

SJVN Limited

(CIN: L40101HP1988GOI008409)



Policy Statement on Nomination, Remuneration, Succession and Diversity of Board

Registered Office
Himfed Building, New Shimla-171009

1.0 INTRODUCTION

SJVN Limited, a Mini Ratna: Category-I and Schedule –‘A’ CPSE under administrative control of Ministry of Power, Govt. of India, was incorporated on May 24, 1988 as a joint venture of the Government of India (GOI) and the Government of Himachal Pradesh (GOHP) (equity participation in the ratio of 75:25).

SJVN being a Central Public Sector Undertaking, the appointment, tenure, remuneration and other terms and conditions of Directors are decided by the President of India.

However, the Companies Act, 2013 which was enacted on August 30, 2013 provides for a major overhaul in the Corporate Governance norms for all companies and in absence of any special exemptions to Government Companies, we are required to comply with the new Corporate Governance norms.

In addition, vide Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17-04-2014 and Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15-09-2014 the Securities and Exchange Board of India (SEBI) has also revised the existing Corporate Governance Norms for listed companies by amending the Equity Listing Agreement with the objectives to align with the provisions of the Companies Act, 2013, adopt best practices on corporate governance and to make the corporate governance framework more effective. The revised Clause 49 has become applicable to all listed companies with effect from, October 01, 2014 while Clause 35B is applicable with immediate effect.

Subsequently, in exercise of the powers conferred by section 11, sub-section (2) of section 11A and section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) read with section 31 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Securities & Exchange Board of India, notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [herein referred as SEBI (LODR) Regulations, 2015] vide Notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015 whereby Corporate Governance & disclosure requirements contained in the erstwhile Standard Listing Agreement have been converted into regulations and given a regulatory force. The SEBI (LODR) Regulations, 2015 have become effective w.e.f. 1st December 2015.

2.0 STATUTORY REQUIREMENTS

Both Companies Act, 2013 as well as the SEBI (LODR) Regulations, 2015 prescribe requirement for constitution of Nomination and Remuneration Committee and formulation of a Nomination & Remuneration Policy. The relevant statutory provision are elaborated hereunder:-

A. Companies Act, 2013

Section 178 of Companies Act, 2013 prescribes the following requirements:-

(1) The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors:

Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

(2) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

(3) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(4) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that—

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

Provided that such policy shall be disclosed in the Board's report.

(8) In case of any contravention of the provisions of section 177 and this section, the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both:

Explanation.—The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Subsequently, vide a notification dated 5th June 2015, the Central Government has partially exempted the Government Companies from sub-sections (2), (3) and (4) of Section 178 of Companies Act, 2013 as under:-

“Shall not apply to Government Company except with regard to appointment of “senior management” and other employees”

B. SEBI (LODR) Regulations, 2015

The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to Nomination, Remuneration, Succession & Diversity of Board are as under:-

Regulation 4 (2)(f) (ii) - Key functions of the board of directors-

(5) Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.

(6) Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.

(7) Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.

Regulation 17(4) - The Board of directors of the listed entity shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior Management.

Regulation 19 - Nomination and Remuneration Committee.

- (1) The board of directors shall constitute the nomination and remuneration committee as follows:
- (a) the committee shall comprise of at least three directors ;
 - (b) all directors of the committee shall be non-executive directors; and
 - (c) at least fifty percent of the directors shall be independent directors.
- (2)The Chairperson of the nomination and remuneration committee shall be an independent director:
- Provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee.
- (3)The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.
- (4) The role of the nomination and remuneration committee shall be as specified as in Part D of the Schedule II.

PART D: ROLE OF COMMITTEES (OTHER THAN AUDIT COMMITTEE)
[See Regulation 19(4) and 20(4)]

A. ROLE OF NOMINATION AND REMUNERATION COMMITTEE :

Role of committee shall, inter-alia, include the following:-

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

SCHEDULE V: ANNUAL REPORT
[See Regulation 34(3) and 53(f)]

- C. **Corporate Governance Report:** The following disclosures shall be made in the section on the corporate governance of the annual report:-
- (4) Nomination and Remuneration Committee:
 - (a) brief description of terms of reference;
 - (b) composition, name of members and chairperson;
 - (c) meeting and attendance during the year;
 - (d) performance evaluation criteria for independent directors.

