

Criterion for the making of Payment to Non-Executive Directors (Including Independent Directors):

With changes in the Corporate Governance norms brought by the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations), the role of Non- Executive Directors (NED) and the degree of their engagement with the Board and the Company has undergone significant changes over a period of time. The Non-Executive Directors 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.

Pursuant to the provisions of Companies Act, 2013 read with Listing Regulations, following are the criteria for making payment to Non-Executive Directors of the Company:

- Presently, the Non- Executive Directors (including Independent Directors) are paid remuneration by way of sitting fees for attending the meetings of the Board and Committees thereof. However, the same shall not exceed the limits prescribed by the Companies Act, 2013.
- The quantum of sitting fees is determined and recommended by the Nomination and Remuneration Committee of the Board. Thereafter the same is approved by the Board of Directors.
- In addition to the sitting fees, the Non- Executive Directors (including Independent Directors) are also entitled to reimbursement of reasonable expenditure incurred towards attending Board/Committee meetings etc. while discharging their duties as a Director of the Company.
- Pursuant to the provisions of the Companies Act, 2013, an Independent Directors shall not be entitled to any stock option of the Company.

