination and Remuneration Committee, all fees or compensation payable to non-executive directors, including the independent directors. Accordingly, the following criteria has been formulated to act as a reference for making payment of remuneration to non-executive directors:

### **SITTING FEES:**

Independent Directors ("ID") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required. The same shall be approved by the Board of Directors as per the provisions of the Companies Act, 2013.

Independent Directors may be also be paid remuneration as per the provisions of section 197 of the Companies Act, 2013 and computed in the manner referred in section 198 of the said Act, as may be determined by the Board of Directors and the shareholders of the company.

### **REIMBURSEMENT OF ACTUAL EXPENSES INCURRED:**

On providing the requisite documentary evidence, the Non-Executive Directors would be provided with all reimbursement with respect to participating and travel expenses for attending such board meetings, Committee Meetings and General Meetings as defined under companies Act and SEBI LODR. All such reimbursements are subject to deduction of taxes.

### **REFUND OF EXCESS REMUNERATION PAID:**

If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the prescribed limit or without the prior sanction of the Central Government, where it is 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 the recovery of any sum refundable to it

unless permitted by the Central Government.

**AMENDMENTS:**

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any such amendments shall be updated on the website of the Company on a timely basis.