



## CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

## CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

### COMPENSATION/ REMUNERATION PAYABLE FOR INDEPENDENT DIRECTORS/NON-EXECUTIVE DIRECTORS/CHAIRMAN OF THE BANK:

- **Remuneration to independent director/Non-executive Director other than part time Chairman:**

The remuneration payable to Non-Executive Director other than part time chairman shall be in accordance with provisions of RBI circular no DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021. The paragraph 9 of the above said circular (Corporate governance in Banks – Appointment of Directors and constitution of committees of the Board) has been amended vide circular no DOR.GOV.REC.8/29.67.001/2023-24 February 09, 2024 specifically on remuneration granted to Non-Executive Directors.

Accordingly, the Board of Directors from time to time may decide the remuneration payable to Non-Executive Directors with the recommendation of Nomination, remuneration and Compensation Committee of the Board (NRCCB) subject to maximum ceiling of Rs 30 Lakhs.

The Bank shall pay the Independent Directors and Non-Executive Directors remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time. The Bank may pay sitting fees to the independent and non-executive directors and reimburse their expenses for participation in the Board and other meetings, subject to compliance with the provisions of the Companies Act, 2013.

Further, Non Executive Directors including Independent Directors shall not be entitled for any Stock Options, under Employee Stock Option Plans (ESOPs).

Further, The Board may allow payment of compensation in the form of profit related commission to the independent and non-executive directors, subject to the Bank making profits and subject to the approval of RBI.

- **Remuneration to Part time Chairman of the bank**

The Remuneration payable to Part Time Chairman should be in accordance with the provisions of Section of 10(B) of the Banking Regulation Act 1949, Companies Act 2013 and rules / guidelines made thereunder. Such remuneration shall be paid as monthly/quarterly/semi-annually as may be approved by the Board.

Remuneration or compensation payable to chairman shall have prior approval of Reserve Bank of India. While submitting application for approval, approval of the Board of Directors with the recommendation of the NRCCB, shall be obtained. Further the Part Time Chairman of the Bank shall be entitled to receive sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time.

The above-mentioned fixed remuneration shall be within the prescribed limits mentioned in the Companies Act 2013, rules and guidelines made thereunder.