

Criteria for making payments to Non-Executive Directors:

Criteria of making payments to Non-Executive Directors will be decided by the Board, it can be on the basis of:

- Contribution during the Meeting.
- Active Participation in strategic decision making.

Heads under which payments can be made

Any fee/remuneration payable to the Non- Executive Directors of the Company shall be in following manner.

Sitting Fee

Non- Executive Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI LODR, 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board.

Remuneration and Commission

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its Executive Director(s) either by way of a monthly payment or at a specified percentage of the net profits of the company.

The Company is however not obligated to remunerate its Non- Executive Director(s).

Further, the section 197 of the Act provides that the remuneration payable to directors who are neither managing directors nor whole time directors, shall not exceed-

- (i) one percent of the net profits of the Company, if there is a managing or whole time director or manager,
- (ii) three percent of the net profits in any other case.

Additional commission, apart from remuneration referred above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Directors.

Refund of excess remuneration paid

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or limits approved by Shareholders, where it is required, he shall refund such sum 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 unless approved by the company by special resolution within two years from the date the sum becomes refundable.

Reimbursement of actual expenses incurred

Non- Executive Director(s) 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 Directors for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Non- Executive Director(s).

Payment to Non- Executive Directors and Independent Directors

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc to its Non- Executives.

The Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission as may be approved by the members.

Remuneration to Key management personnel and Senior Management personnel

The remuneration of the Key management personnel and senior management personnel shall be drafted by the Human resource team of the company and shall be presented to the committee for its perusal and approval.