

Remuneration criteria for Non- Executive / Independent Directors'

I. Compensation structure for Part- time Chairman- based on RBI Guidelines vide circular No: DBR.No.BC/97/29.67.001/2014-15 dated June 1,2015

- I. The Part-time Chairman may be paid fixed remuneration with the approval of Reserve Bank of India. In terms of Sections 10B(1A)(i) and 35B of the Banking Regulation Act, 1949, the Bank would be required to obtain RBI approval for payment of remuneration to Part-time non-executive Chairman, and share holders' approval under the provisions of the Companies Act,2013.
- II. Part-time Chairman is entitled for Travelling, Halting and other applicable Allowances as per the extant RBI guidelines, from time to time.
- III. Part-time Chairman is entitled to sitting fees for attending the Board/ Committee meetings of the Board as applicable to other Non- Executive Directors of the Bank in addition to the fixed remuneration from the Bank as mentioned in the point No. i above
- IV. The Non-Executive Chairman of the Bank shall not be entitled to any profit linked commission.
- V. The Non-Executive Chairman of the Bank shall not be entitled to Stock Options.

II. Compensation Structure for Non-Executive Directors based on RBI Guidelines vide circular No: DBR.No.BC/97/29.67.001/2014-15 dated June 1,2015

In order to bring in professionalism to the Board of the bank and also to enable the Bank to attract and retain professional directors, Non-Executive directors may be appropriately compensated as follows:

1. Commission

The Board may, at its discretion, pay compensation in the form of profit related commission to the non-executive directors (other than the Part-time Chairman), subject to the Bank making profits. Such compensation, however, shall not exceed Rs.10 lakhs per annum for each director. The payment of profit related commission is subject to RBI approval as per section 35B of the banking Regulation Act, 1949, and compliance with relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

2. Sitting fees and reimbursement of expenses

In addition to the directors' compensation mentioned in para 1 above, the Bank may pay sitting fees to the 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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Remuneration of Non-Executive Directors

Subject to compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to sitting fees and expenses related to attending meetings of the board and its committees as per extant statutory norms/ practices, the Bank may provide for payment of compensation to non-executive directors in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals. However, such fixed remuneration for a Non-Executive Director, other than the Chair of the Board, shall not exceed ₹20 lakh per annum.