



Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

CRITERIA OF MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

Version	Revision Date	Approved By	Date Approved
Adopted on	1 December 2015	Board	-
V1	29 June 2019	Board	-
V2	10 February 2023	Board	10 February 2023

Criteria of making Payment to Non-Executive Directors

I. PREAMBLE:

The Remuneration Policy of Himadri Speciality Chemical Ltd and its subsidiaries (the “Company”), is designed to attract, motivate and retain quality people in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

II. DEFINITIONS:

“**Board**” means Board of Directors of the Company.

“**Company**” means “Himadri Speciality Chemical Ltd “

“**Employees’ Stock Option**” means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

“**Independent Director**” means a director referred to in Section 149 (6) of the Companies Act, 2013 and in Chapter IV of the Listing Regulations, 2015;

“**Nomination and Remuneration Committee**” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

III. PROVISIONS RELATING TO REMUNERATION:

The remuneration / compensation / commission etc. to Managing Director, Executive / Whole Time Directors, KMP and Senior Management Personnel will be determined by the Remuneration Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

Criteria of making payment of Remuneration to Non-Executive / Independent Director:

Overall remuneration should be based upon the size of the company, complexity of the sector/ industry/ company’s operations and profitability and status of the cash flow of the company. The Company may upon recommendations of the Remuneration Committee and the Board may pay the following kind of remuneration to its’ Non-executive / Independent Directors:

1. **Remuneration / Commission:** The Committee may recommend the payment of remuneration / commission in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
2. **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. **Limit of Remuneration /Commission:** Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
4. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

AMENDMENT / REVISION

Any policy including Remuneration Policy is dynamic concept. Hence it will be reviewed periodically & bring changes/ amendment as and when required based on business need, benchmark with comparable Industries and any other factors relevant in the context of formulation of Remuneration policy that has direct linkage between business growth & attract, retain & motivate people on sustainable basis.

Sd/-

Dated: 10 February 2023

Anurag Choudhary
Chairman Cum Managing
Director & CEO