COMPENSATION POLICY FOR DIRECTORS

1. NON-EXECUTIVE DIRECTORS

1. Non-Executive Directors (NEDs) are the members of the Board not involving in day-to-day operations of the Company.

2. Against the services rendered by NEDs, the Company shall make compensation by way of sitting fees

3. and/or commission and travel related charges.

4. NEDs will be entitled to:

   a. the sitting fees as may be permitted under the Companies Act, 1956, and determined from time-to-time by the Company for attending each meeting of the Board or Committees thereof and

   b. the commission at the rate of Rs.5,000 or such other amount as may be decided by the Board/Shareowners from time to time, per meeting of the Board or committees thereof. This will be subject to the limits specified by the Companies Act, 1956 and the approval of the Shareowners.

5. NEDs, not being promoter directors, will be eligible to participate in Employees Stock Option Plans (ESOPs).

6. In no case shall sitting fees and/or Commission put together exceed the limits and ceiling, prescribed from time to time by the Companies Act, 1956.

7. As recommended by the Committee headed by Mr. Kumarmangalam Birla on Corporate Governance, the Company shall provide office space to minimum two of the Non Executive Directors and compensate them appropriately by way of commission towards the services, time, efforts and output given by them subject to the limit as approved by the shareowners.
2. EXECUTIVE DIRECTORS

1. The term Executive Director (ED), shall mean and include, Chairman, Vice-Chairman, Managing Director, Joint Managing Director, Whole-time Director, if any.

2. Against the services rendered by EDs, the Company, on the recommendations of the Nomination/Remuneration Committee/Board and with the approval of the members in Annual General Meeting, pays compensation to them.

3. Such compensation is paid by way of salary, which shall mean and include Provident Fund, Gratuity, Performance Bonus etc. and by way of Commission.

4. Salary and Commission of the EDs are revised from time to time depending upon Company’s performance, individual Director’s performance and prevailing industry norms, as per the recommendations of Nomination & Remuneration Committee.

5. No payment is made to EDs by way of sitting fees.

6. No ESOPs are granted to promoter Executive Directors, given the SEBI guidelines.

7. In no case Salaries and/or Commission put together exceed the limits and ceiling, prescribed from time to time by the Companies Act, 1956.