

ADTECH SYSTEMS LIMITED**CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS****Preamble**

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 Nonexecutive 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.

Criteria of making payments to Non- Executive Directors

Pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the nonexecutive directors of the Company (i.e. directors other than the Managing Director and / or the Wholetime Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013.

The Nomination and Remuneration will recommend the sitting fees and other remunerations payable to NEDs and IDs to the Board based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board and upon evaluation of performance of independent director.

Overall remuneration to NED, sitting fees and commission, should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company taking into consideration the challenges faced by the Company and its future growth imperatives.

Reimbursement of Expenses

The Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.



For ADTECH SYSTEMS LIMITED

S. Balamurali
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CFO & Company Secretary