



## **IDFC FIRST BANK LIMITED**

### **PAYMENT OF SITTING FEES TO NON-EXECUTIVE DIRECTORS**

The Board of Directors of IDFC FIRST Bank Limited (the 'Bank') bring with them, a wide range of significant professional expertise and rich experience across wide spectrum of functional areas such as Management and Administration, Economics, Banking, Commercial Banking, Investment Banking, Financial Inclusion, Finance, Accounting, Audit, Technology etc. Thus, considering the current competitive business environment, wherein directors are required to take far more complex business decisions and the time devoted by them towards providing expertise to the Bank's business, a need was felt to pay appropriate sitting fees to the Non-Executive Directors ('NEDs') for attending the meetings of the Bank.

Accordingly, the Board of Directors of IDFC FIRST Bank Limited at its meeting held on August 25, 2015 had approved the proposal to pay sitting fees to NEDs in compliance with Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The following table shows the amount of sitting fees paid by IDFC FIRST Bank to its NEDs:

<b>Amount of Sitting fees paid per Board Meeting</b>	<b>Amount of Sitting fees paid per Committee Meeting</b>
Rs.1,00,000	Rs.50,000

Further, the Members at their Meeting held on July 27, 2016 approved payment of remuneration by way of commission to the Non-Executive Directors of the Bank (i.e. Directors other than Managing Director and Whole-time Directors), not exceeding in aggregate, 1% of the net profits of the Bank as computed in the manner laid down in Section 198 of the Companies Act, 2013 or maximum of Rs.10 Lakhs to each of such Directors, whichever is lower; in such manner and in such respects as may be decided by the Board of Directors from time to time and such payments shall be made with respect to the profits of the Bank for each year commencing from April 01, 2015.

In addition to the above, NEDs will be paid travelling expenses including airfare, hotel stay and car on rental basis for attending the meetings and such other expenses as are incurred by the directors and allowed to be reimbursed as per the provisions of the Companies Act, 2013 and the Banking Regulation Act, 1949.