Antarctica Limited

CRITERIA OF MAKING PAYMENT TO NON - EXECUTIVE DIRECTORS

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With changes in the Corporate Governance norms, the role and responsibilities of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board has undergone a substantial change 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. Following are the criteria for making payments to Non-executive Directors of the Company:

- **Sitting Fee:**

The Non-executive Director(s) shall receive Sitting fees for attending meetings of the Board or Committee there of or any other meeting as required by Companies Act, 2013 ("the Act"), SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Listing Regulations) or other applicable law.

- **Remuneration:**

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, 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:**

NEDs may also be paid / reimbursed such sums incurred as actual 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. The Company can also pay commission to the Independent Directors up to a specified percentage of net profits of the Company as computed under the applicable provisions of the Act in case of availability of adequate profits; while in absence or inadequacy of profit, payment of such lump sum amount as may be determined by the Board of Directors of the Company within overall limit specified in the Item A of Section II of Part II of Schedule V for NEDs including Independent Director, with the approval of the members. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the NEDs based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings. The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company from time to time.