



**TTK HEALTHCARE LIMITED**

**Regd. Office: No.6, Cathedral Road, Chennai 600 086**

**CIN: L24231TN1958PLC003647 | Website: [www.ttkhealthcare.com](http://www.ttkhealthcare.com)**

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



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

With changes in the Corporate Governance norms, 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 NEDs 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.

#### **Sitting Fee**

NEDs/Independent Directors may receive remuneration by way of fee for attending meetings of the Board or Committees thereof or any other meeting for any other purpose whatsoever as may be decided by the Board. The sitting fees presently payable to the Board of Directors for attending the meetings of the Board and the Committees of the Board is ₹40,000/- per meeting. The Board has been empowered to enhance the sitting fees upto the maximum limit allowed by the Companies Act, 2013 and Rules thereunder.

#### **Commission**

Commission is paid to the NEDs within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013. Amount of commission payable to each NED would be determined considering the overall performance of the Company, attendance at the meetings of Board / Committees, Membership / Chairmanship of Committees and contribution by respective NEDs.

#### **Professional Fees**

Under the Companies Act, 2013, Section 197 allows a Company to pay remuneration to its NEDs for services rendered by any such Director if:

- a. The services rendered are of Professional nature;
- b. In the opinion of Nomination and Remuneration Committee the Director possess the requisite qualification for the practice of the profession.

As per the provisions of Section 188 of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company shall approve the Professional fees to be paid to Non- Executive Director(s), and with the approval of the Shareholders, wherever required.

#### **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, induction and Training (organised by the Company for Directors)

#### **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 Committees thereof and profit related commission up to certain percentage of net profits in such proportion, as may be permissible under the applicable law.

**Amendments**

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.

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