

CRITERIA FOR MAKING PAYMENTS TO NON- EXECUTIVE DIRECTORS:

I. Overall Criteria for making payments to Non- Executive Directors

All payments to Non- Executive Directors, Independent or otherwise shall be subject to in-depth review and recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors.

While making the review, the Nomination and Remuneration Committee shall consider the following key parameters including but not restricted to, before making its recommendation-

- 1) The remuneration being recommended shall be within the prescribed limits under the Companies Act, 2013 and rules there under, the SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable regulations, if any;
- 2) Company's capability to pay the recommended/proposed remuneration ;
- 3) Proposed remuneration bench marked with industry, like size companies, the industry in which the Company operates;
- 4) The value addition the Non- Executive Director is expected to bring to the Board and the Company;
- 5) Reasonableness of the proposed remuneration taking into consideration the challenges faced by the Company and its future growth plans;
- 6) Reasonableness of the proposed remuneration in attracting, retaining and motivating Directors to give their best for the Company;
- 7) Overall remuneration practices should be in line with Industry Best Practices/ Good Corporate Governance Practices;
- 8) The criteria for making such payments shall be subject to frequent review by the Nomination and Remuneration Committee and the Board.

II. Fees & Compensation paid to Non-Executive and Independent Directors

- 9) All fees or compensation, if any, paid to Non- Executive Directors, Independent or otherwise shall be subject to Companies Act, 2013 read together with the Rules prescribed thereunder including any statutory modification or re-enactment thereof for the time being in force, and other applicable provisions including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10) **Sitting Fees:** Directors may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) Quantum of sitting fees may be subject to review on a periodic basis, as required by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Sitting fees paid to Independent Directors and Women Directors shall not be less than the sitting fees payable to other Directors.

11) **Commission:** commission may be paid however the same shall be recommended by the Nomination and Remuneration Committee to the Board. The criteria for recommendation shall be laid down from time to time by the Board and may be based on Company's performance, profits, return to investors, shareholder value creation, performance of the Directors concerned, and any other significant qualitative parameters as may be decided by the Board.

The quantum of commission for each Director shall be based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.

12) **Stock Options:** Non- Executive Independent Directors shall not be eligible for stock options other non- executive directors may be given stock –options subject to approval of the shareholders of the Company.

13) **Other Payments:** In addition to above (Sitting fees and Commission), the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.
