VELLORA IMPACT LIMITED

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

Non-Executive Directors of the Company play an essential role as a part of the Board. They bring in external and wider perspective to the deliberations and decision-making by the Board. They devote their valuable time in discussions in the course of the Board and Committee meetings of the Company. They also help ensuring good Corporate Governance norms.

The responsibilities and obligations imposed on the Non-Executive Directors have increased manifold in the recent years on account of a number of factors, including the growth in the activities of the Company and the rapid evolution arising out of legal and regulatory provisions and requirements.

Non-Executive Directors of the Company are entitled to:-

- Sitting Fee:

  Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and other applicable law.

- Remuneration:

  Section 197 of the Companies Act, 2013, allows a Company to pay remuneration (excluding sitting fees) to its Non-Executive Directors at a specified percentage of net profits of the Company, subject to the prior approval of the shareholders of the Company.

  Remuneration referred to above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the Company from time to time, depending on the extra time that may be devoted and contributions made by the Non-Executive Directors to the Company.

- Reimbursement of actual expenses incurred:

  Non-Executive Directors may also be paid/reimbursed such sums incurred as actuals for travel, incidental and/or actual out of pocket expenses incurred by such Director/Member for attending Board/Committee Meetings.

- Payment to Independent Directors:

  An Independent Director shall not be entitled to any stock option and shall receive sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related remuneration up to a specified percentage of net profits in such proportion, as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.