ESCORP
ASSET MANAGEMENT

CRITERIA OF MAKING PAYMENTS TO NON - EXECUTIVE DIRECTORS

ESCORP ASSET MANAGEMENT LIMITED

Policy Created by	Ms. Anjali Gorsia Chief Regulatory Officer – Aryaman Group
Policy reviewed by	Mr. Shripal Shah Executive Director
Policy last review date	May 19, 2026

CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

With changes in the Corporate Governance norms brought by the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations**"), the role of Non- Executive Directors ("**NED**") and the degree of their engagement with the Board and the Company has undergone significant changes over a period of time.

Under the SEBI (LODR) Regulations, Regulation 46 and Schedule V requires every company to publish its criteria of making payments to NEDs in its annual report. Alternatively, this may be put up on the company's website and reference may be drawn thereto in its annual report. Section 197 of the Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, require the approval of the shareholders of a company for making payment to its NEDs.

The NED bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the independent functioning of the Board.

Pursuant to the provisions of Companies Act, 2013 read with Listing Regulations, following are the criteria for making payment to NEDs of the Company:

- **Sitting Fee:**
  The NEDs shall receive Sitting fees for attending meetings of the Board or Committee thereof or any other meeting within the limits prescribed under Companies Act, 2013.

- **Remuneration:**
  Section 197 of the Companies Act, 2013, allows a Company to pay remuneration (excluding sitting fees) to its NEDs either by monthly payment or at a specified percentage of net profits of the Company, or partly by one way or partly by other subject to the prior approval of the shareholders of the Company.

  Remuneration referred to above, may be paid to NEDs as may be decided by the Board of Directors of the Company from time to time, depending on the extra time that may be devoted and contributions made by the NEDs to the Company.

- **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.

  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 shall receive Sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related remuneration up to a specified percentage of net profits in such proportion, as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The Nomination and Remuneration Committee and/or Board of Directors shall carry out performance review of each of the NED at least once a year. According to the performance of each NED, the Company shall pay remuneration to NED in such a manner so as to attract and maintain high quality members on Board

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.