

EPACK PREFAB TECHNOLOGIES LIMITED

(Formerly known as Epack Prefab Technologies Private Limited and Epack Polymers Private Limited)

Regd. Office: 61-B, Udyog Vihar, Surajpur, Kasna Road, Greater Noida, Gautam
Buddha Nagar U.P. 201306
CIN No: U74999UP1999PLC116066

NOMINATION AND REMUNERATION POLICY

Contents

| | |
|--|----|
| 1. Introduction | 3 |
| 2. Purpose..... | 3 |
| 3. Scope and Applicability | 3 |
| 4. Definitions | 3 |
| 5. Nomination and Remuneration Committee | 4 |
| 6. Appointment and Removal of Director, KMP and Senior Management Employee | 4 |
| 7. Term /Tenure..... | 5 |
| 8. Remuneration for the Director, KMP and Senior Management Employee | 6 |
| 9. Roles and Responsibilities of the Committee | 8 |
| 10. Communication of the Policy..... | 10 |
| 11. Review | 10 |
| 12. Amendment | 10 |
| 13. Version Control..... | 11 |
| 14. Effective Date | 11 |

1. Introduction

EPACK PREFAB TECHNOLOGIES LIMITED (hereinafter referred to as “**EPACK**” or “**Company**”) has formulated the Nomination and Remuneration Policy (hereinafter referred to as “**Policy**”) in compliance with Section 178 of the Companies Act, 2013 (hereinafter referred to as “**Act**”) and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”) as amended from time to time, read along with the applicable rules thereto.

2. Purpose

The Purpose of the Policy is to:

- i. guide the Board of Director (hereinafter referred to as “**Board**”) in relation to appointment and removal of Directors, Key Managerial Personnel (hereinafter referred to as “**KMP**”) and other employees as may be prescribed under the Act;
- ii. evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- iii. recommend to the Board on Remuneration payable to the Directors, KMPs, Senior Management employees as may be prescribed under the Act;
- iv. retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- v. develop a succession plan for the Board and to regularly review the plan; vi. Devise a policy on diversity of Board of Directors.

3. Scope and Applicability

This Policy applies to all Directors in the Board, KMPs and Senior Management Employee of the Company.

4. Definitions

- i. “**Act**” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. “**Board**” means Board of Directors of the Company.
- iii. “**Company**” means EPACK PREFAB TECHNOLOGIES LIMITED.
- iv. “**Independent Director**” means a director referred to in section 149(6) of the Companies Act, 2013.
- v. “**Committee/ Nomination and Remuneration Committee**” means a Committee of the Board of Directors of the Company, constituted in accordance with the provisions of section 178 of the Companies Act, 2013 and SEBI (Listing obligations and Disclosures Requirements) Regulation, 2015.

- vi. **“Key Managerial Personnel (KMP)”** means Chairman & Whole Time Director, Managing Director and CEO, Chief Financial Officer and Company Secretary of the Company. Also, any other official designated as KMP by the Board of the Company from time to time, if any.
- vii. **“Senior Management Employees”** means personnel of the Company who are members of its core management team excluding Board of Directors and shall also comprise of the management one level below the Chief Executive officer or Managing Director or Whole time Director and shall specifically include the functional heads by whatever name called and the Company Secretary and Chief Financial Officer.

5. Nomination and Remuneration Committee

The following matters shall be dealt with, perused by the Committee:

- i. For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- v. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vi. Recommending all remuneration in whatever form, payable to senior management.
- vii. Any other matters as may be specified under applicable laws.

6. Appointment and Removal of Director, KMP and Senior Management Employee

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at other level as may be prescribed under the Act and Listing Regulations and recommend to the Board his / her appointment.

- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director or manager who is below 21 (Twenty One) years of age or who has attained the age of 70 (Seventy) years. Provided, that the term of the person holding this position may be extended beyond the age of 70 (Seventy) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- iv. The Company shall not continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy Five) years unless a special resolution is passed to the effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- v. For appointment of Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, a description of the role and capabilities required of any Independent Director shall be prepared and discussed by the Committee.

7. Term /Tenure

- i. The Company shall appoint or re-appoint any person as its Whole time Director, Managing Director for a term not exceeding 5 (Five) years at a time. No re-appointment shall be made earlier than 1 (One) year before the expiry of term.
- ii. An Independent Director can hold office for a term up to five consecutive years or such shorter period on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment shall be made in the Board's report.
- iii. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 (Five) years each, but such Independent Director shall be eligible for appointment after expiry of 3 (Three) years of ceasing to become an Independent Director.
- iv. Provided that an Independent Director shall not, during the said period of 3 (Three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- v. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case

such person is serving as a Whole-time Director/Managing Director of a listed company or such other number as may be prescribed under the Listing Regulations or the Act.

