AVI PRODUCTS INDIA LIMITED

Criteria for making payment to Non- Executive Directors

With changes in the corporate governance norms brought by the Companies Act, 2013 as well as SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, (SEBI LODR) as amended from time to time, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. The Nomination and Remuneration Committee and/or Board of Directors shall carry out performance review of each of the NED atleast once a year. According to the performance of each NED, the Company shall pay remuneration to NED in such a manner so as to attract and maintain high quality members on Board.

Under the SEBI LODR, Regulation 46 and Schedule V requires every company to publish its criteria of making payments to NEDs in its annual report. Alternatively, this may be put up on the company's website and reference may be drawn thereto in its annual report. Section 197 of the Act, 2013 and Regulation 17 of SEBI LODR, require the approval of the shareholders of a company for making payment to its NEDs.

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

- Sitting Fee:

  Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI LODR or other applicable law or for any other purpose whatsoever as may be decided by the Board; within the permissible limits as provided under the applicable law from time to time.

- 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.

- Reimbursement of actual expenses incurred:

  The Non-Executive Directors are also entitled for reimbursement of expenses incurred for attending the Shareholders meetings, Board Meetings and Committee meetings thereof, plant visit, induction and training (organized by the Company for directors).

- Professional Fee:

  The Non-executive Director shall be entitled for the professional fee for the services rendered by him / her in professional capacity.

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.

This Policy was modified approved by the Board of Directors at its meeting held on August 24, 2026