

## **PAYMENT TO NON-EXECUTIVE DIRECTORS**

In view of 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 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 including Independent Directors of the Company:

### **SITTING FEES**

The Non-Executive/Independent Directors shall be paid sitting fees for attending each meeting of the Board and various Committee/s of Directors, if the Board so decide. The Sitting Fees may be determined/revised by the Board of Directors from time to time subject to the overall limits as prescribed under the applicable provisions of the Companies Act, 2013.

### **COMMISSION**

The Company may also be pay commission to any or all the Non-Executive/Independent Directors not exceeding 1% of profit of the Company for the year calculated as per provisions of section 198 of the Companies Act, 2013 and approved by the members by passing of special resolution in general meeting.

### **REIMBURSEMENT OF ACTUAL EXPENSES INCURRED**

Non-Executive/Independent Directors may also be paid/reimbursed such sums either as fixed allowance and/or actual as fair compensation for travel, boarding and lodging and incidental and/or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings.

### **OTHERS**

An Independent Director shall not be entitled to any stock options.

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