

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

In light of the recent amendments in the Companies Act, 2013, the role of Non-Executive Directors (“**NEDs**”) has undergone significant changes. NEDs devote their valuable time in deliberating on the strategic and critical issues in the course of the Board meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. Levels of remuneration to the NEDs are determined such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully.

Criteria of making payments to non-executive directors

Sitting Fees:

The Non-Executive Directors (which expression includes Independent Directors) may receive remuneration by way of fees for attending meetings of Board or Committee thereof. However, the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The Company, Aikyam Capital Private Limited has formulated this policy in accordance with the Companies Act, 2013 (hereinafter referred to as “**the Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”).

Commission:

Section 197 of the Act allows the Company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Further, the section also states that where the Company has either Managing Director or Whole-time Director or Manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

Criteria for fee and commission:

Within the parameters prescribed by the Act, the quantum of sitting fees and commission will be approved by the Board of Directors of the Company. Overall remuneration (sitting fees and

commission) should be reasonable and commensurate with the responsibilities, time spent in Board and Committee, meetings by the NEDs. The aggregate commission payable to all the NEDs will be approved the Board based on Company's performance. profits, return to investors, shareholder value creation and such other qualitative parameters.

Professional Fees:

Under the Act, Section 197 allows the Company to 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 the Board, the Director possess the requisite qualification for the practice of the profession.

As per the provisions of Section 188 of the Act, the Board of Directors of the Company shall approve the Professional fees to be paid to Non- Executive Director(s), and with the approval of the Shareholders wherever required.

Reimbursement of actual expenses incurred:

The Non-Executive Directors are also entitled for reimbursement of expenses incurred for attending the Shareholders meetings, Board Meetings and Committee meetings thereof, induction and training (organised by the Company for Directors).

Refund of excess remuneration paid:

If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the prescribed limit or without the prior sanction of the Central Government, where it is required, he shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it unless permitted by the Central Government.

Stock Options:

As per the Regulation 17 of the Listing Regulations, the shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to Non-Executive Directors, in any in financial year and in aggregate. Provided that an Independent Director shall not be entitled to any stock options and may receive remuneration by way of fees and reimbursement of expenses for participation in meetings of the Board and other meetings and profit related commission as may be approved by the members. The approval of shareholders by special resolution shall be obtained every financial year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof. The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions of the Act and Listing regulations.

Amendments:

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when applicable.