(5) Remuneration of Directors:

- (a) all pecuniary relationship or transactions of the non-executive directors vis-a-vis the listed entity shall be disclosed in the annual report;
- (b) criteria of making payments to non-executive directors, alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report;
- (c) disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:
 - (i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
 - (ii) details of fixed component and performance linked incentives, along with the performance criteria;
 - (iii) service contracts, notice period, severance fees;
 - (iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

3.0 SJVN's Policy Statement on Nomination, Remuneration, Succession and Diversity of Board.

SJVN being a Government Company (Central Public Sector Undertaking), in terms of Articles 31 to 35A of Articles of Association of the Company, the Powers of Nomination, appointment, remuneration and deciding terms and conditions of appointment of Directors vests with President of India, acting through Ministry of Power and other Government Directives.

Thus the policy for Nomination and Remuneration of Directors, KMPs and Senior Managers is determined by President of India, through various directives, stipulations, guidelines, notifications, circulars issued from time to time by the Department of Public Enterprises (DPE), Public Enterprises Selection Board (PESB) or any other Department of the Government of India. Similarly, the composition and succession of Board Members is also decided by Government of India.

The Board or the Company has not been vested with any powers in these matters. Hence, this Nomination and Remuneration Policy contains merely a description of policies & procedures enforced in the company by Government of India and is divided into following chapters/ parts:-

Part – I : Nomination & Remuneration Policy

Part – II : Board Diversity Policy

Part – III: Board Succession Policy

Part – I : Nomination & Remuneration Policy

A. Nomination Policy

Article 32 of Company's Articles of Association stipulates that:-

- a) The Chairman, the Vice-Chairman and all other members of the Board of Directors (except part-time Directors) shall be appointed by the President.
Till the time Directors are appointed, the Subscribers shall be deemed to be Directors of the Company.
- b) The part-time Directors shall be appointed by the President from time to time, as provided for in Article 31 supra.
- c) The President may from time to time, appoint the Chairman or any of the Directors to the office of the Managing Director(s) of the Company for such term and remuneration (whether by way of salary or other- wise) as he may think fit. Any such Chairman/ Director appointed to any such office shall, If he ceases to hold the office of Chairman/Director from any cause, Ipsofacto, immediately cease to be Managing Director(s).

Accordingly, except for one Govt. of H.P. Nominee Director, all Whole-Time and Part-Time Official/ Non-Official Directors are nominated by President of India acting through MoP.

The Policy & procedure for nomination and appointment of various types of Directors on the Board is summarized as under:-

A. Board of Directors

- a. **CMD & Functional Directors** – The Chairman and Managing Director and other Functional Directors are selected by Public Enterprises Selection Board and appointed by Government of India through the order of the administrative Ministry i.e. Ministry of Power.

PESB has framed elaborate guidelines/ procedures for selection / appointment to top management posts in CPSUs. A summary of Govt's Selection Policy for Board Level Appointments in PSUs is placed at **Annexure – A**.

- b. **Part-time Official Directors (Nominee Directors)** – One Part-Time Official Director each is nominated by Government of India and Government of Himachal Pradesh and appointed by Government of India through the order of the administrative Ministry i.e. Ministry of Power.
- c. **Part-time Non-Official Directors (Independent Directors)** – The proposals for appointment of non-official Directors on the Boards of CPSEs are initiated by the concerned Administrative Ministries i.e. Ministry of Power. The selection of non-official Directors is made by the Search Committee of Department of Public Enterprises (DPE). The concerned Administrative Ministry/Department appoints the non-official Directors on the basis of recommendations of Search Committee after obtaining the approval of competent authority. The detailed eligibility criteria and process of appointment notified by DPE is placed at **Annexure – B & C**.

For the purpose of compliance with Section 149 read with Clause IV(2) of Schedule IV Companies Act, 2013 the appointment as Independent Directors is also approved by the Shareholders in the immediately next Annual General Meeting.

B. Key Managerial Personnel – The Company has designated the following as Key Managerial Personnel:-

- i. **Managing Director** – CMD or in his absence any Whole Time Director who has been given the additional charge of CMD of the Company.
- ii. **Chief Financial Officer** – Director (Finance) or in his absence Head of Finance.
- iii. **Company Secretary** – Company Secretary of the Company.

The CMD or Director (Finance) are appointed in accordance with procedure prescribed in sub-clause A. a) above. Company Secretary is recruited/ elevated as such in accordance with Company's HR policy and appointed through a Board Resolution. Head of Finance is recruited/ elevated in accordance with Company's HR policy and designated as Head of Finance through an administrative order. The individuals so appointed are designated as Key Managerial Personnel through a Board Resolution.

