



Energy Development Company Limited

Criteria of making payment to Non-executive Directors

I. PREAMBLE

The Remuneration Policy of Energy Development Company Limited (the “Company”), is designed to attract, motivate and retain quality people in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

II. DEFINITIONS:

1. **Remuneration / Commission:** The Committee may recommend the payment of remuneration / commission in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
2. **Sitting Fees:** The Non – Executive / Independent Director 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 the maximum amount as provided in the Companies Act, 2013, as per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. **Limit of Remuneration / Commission:** Remuneration / Commission may be paid within monetary limits approved by shareholders, subject to the limit not exceeding 1% of the net profit of the Company computed as per the applicable provisions of the Companies Act, 2013.
4. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

AMENDMENT / REVISION

Any policy including Remuneration Policy is dynamic concept. Hence it will be reviewed periodically & bring changes / amendment as and when required based on business need, benchmark with comparable Industries and any other factors relevant in the context of formulation of Remuneration policy that has direct linkage between business growth & attract, retain & motivate people on sustainable basis.

Effective from 01.12.2015