

CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

With changes in the Corporate Governance norms, the role and responsibilities of non-executive directors (“NEDs”) and the degree & 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.

The following are the criteria for making payments to NEDs of the Company:

Sitting Fee:

The NEDs shall receive sitting fees for attending meetings of the Board or Committee thereof or any other meeting as required by the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) or other applicable law(s).

Remuneration:

Section 197 of the Companies Act, 2013, allows a Company to pay remuneration (excluding sitting fees) to its NEDs at a specified percentage of net profits of the Company, subject to the prior approval of the shareholders of the Company. Remuneration referred to above, may be paid to NEDs as may be decided by the Board of Directors of the Company with the prior approval / recommendation of Nomination and Remuneration Committee of the Board from time to time, depending on the extra time that may be devoted and contributions made by the NEDs to the Company.

Reimbursement of expenses:

NEDs may also be paid / reimbursed for travel, incidental and / or actual out of pocket expenses incurred by such Director / Member for attending Board / Committee Meetings and / or performing other duties for and on behalf of the Company.

Payment to Independent Directors:

An Independent Director shall not be entitled to any stock option and shall receive sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related remuneration up to a specified percentage of net profits in such proportion, as the Board may think fit but subject to the permissible limits under Companies Act, 2013.

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