C. Senior Management – Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Board i.e Executive Directors (ED) and General Managers (GM). Nomination & appointment of Senior Management personnel is done as per the following procedure:-

- a. EDs & GM are recruited/ elevated in accordance with Company's HR policy.
- b. The appointment/ elevation to ED & GM level posts is recommended by company's Nomination & Remuneration Committee.
- c. Appointments are made by the Board on recommendations of Nomination & Remuneration Committee, through a suitable Resolution.

B. Remuneration Policy

As per Article 32 of Company's Articles of Association The President may from time to time, appoint the Chairman or any of the Directors to the office of the Managing Director(s) of the Company for such term and remuneration (whether by way of salary or otherwise) as he may think fit.

Further, Article 33 stipulates that the Directors shall be paid such salary and/or allowance as the President may, from time to time, determine. Subject to the provisions of Section 314 of the Act, such reasonable additional remuneration, as may be fixed by the President, may be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise;

Thus, the President of India regulates the remuneration of the Directors, Managerial Personnel and other Employees of the Company through directives stipulations, guidelines, notifications, circulars issued from time to time by the Department of Public enterprises or other Ministries & Departments of the Government of India.

As per Article 35A of the Articles of Association of the Company, the Company is bound to adhere to any such directives stipulations, guidelines, notifications, circulars issued by DPE or any other Department of Government.

A. Board of Directors

- a. **CMD & Functional Directors** – The structure of pay & remuneration policy in respect of CMD & Whole time Directors in CPSU's is notified & regulated by Department of Public Enterprises (DPE), Ministry of Heavy Industries, Government of India. DPE issues Guidelines/ Notifications from time to time which need to be mandatorily complied by the company in terms of Article 35A of Articles of Association. Detailed HR/ Remuneration policies of the company are framed in accordance with DPE Guidelines and approved by the Board of Directors of the Company.

Copies of DPE OMs dated 26.11.2008, 09.02.2009 and 02.04.2009 regulating the current structure of pay & perks of Board level and below Board level executives and Non-Unionised Supervisors is placed at **Annexure – E**.

Full copy of Company's HR Manual is available on company's website www.sjvn.nic.in.

- b. **Part-time Official Directors (Nominee Directors)** – No remuneration is payable to Nominee Directors of Government of India or Government of Himachal Pradesh. However, travelling facilities and Hotel / accommodation facilities are provided at par with entitlements of Whole Time Directors of the Company for tours in connection with company's official business.
- c. **Part-time Non-Official Directors (Independent Directors)** – Department of Public Enterprises (DPE) has vide its Circular No. DPE O.M. No. 2(31)/87-DPE(WC) dated 20th August, 1997 specified that the quantum of the sitting fee may be decided by the profit making Public Enterprises within the ceiling prescribed by the Ministry of Corporate Affairs.

As per Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 notified by MCA a company may pay a sitting fee to a Director for attending Meetings of the Board or Committees thereof, such sum as may be decided by the Board of Directors thereof which shall not exceed 1 Lakh Rupees per Meeting of the Board or Committee thereof or such amount as may be prescribed by

the central Govt. from time to time. However, an Independent Director shall not be entitled to any stock options of the Company.

The Board of Directors of the Company have vide its 223rd Meeting held on 12th September 2013, approved a sitting fee @ Rs.20,000/- per Meeting for Independent Directors which is within the above limits.

In addition to sitting fee, travelling facilities and Hotel / accommodation facilities are also provided to Independent Directors at par with entitlements of Whole Time Directors of the Company for tours in connection with company's official business.

A copy of Company's Sitting Fees rules/ procedures as amended upto date is placed at **Annexure – D**.

- d. **Key Managerial Personnel & Senior Management** – The structure of pay & remuneration policy in respect of all Directors/ Officers of the Company is notified & regulated by Department of Public Enterprises (DPE), Ministry of Heavy Industries, Government of India. DPE issues Guidelines/ Notifications from time to time which need to be mandatorily complied by the company in terms of Article 35A of Articles of Association. The detailed HR/ Remuneration policies of the company are framed in accordance with DPE Guidelines and approved by the Board of Directors of the Company.

Copies of DPE OMs dated 26.11.2008, 09.02.2009 and 02.04.2009 regulating the current structure of pay & perks of Board level and below Board level executives and Non-Unionised Supervisors is placed at **Annexure – E**.

Full copy of Company's HR Manual is available on company's website www.sjvn.nic.in.

Part – II: Board Diversity Policy

Articles 31 of Articles of Association of the Company stipulates that the President shall, from time to time, determine the number of Directors of the Company which shall not be less than six(6) and not more than fifteen(15). Some of the Directors may be whole-time functional Directors and others may be part-time Directors depending upon the requirement from time to time. [One of the part-time Directors shall be nominated by the Governor.