7.1. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or senior management employee subject to the provisions and compliance of the said Act, rules and regulations.

7.2. Retirement:

The Director, KMP and senior management employee shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, other employees in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

8. Remuneration for the Director, KMP and Senior Management Employee

8.1. General Criteria

- i. The remuneration/compensation/commission etc. to the Managing Director, Whole Time Director, KMP and Senior Management will be recommended by the Committee to the Board for its approval at the time of their appointment. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, whenever required.
- ii. The remuneration and commission to be paid to the Managing Director, Whole Time Director shall be in accordance with the percentage/slabs/conditions as per the provisions of the Act.
- iii. Increments to the existing remuneration/compensation structure shall be approved by the Committee which would be within the slabs approved by the Shareholders in the case of Managing Director and Whole Time Director.
- iv. Where any insurance is taken by the Company on behalf of its Whole Time Director, Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

8.2. Remuneration to Whole Time/ Executive/Managing Director, KMP and Senior

Management Employee

i. Fixed pay

The Whole-time Director, Managing Director, KMP and senior management employees shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc, shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required. Provided Whole-time Director, Managing Director may waive their right to receive remuneration or part of it.

ii. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the prior approval of the members.

iii. Provisions for excess remuneration

If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without the prior sanction of the members, 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.

8.3. Remuneration to Non- Executive / Independent Directors

- i. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Act. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board.
- ii. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act) shall be subject to ceiling/ limits as provided under the Act and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board or shareholders, as the case may be.
- iii. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- iv. Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause above if the following conditions are satisfied.
 - The Services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

9. Roles and Responsibilities of the Committee

9.1. Membership

- i. The Committee shall consist of a minimum 3 (Three) Non-Executive Directors or more, out of which not less than 2/3 shall be an Independent Director.
- ii. Minimum 2 (Two) members or 1/3 of the members of the Committee (whichever is more), including atleast one independent Director in attendance, shall constitute a quorum for the Committee meeting.
- iii. Membership of the Committee shall be disclosed in the Annual Report.
- iv. Term of the Committee shall be continued unless terminated by the Board.

9.2. Chairperson

- i. Chairperson of the Committee shall be an Independent Director.
- ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- iv. Chairperson of the Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

9.3. Frequency of meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

9.4. Committee Members' Interests

- i. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- ii. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9.5. Secretary

The Company Secretary or his/her nominee shall act as Secretary of the Committee.

9.6. Voting

- i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- ii. In the case of equality of votes, the Chairperson of the meeting will have a casting vote.

9.7. Duties

- i. Evaluating the current composition, organization and governance of the Board and its committees as well as determining future requirements and making recommendations to the Board for approval;
- ii. Determining on an annual basis, desired qualifications along with the expertise, characteristics and conduct searches for potential Board members with corresponding attributes. Thereafter, evaluation and proposal of nominees for election to the Board. In performing these tasks, the committee shall have the sole authority to retain and terminate any search firm to be used to identify Director candidates;
- iii. Evaluation and recommendation of termination of membership of individual Director in accordance with the Board's governance principles for cause or for other appropriate reasons;
- iv. Making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel at such level(s);
- v. Reviewing, amending, modifying and approving all other human resources related policies of the Company from time to time;
- vi. Reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
- vii. Reviewing and recommending to the Board, matters relating to revision of compensation/ salary and long term wage settlements;
- viii. Determination of compensation levels payable to the senior management personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
- ix. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- x. Determining Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- xi. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- xii. Consideration and approval of employee stock option schemes and to administer and supervise the same;

- xiii. Decision on matters such as quantum of and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies etc;
- xiv. Reviewing, with the management, all human resource related issues from time to time so as to maintain harmonious employer-employee relations;
- xv. Periodically reviewing and re-examining the terms of reference and making recommendations to Board for any proposed changes;
- xvi. Authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
- xvii. Developing a succession plan for Board and senior management and regularly reviewing the plan;
- xviii. Consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;
- xix. Performing such other activities as may be delegated by the Board and / or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

9.8. Minutes of Committee Meeting

Proceedings of all meetings must be minute and signed as per the provisions of the Act. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

10. Communication of the Policy

The Policy will be hosted on the Company website, www.epackprefab.com and in the Annual Report of the Company.

11. Review

This policy shall be subject to review by the Nomination & Remuneration Committee and recommend to the Board as may be deemed necessary or to meet any regulatory requirements.

12. Amendment

In case of any amendment (s), clarification (s), circular (s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions in this Policy and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

13. Version Control

| Version | Description | Date |
|----------------|------------------------------------|-------------------|
| Version 1 | Nomination and Remuneration Policy | December 18, 2024 |

14. Effective Date

This Policy was approved and adopted by the Board on December 18, 2024.