



Foods & Inns

FOODS AND INNS LIMITED

CRITERIA FOR MAKING PAYMENT TO NON EXECUTIVE DIRECTORS

The remuneration to non executive directors is determined by keeping in mind that that such remuneration should be attractive, create motivation and retain the Directors for use of their quality and ability to run the business of the Company successfully. With the changes in the corporate governance norms, the Rule of non executive directors and the degree and quality of their engagement with the Board and the Company has undergone a significant change over a period of time.

In order to be constituent with the widely accepted governance practices the Company remunerated the non executive directors for their attendance at the meetings of the Board or committees thereof.

The following is the criteria for making payment to non executive directors:

SITTING FEES

Such Directors shall receive the remuneration by way of sitting fees by attending the meetings of the Board or committee thereof or any other meeting as required by the Companies Act, 2013, Listing agreement or other applicable law or for any other purpose whatsoever as may be decided by the Board

COMMISSION

Section 197 of the Companies Act, 2013 allows a company to pay remuneration to its non executive directors either by way of monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by other.

Reimbursement of actual expenses incurred

Non executive directors may also be reimbursed actual expenses for travel, incidental and / or actual out of pocket expenses incurred by such director or member for attending Board or committee meetings.

Payment to Independent Directors

Independent Directors shall not be entitled to any stock option and may receive remuneration only by way of sitting fees and reimbursement of expenses for participation in meeting of the Board or committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as may be permissible under the applicable law at the discretion of the Board.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.