



# **Indo Count Industries Limited**

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

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The Non-executive Directors (NED's) bring in a wider perspective in the deliberations and decision making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. In view of this, following are the criteria of making payment to NED's.

1. **Sitting Fees:** Non Executive Independent Directors ("NEID's") shall be entitled to receive fees for attending meetings of the Board or Committee of the Board or for any other purposes as may be decided by the Board, of such sum as may be approved by the Board of Directors of the Company within the overall limits prescribed under the Companies Act, 2013 and the rules made thereunder, SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") or other applicable law.
2. **Commission:** Section 197 of the Companies Act, 2013, allows a Company to pay remuneration (excluding sitting fees) to its NEDs at a specified percentage of net profits of the Company (commission). Such commission may be paid to Non-Executive Independent Directors as may be decided by the Board of Directors on the recommendation of Nomination & Remuneration Committee (NRC), within the limits approved by the shareholders of the Company. The basis of payment of commission is Net profits of the Company.
3. **Reimbursement of actual expenses incurred:** NEIDs may also be paid / reimbursed such sums incurred as actual for travel, incidental and / or actual out of pocket expenses incurred by such Director for attending Board / Committee Meetings.
4. **Stock Options:** As per the provisions of Companies Act, 2013 and Listing Regulations, the Non-executive Independent Directors of the Company shall not be entitled to any stock options of the Company.
5. **Remuneration to NENIDs:** The Non-Executive Non-Independent Director(s) of the Company may be entitled to receive remuneration by way of sitting fees or commission of reimbursement of expenses as may be recommended by NRC and approved by the Board of Directors of the Company within the overall limits approved by the shareholders of the Company. The said remuneration will be within the limits specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations.

The aforesaid criteria shall be subject to review by NRC and the Board of Directors of the Company whenever considered necessary.