

BAJAJ HOLDINGS & INVESTMENT LIMITED

Criteria for payment of remuneration to Non-executive Directors

The Non-Executive Directors ('NEDs') play a crucial role to the independent functioning of the Board. NEDs bring in external and wider perspective to the decision-making by the Board. They provide leadership and strategic guidance, while maintaining objective judgment. The NEDs also help the Company in ensuring that all legal requirements and corporate governance are well taken care of.

The responsibilities and obligations imposed on the NEDs have increased manifold in the recent years on account of a number of factors, including the growth in the activities of the Company and the rapid evolution arising out of legal and regulatory provisions and requirements.

Remuneration to the NEDs:

A. Sitting fees

The Board of Directors at the meeting held on 14 March 2019, approved payment of sitting fee of Rs. 100,000/- to the NEDs for every meeting of the Board and/or committee thereof attended by them as director/member, with effect from 1 April 2019.

B. Commission

As approved by the shareholders of the Company, NEDs shall be paid commission upto a sum not exceeding 1% of the net profits of the Company for the year, at an amount as maybe decided by the Board of Directors. Further, in the event of loss or inadequacy of profits in any financial year, NEDs shall be paid commission as may be decided by the Board of Directors of the Company, notwithstanding that, it may exceed 1 % of the net profits of the Company, subject to such restrictions, if any, as may be set out in the Schedule V to the Act.

The Board of Directors at the meeting held on 15 March 2023, approved payment of commission to the NEDs at Rs 300,000/- for every meeting of the Board and/or committee thereof attended by them as director/member, with effect from 1 April 2023.

Depending on the additional time devoted and contribution made, the Board of Directors may, from time to time, decide to pay additional commission to one or more NEDs.

Apart from sitting fees and commission referred to above and reimbursement of travelling and stay expenses for their attending the Board and committee meetings, no payment by way of bonus, pension, incentives etc. is made to any of the NEDs.

The Company has not issued any stock options to the NEDs.
