TECHNOCRAFT VENTURES LIMITED

(Formerly known as M/s Technocraft Construction Private Limited)

ISO 4500:2018 | ISO 14001:2015 | ISO 9001:2015 Certified

CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

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For Technocraft Ventures Limited

KTyagi

Director

CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred as "Listing Regulations"), requires every Company to publish its criteria of making payments to Non-Executive Directors in its annual report. Alternatively, as per Regulation 46(2) of Listing Regulations, this may be put up on the Company's website and reference may be drawn thereto in its annual report.

Section 197 of the Companies Act, 2013 and Regulation 17(6)(a) of Listing Regulations require the prior approval of the shareholders of a Company for making payment to its Non-Executive Directors (hereinafter referred as "NEDs").

However, the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

Accordingly, the following criteria is laid down for Technocraft Ventures Limited (hereinafter referred as "the Company").

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

Remuneration to Non-Executive / Independent Director:

1) Sitting Fees

The NEDs (which expression shall include Independent Directors) may receive remuneration by way of fees for attending meetings of the Board or Committee thereof as required under Companies Act, 2013, Listing Regulations or other applicable law or for any other purpose whatsoever as may be decided by the Board.

Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee.

2) Commission

Section 197 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. The due commission shall be paid within the limits defined under Section 197 or any regulations as may have been defined under Listing Regulations or any other applicable law in this regard. Further, the section also states that where the Company has either Managing Director or Whole-time Director or Manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid.

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Director

3) Criteria for fee and commission:

Within the parameters prescribed by the Companies Act, the quantum of sitting fees and commission will be recommended by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company. Overall remuneration (sitting fees and commission) should be reasonable and commensurate with the responsibilities, time spent in Board and Committee meetings by the NEDs.

4) 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 provision 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.

5) Reimbursement of Actual Expenses Incurred

The Non-Executive Directors may also be reimbursed such sums either as fixed allowance and/or actual as fair compensation for travel, boarding, lodging and other incidental out of pocket expenses incurred by such member for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

6) Refund of Excess Remuneration Paid

If any such Director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required under Section 197 of the Companies Act, 2013, such remuneration shall be refunded to the Company within two years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the Company.

Provided, the Company shall not waive the recovery of any sum refundable to it unless approved by the Company by Special Resolution within two years from the date the sum becomes refundable.

7) Stock Options

As per the Regulation 17 of the Listing Regulations, the shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to Non-

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Director

Executive Directors, in any financial year and in aggregate. Provided that an Independent Director shall not be entitled to any stock options and may receive remuneration by way of fees and reimbursement of expenses for participation in meetings of the Board and other meetings and profit related commission as may be approved by the members.

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

For Technocraft Ventures Limited

Director