

Criteria of making payments to Non-Executive Directors

Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), requires every Company to publish its criteria of making payments to Non-Executive Directors in Annual Report or put up on the Company’s website as per Regulation 46(2) of the Listing Regulations giving web link details 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

Pursuant to the provision of Company Act, 2013 and Listing Regulations, following are the criteria for making payment to Non-Executive Directors of the Company:

- i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company’s affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.
- v. Remuneration by way of professional fees to the non-executive Directors who, in the opinion of the Nomination and Remuneration Committee, possesses the requisite qualifications for the practice of the profession, for providing professional services to the Company.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.