Provided the number of Independent directors in any case shall not be less than 50% of the actual strength of the Board.

Hence the power to decide size and composition of Board vests with the President of India. The present structure of the Board of the Company is as under:-

DIRECTORS	Nos.
EXECUTIVE DIRECTORS	
Functional/ Whole Time Directors	
Chairman & Managing Director	1 (One)
Director (Civil))	1 (One)
Director (Finance)	1 (One)
Director (Personnel)	1 (One)
Director (Electrical)	1 (One)
NON-EXECUTIVE DIRECTORS	
Part -Time Official Directors (Nominee Directors)	
Nominee Director – Govt. of India	1 (One)
Nominee Director – Govt. of H.P.	1 (One)
Part Time Non- Official Directors (Independent Directors)	
Independent Directors	7 (Seven)
TOTAL	14 (Fourteen)

The existing structure/ composition of the Board has an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the Board of Directors comprising non-executive directors and is thus compliant with provisions of SEBI (LODR) Regulations, 2015 as well as DPE Guidelines on Corporate Governance.

****_**_

Part – III: Board Succession Policy

In terms of Articles of Association of the Company, all Powers regarding Nomination and Appointment of Directors vests with President of India, acting through Ministry of Power. The Board or the Company has not been vested with any powers in these matters.

However, Article 31 of Articles of Association of Company provides that One of the part-time Directors shall be nominated by the Governor. Similarly, Article 33(e) provides that the President shall consult the Governor for removal of part-time Director appointed from the nominations received from the Governor.

Accordingly, except for one Govt. of H.P. Nominee Director, succession Policy in respect of all Whole-Time and Part-Time Official/ Non-Official Directors is determined by President of India acting through Ministry of Power, Government of India.

._*_*_*_*_.

Public Enterprises Selection Board and Govt's Selection Policy for Board Level Appointments in PSUs**

Government has set-up a specialized agency called the Public Enterprises Selection Board [PESB] with the objective of evolving a sound managerial policy for the Central Public Sector Enterprises and, in particular, to advise Government on appointments to their top management posts.

PESB is a high powered body constituted by Government of India Resolution dated 3rd March 1987 which was subsequently amended from time-to-time, the latest being on 11th November 2008. The P.E.S.B shall not be a mere Interview Board and it shall, also, constitute itself into a Search Committee to look out for and identify suitable persons who can be appointed to Level-I and Level-II posts in PSEs.

The policy of Government is to appoint through a fair and objective selection procedure outstanding professional managers to Level-I and Level-II posts and posts at any other level, as may be decided by the Government from time to time. Government have also recognised the need to develop a cadre of professional managers within the public sector. Hence unless markedly better candidates are available from outside, internal candidates, employed in the PSE, will be preferred for appointment to Board level posts. However, if internal candidates are not available, preference will be given to candidates working in other PSEs, either in the same area of business or in other areas. Mobility of managerial personnel among PSEs within the same sector or group, failing which mobility within the public sector as a whole will be encouraged, subject to certain limitations. However, in special cases, recruitment may be made from the organised services under the Central Government. Such cases would be where, because of special circumstances, it is necessary to place a member of an organised service in a PSE or where, because of the nature of the enterprise or its poor health, it would be difficult to attract good professional managers on a tenure basis. Under special circumstances, the appointment to a particular post or posts in a PSE may be made other than through P.E.S.B with the prior and specific approval of the Govt.

For sick and potentially sick PSEs, the Administrative Ministry/Department concerned, in consultation with P.E.S.B could take a decision at any stage in the process of recruitment to the post of Chairman, Managing Director or Chairman-cum-Managing Director of the PSE, to take a person on deputation from any of the All India or Group "A" Central Services without insisting on the rule of immediate absorption.

***Source: PESB Website*

Criteria laid down by the Government for consideration as non-official Director#

A. (a)Criteria of Experience

- i. Retired Government officials with a minimum of 10 years' experience at Joint Secretary level or above.
- ii. Persons who have retired as CMD/CEOs of CPSEs and Functional Directors of the Schedule A CPSEs. The ex-Chief Executives and ex-Functional Directors of the CPSEs will not be considered for appointment as non-official Director on the Board of the CPSE from which they retire. Serving Chief Executives/Directors of CPSEs will not be eligible to be considered for appointment as non-official Directors on the Boards of any CPSEs.
- iii. Academicians/Directors of Institutes/Heads of Department and Professors having more than 10 years teaching or research experience in the relevant domain e.g. management, finance, marketing, technology, human resources, or law.
- iv. Professionals of repute having more than 15 years of relevant domain experience in fields relevant to the company's area of operation.
- v. Former CEOs of private companies if the company is (a) listed on the Stock Exchanges or (b) unlisted but profit making and having an annual turnover of at least Rs.250 crore.
- vi. Persons of eminence with proven track record from Industry, Business or Agriculture or Management.
- vii. Serving CEOs and Directors of private companies listed on the Stock Exchanges may also be considered for appointment as part-time non-official Directors on the Boards of CPSEs in exceptional circumstances.

