

Criteria for making payments to Non-Executive Directors

Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred as “Listing Regulations”), requires every Company to publish its criteria of making payments to Non- Executive Directors in its annual report. Alternatively, as per Regulation 46 (2) of Listing Regulations, this may be put up on the Company’s website and reference may be drawn thereto in its annual report.

Section 197 of the Companies Act, 2013 and Regulation 17(6) (a) of Listing Regulations require the prior approval of the shareholders of a Company for making payment to its Non-Executive Directors (hereinafter referred as “NEDs”).

However, the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under Companies Act, 2013 for payment of sitting fees without any approval.

Accordingly, the following criteria is laid down for PDS Limited (hereinafter referred as “the Company”).

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

Remuneration to Non- Executive / Independent Director:

1. Sitting Fees:

The NEDs (which expression includes Independent Directors) may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

2. Stock Options:

As per the Regulation 17 of the Listing Regulations, the shareholders’ resolution shall specify the limits for the maximum number of stock options that can be granted to Non-Executive Directors, in any in financial year and in aggregate.

Provided that an Independent Director shall not be entitled to any stock options and may receive remuneration by way of fees and reimbursement of expenses for participation in meetings of the Board and other meetings and profit related commission as may be approved by the members.

Amendments

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.