



SHREE RAMA NEWSPRINT LIMITED

Criteria for making payment to Non-Executive Directors

The Company is having substantial benefit from the expertise, advice and inputs provided by the Non-Executive Directors (hereinafter referred to as “NEDs”) of the Company. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. Overall remuneration paid to Independent Directors and Non-Independent Non-Executive Directors should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company.

➤ **Remuneration / Sitting fees:**

Such Directors may receive remuneration and /or sitting fees as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder as amended from time to time for attending and participating in meetings of Board or Committee thereof or any other meetings as required by Companies Act, 2013 or other applicable law for the time being in force or for any other purpose whatsoever as may be decided by the Board. The remuneration may be paid to NEDs in pursuance to valuable advice / services provided to the Company due to his expertise in the respective fields. The amount of remuneration/sitting fees shall be subject to recommendation of Nomination and Remuneration Committee and approval of Board.

➤ **Professional Fees:**

As per Section 197 of the Companies Act, 2013, a Company may pay remuneration to its NEDs for services rendered by any such Director if:

- a) The services rendered are of Professional nature;

b) In the opinion of Nomination and Remuneration Committee the Director possess the requisite qualification for the practice of the profession.

➤ **Reimbursement of actual expenses incurred:**

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings or for Company's work.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

➤ **Payment to Independent Directors:**

An Independent Director shall not be entitled to any stock option and may receive remuneration and/or sitting fees and reimbursement of any expenses /statutory expenses incurred under the law, reimbursement for participation in meetings 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 provisions of the Companies Act as amended from time to time.