B. Criteria of Educational Qualification

Minimum graduate degree from a recognized university.

C. Criteria of Age

The age band should be between 45-65 years (minimum/maximum limit) This could, however, be relaxed for eminent professionals, for reasons to be recorded, being limited to 70 years.

D. Reappointment

The non-official Directors, will not be re-appointed in the same CPSE after completing a maximum of two tenures, each tenure being for a period of three years.

E. Appointment in number of CPSEs at the same time

One person will not be appointed as non-official Director on the Boards of more than three CPSEs at the same time.

F. Directorship in private companies

A person being considered for appointment as non-official Director on the Board of CPSEs should not hold directorship in more than 10 private companies.

Note : The persons desirous of including their names in the Category (iv) i.e. **Professionals of repute having more than 15 years of relevant domain experience in fields relevant to the company's area of operation** should furnish additional details (2-3 pages) of their expertise/achievements in the relevant fields. For example ñ Chartered /Cost Accountants, Company Secretaries, Consultants should provide list of companies (Public/Private) to which they have rendered services, affiliations with Professional and Government Institutions/Committees/Task Forces etc. and important assignments completed, etc. as these details would facilitate determining their eligibility.

Process of appointment of non-official Directors on the Boards of CPSEs#

The proposals for appointment of non-official Directors on the Boards of CPSEs are initiated by the concerned Administrative Ministries/Departments. The selection of non-official Directors is made by the Search Committee. The present composition of the Search Committee is as under.

1. Secretary (DoPT) - Chairman
2. Secretary, DPE
3. Secretary of the concerned Administrative Ministry/Department
4. 2 non-official Members,

The concerned Administrative Ministry/Department appoints the non-official Directors on the basis of recommendations of Search Committee after obtaining the approval of competent authority. The recommendation of the Department related Standing Committee of Industry to the effect that if persons from the categories of Scheduled Castes, Schedules Tribes, OBC and women categories come forward with the laid down criteria, they should be given preference, has also been communicated to all Ministries as the proposals for appointment of non-official Directors on the Boards of CPSEs are initiated by them.

#Source: DPE Website

Procedure of Sitting Fee of Non-official part time Directors
(As amended upto 04-10-2013)

1. A Sitting Fee of **Rs. 20,000/-** per Board or Committee Meeting shall payable to Part- Time Non-Official Directors (Independent Directors) attending the Meeting.
2. Sitting Fee is payable per Meeting basis. If there are two or more meetings in a day, (e.g. Board Meeting, Audit Committee Meeting) the meetings are considered as independent.
3. In case of sub-Committee of Directors for negotiations with Contractors, the sitting fee shall be paid per day basis i.e., in a day if there are two meetings namely with contractor X in the Forenoon and with contractor Y in the Afternoon, these meetings are considered as one only.
4. Where a meeting is held and adjourned, and when adjourned meeting is reconvened, the reconvened meeting is to be treated as separate and sitting fees is to be paid.
5. Where interviews of the candidates are done, honorarium as applicable shall only be paid.
6. Where a meeting is convened on a particular date and had to be continued on the next day also, it is treated as a separate and sitting fees per day basis will apply.
7. In case of official visits to offices/project, no sitting fee shall be paid.
8. Where an independent Director (Non-official part time Director) participate in Quarterly Review Meetings/Project Review Meetings, payment of sitting fees is applicable as per the extant rules.”
9. Where a meeting is convened but not held, no sitting fee is paid.
10. CMD is authorised to consider payment of sitting fees in respect of other meetings where participation by an Independent Director is in the interest of the Company.
11. The travel expenses/daily allowance as applicable to the functional Directors shall be paid as per the TA/DA rules of the Corporation.
12. A Daily allowance of Rs. 2000/- per day shall be payable to Directors attending Board/ Committee Meetings held at a place other than their place of stay/ headquarters and making their own private accommodation for their stay.
13. In cases where the Director uses his own transport / arrangements, Conveyance charges @ Rs.2000/- per day shall be payable.
14. Company Secretary is authorized to approve the claims of part time Directors on account of sitting fees, travelling expenses etc.

-o-o-o-o-o-o-