



Criteria for making payment to Non- Executive Directors

INDIA FINSEC LIMITED



Criteria for making payment to Non- Executive Directors

With changes in the Corporate Governance norms brought by the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations), the role of Non-Executive Directors (NED) and the degree of their engagement with the Board and the Company has undergone significant changes over a period of time. The Non-Executive Directors 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.

Pursuant to the provisions of Companies Act, 2013 read with Listing Regulations, following are the criteria for making payment to Non-Executive Directors of the Company:

a) Sitting Fee:

The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Act and the Listing Regulations. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board.

However, sitting fees paid to Independent has been mentioned in Article of Association of the Company as follows:

“Independent Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2500/- (Rupees Two Thousand Five Hundred).”

b) Remuneration:

All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act shall be subject to ceiling/ limits as provided under the Act or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board or the shareholders of the Company, as the case may be.

c) Stock Options:

An Independent Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Professional Fees:

Any remuneration paid to Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i) The Services rendered are of a professional nature; and



- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

The Board Considered and Approved the Policy on 04.05.2024.

.....