

**APL METALS LIMITED**  
**(Formerly Associated Pigments Limited)**  
**CRITERIA FOR PAYMENTS TO NON-EXECUTIVE DIRECTORS**

The changes in the Corporate Governance norms by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 in the role of Non-executive Directors (NED); particularly the Independent Directors (ID) has undergone significant changes. They devote their valuable time in deliberating on the strategic and critical issues in the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time.

Hence, the Company believes in making payment of remuneration to its NED and ID by way of Sitting Fess for attending the meetings of the Board or Committees and commission within regulatory limits. It is dependent upon the size of the Company operations and capacity to pay such remuneration and shall be sufficient and reasonable to attract, retain and motivate them.

Within the parameters prescribed by law and internal regulations of the company, Sitting Fees and Commission, if any will be recommended by Nomination and Remuneration Committee and approved by the Board based on Company's Performance, Profits, Return to investors, cash flow position and other qualitative parameters as may be deemed necessary by the Board and may be paid as under :-

**Sitting Fees:**

Sitting fee for attending meetings of the Board and Committee thereof. The Board has the flexibility to enhance / reduce the sitting fees within the parameters prescribed by law.

**Commission:**

Section 197(6) of the Companies Act, 2013, allows a company to pay remuneration 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 and partly by the other subject to approval by Shareholders and compliances.

**Reimbursement of actual expenses incurred:**

Reimbursement of actual reasonable expenses incurred for attending the Board Meetings , Committee meetings , Shareholders meetings, plant visit, induction and training (organized by the Company for directors), professional services for furtherance of his/her duties as a director may be paid .

**Refund of excess remuneration paid:**

Remuneration paid above prescribed limit or appropriate requisite sanction is refundable to the company and until such sum is refunded, he/she hold it in trust for the Company. The Company shall not waive the recovery of refundable amount unless permitted by law.

**Review**

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**The End**

