



LAXMI ORGANIC INDUSTRIES LTD

CRITERIA FOR MAKING PAYMENT TO NON- EXECUTIVE DIRECTORS

Overall remuneration shall be commensurate with the size of the Company, the complexity of its operations and the sector in which it operates, as well as the Company's capacity to pay.

Independent Directors ("IDs") and Non-Independent Non-Executive Directors ("NEDs") may be paid sitting fees for attending meetings of the Board and Committees thereof, and commission, within the limits prescribed under applicable laws. The quantum of sitting fees may be reviewed periodically, as considered appropriate.

Within the parameters prescribed by law, payment of sitting fees and commission shall be recommended by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors.

Overall remuneration (comprising sitting fees and commission) shall be reasonable and sufficient to attract, retain, and motivate Directors of the quality required to guide the Company successfully, taking into account the challenges faced by the Company and its future growth imperatives. Remuneration practices shall be consistent with recognised corporate governance best practices.

The aggregate commission payable to all IDs and NEDs shall be recommended by the NRC to the Board, having regard to the Company's performance, profitability, returns to investors, shareholder value creation, and such other qualitative parameters as may be considered appropriate.

The NRC shall also recommend to the Board the quantum of commission payable to each Director, based on the outcome of the performance evaluation process, which inter alia considers attendance and time devoted to Board and Committee meetings, quality of participation, and contributions made by Directors both during and outside formal meetings.

In addition to sitting fees and commission, the Company may reimburse Directors for fair and reasonable expenses incurred in the discharge of their duties, including expenses towards attending Board or Committee meetings, general meetings, meetings with shareholders, creditors or management, site visits, induction and training programmes organised by the Company, and obtaining independent professional advice in furtherance of their responsibilities.
