

Criteria of Making Payments 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. 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 at least once a year. According to the performance of each NED, the Company shall pay remuneration to NED in such a manner 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 Fees:

The NED's are entitled to sitting fees for attending the meetings of the Board and Committees thereof. Sitting fees paid to non-executive directors are within the limits prescribed by the Companies Act, 2013 and as approved by the Board of Directors from time to time on the recommendation by Nomination and Remuneration Committee.

Reimbursement of actual expenses incurred:

The NED's are also entitled to reimbursement of expenses incurred by them on behalf of the Company and expenses for participation in the Board and other official meetings in terms of the Companies Act, 2013.

Refund of excess remuneration paid:

If any such Director draws or receives, directly or indirectly, by way of fee/remuneration any such sums more than the limit as prescribed or without the prior sanction, where it is required, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it.