



VIPPY SPINPRO LTD.

LEADING MANUFACTURER AND EXPORTER OF 100% COTTON YARN

DEWAS (MP)

CRITERIA FOR MAKING PAYMENTS
TO
NON-EXECUTIVE DIRECTORS

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Effective Date:- 01.04.2022

Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred as "Listing Regulations"), requires every Company to publish its criteria of making payments to Non- Executive Directors in its annual report. Alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report.

1. Remuneration payable to Non-Executive Directors:

Pursuant to the provisions of section 197 of the Companies Act, 2013 the Board has approved the following remuneration for Non-Executive Directors (including Independent Directors):

Non-Executive Directors shall be entitled to the following sitting fees attending the board meeting and the board committee meeting:

- Board Meeting – INR 5,000 per Board Meeting.
- No Sitting Fees payable for attending Committee Meeting.

The sitting fee shall be payable either immediately after the board / committee meeting or at the end of those Quarter in which board / committee meeting held, to those directors who attend the meeting.

Further, in no case Sitting Fee payable to any Non-executive Director shall be exceed one lakh Rupees.

2. Professional Fees:

The Company shall pay remuneration to its Non-Executive Directors for services rendered if:

- a. The services rendered are of Professional nature.
- b. In the opinion of Nomination and Remuneration Committee the Director possess the requisite qualification for the practice of the profession.

Further, as per the provisions of Section 188 of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company shall approve the Professional fees to be paid to Non-Executive Director(s), and with the approval of the Shareholders wherever required.

3. Refund of excess remuneration paid:

If any Non-Executive Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the prescribed limit or without approval required under Section 197, he shall refund such sums to the Company, within two years or such lesser period as may be allowed by 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.

4. Stock Options:

As per the Regulation 17 of the Listing Regulations, the shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, in any financial year and in aggregate.

Further, the Independent Directors will not be entitled for grant of Stock Options.

5. Reimbursement of actual expenses incurred:

The Non-Executive Directors are also entitled to reimbursement of reasonable expenditure incurred by him/her for attending Board/Committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training programmes and in obtaining professional advice from independent advisors in furtherance of his/her duties as a director.

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.
