



## **VINTAGE COFFEE AND BEVERAGES LIMITED**

### **CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS**

#### **PREAMBLE:**

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.

In keeping with the above, any fee/remuneration payable to the NEDs (including Independent Directors) of the Company shall be governed by the following:

- **SITTING FEES:**

The Non-Executive Director(s) may receive remuneration by way of sitting fees for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board.

- **COMMISSION:**

Section 197 of the Companies Act, 2013, allows a Company to pay remuneration (excluding sitting fees) to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way or partly by other subject to the limits as mentioned therein or as approved by the Board or shareholders of the Company, as the case may be.

Further, the section also states that where the company has either managing director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

# **VINTAGE COFFEE AND BEVERAGES LIMITED**

Formerly known as "Spaceage Products Ltd"

(CIN No. L15100TG1980PLC161210)

Regd. & Corporate office : 202, Oxford Plaza, No.9-1-129/1, S.D.Road, Secunderabad- 500003, Telangana, INDIA

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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 either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

• **PAYMENT TO INDEPENDENT DIRECTORS:**

An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of 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.

**AMENDMENT:**

The Corporation reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The Audit Committee shall also review the Policy and suggest amendments to make it responsive and relevant to the changing times. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

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