# EPL LIMITED

# NOMINATION AND REMUNERATION POLICY [1]

[1] Amended as on March 28, 2025

# NOMINATION AND REMUNERATION POLICY (“POLICY”)

## 1. INTRODUCTION

Pursuant to the policy of EPL Limited (“Company”), to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (“KMP”), Senior Management and the employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 (as amended) (including the applicable rules made thereunder) (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“SEBI LODR Regulations”), this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been formulated by the Nomination and Remuneration Committee (“Nomination and Remuneration Committee”/ “NRC”) and approved by the Board of Directors of the Company (“Board”).

## 2. OBJECTIVE AND PURPOSE

In order to comply with the requirements of Section 178 of the Act and Regulation 19 of the SEBI LODR Regulations and any other applicable provisions, NRC of the Board of the Company has formulated this Policy.

The objectives of the Policy are as follows:

- To lay down criteria and terms & conditions with regard to identifying - persons who are qualified to become Directors (Executive, Non-Executive and Independent) of the Company and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in peer companies in the plastic, lamitubes & caps industry or any such similar industry.
- To carry out evaluation of the performance of the Directors, as well as Key Managerial Personnel and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

## 3. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board has changed the nomenclature of Remuneration Committee constituted on January 10, 2001 as Nomination and Remuneration Committee on May 29, 2014.

The Board shall ensure that the composition of the Nomination and Remuneration Committee is in terms of the applicable provisions of the Act and the SEBI LODR Regulations, each as amended from time to time.

The Board shall also have the power to re-constitute the Committee in line with the Company's Policy and applicable statutory requirements including those prescribed under the Act and the SEBI LODR Regulations, each as amended from time to time.

## 4. DEFINITIONS

- "Board" shall the Board of Directors of EPL Limited.

- "Director" shall mean a Director appointed to the Board of a Company, in terms of the applicable provisions of the Act and/or the SEBI LODR Regulations.

- "Committee/ NRC" shall mean the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in terms of the applicable provisions of the Act and/or the SEBI LODR Regulations.

- "Company" shall mean EPL Limited.

- "Employee Stock Option" shall mean the option given to the Directors, Employees or such other grantees of the Company or of its Holding Company or Subsidiary Company or Associate Companies, if any (collectively referred as "Grantees"), which gives such Grantees, the benefit or right to purchase, or to subscribe for, the Shares of the Company at a future date at a pre-determined price.

- "Independent Director" shall mean a Director appointed in compliance with the provisions of Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR Regulations, each as amended from time to time.

- "Key Managerial Personnel/ KMP" shall mean:
  (i) Managing Director/ CEO;
  (ii) Whole-time Director;
  (iii) Chief Financial Officer;
  (iv) Company Secretary;
  (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key-managerial personnel by the Board; and
  (vi) such other officer as may be prescribed under the applicable provisions of the Act or the SEBI LODR regulations, each as amended from time to time.

- "Senior Management" shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole-time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the Company.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act read with the Rules made thereunder and the SEBI LODR Regulations, each as amended from time to time.

## 5. APPLICABILITY

The Policy is applicable to

- Directors (Executive and Non-Executive);
- Key Managerial Personnel; and
- Senior Management Personnel.

## 6. INTERPRETATION AND REVIEW

1. In any circumstance where the provisions of this Policy differ from any existing or newly enacted provisions of the Act, the SEBI LODR Regulations and/or applicable law, rule, regulation or standard governing the Company ("applicable laws"), the relevant provisions of the applicable laws will take precedence over this Policy until such time as this Policy is changed to conform to the applicable laws, rule, regulation or standard.

2. This Policy will be reviewed as and when required but at least once in three years.

3. In case of any clarification required with respect to this Policy, the concerned may contact the Company Secretary of the Company.

## 7. GENERAL

- This Policy is divided into three parts:
    - Part - A, which covers the matters to be dealt with and recommended by the Committee to the Board;
    - Part - B, which covers the appointment and nomination; and
    - Part - C, which covers remuneration and perquisites etc.

- The key features of this Company's Policy shall be included in the Board's Report.

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## PART - A

## MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

1. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

2. The Committee shall, at the time of appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director to be appointed.

   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 Committee may:
   a. use the services of 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.

3. The Committee shall formulate the criteria for evaluation of performance of Independent Directors and the Board;

4. The Committee shall devise a policy on diversity of Board;

5. The Committee shall identify the persons who are qualified to become Directors or Key Managerial Personnel of the Company and who may be appointed in Senior Management, in accordance with the criteria laid down, and shall also provide to the Board its recommendations on their appointment and removal.

6. The Committee shall evaluate whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors.

7. The Committee shall recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

## PART – B

## POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

**A. Appointment criteria and qualifications**

1. The Committee shall identify and ascertain the integrity, qualification, skill set, expertise and experience of the person proposed to be considered for appointment as Director, Key Managerial Personnel or at Senior Management Level and recommend to the Board his/her appointment.

2. All appointment of Directors, Key Managerial Personnel and Senior Management Personnel shall be done by the Board, based on the recommendation of the Committee. The Management shall provide all necessary information in this regard.

3. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee shall have the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.

4. The Company shall not appoint or continue the employment of any person as Managing/ Whole-Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the Shareholders of the Company, by passing a Special Resolution, and the explanatory statement annexed to the notice for such approval indicating the justification for extension of appointment.

**B. Term / Tenure**

1. Managing Director/Whole-time Director:

   - The Company may appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

   - The Company shall not appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy-five years, unless a Special Resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing/ continuing the Directorship of such a person.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company with the exact tenure being recommended by the NRC and shall be eligible for re-appointment, on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- Subject to the extant provisions of applicable laws and regulations, at the time of appointment of an 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 of a Listed company.

- Matters related to appointment of Independent Directors shall be subject to compliance of provisions of Section 149 read with Schedule IV of the Act and rules framed thereunder and the SEBI LODR Regulations

**C. Evaluation**

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly basis). In case of Key Managerial Personnel and Senior Management Personnel, the Committee shall review the evaluation carried out by the Managing Director.

**D. Removal**

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or the SEBI LODR Regulations or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, Key Managerial Personnel and Senior Management Personnel, subject to the provisions and compliance of the Act, rules made thereunder or the SEBI LODR Regulations or under any other applicable Act, rules and regulations.

**E. Retirement**

The Board, on the recommendation of the Committee, shall have the discretion to determine the matters related to the retirement of a Director, Key Managerial Personnel and Senior Management Personnel, including continuation of the person in the same position, the remuneration etc. even after attaining the retirement age, for the benefit of the Company; subject to the provisions of the Act read along with the rules framed thereunder and prevailing policy of the Company.

## PART – C

## POLICY RELATING TO THE REMUNERATION FOR THE MANAGING DIRECTOR/ WHOLE-TIME DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

### A. General

1. The remuneration/ compensation/ commission etc. to the Managing Director/ Whole-time Director, Key Managerial Personnel and Senior Management Personnel shall be recommended by the Committee to the Board for its approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and other appropriate approvals, as may be required in terms of the provisions of the Act and/or the SEBI LODR Regulations, each as amended.

2. The remuneration and commission to be paid to the Managing Director/ Whole-time Director shall be in accordance with the percentage / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules framed thereunder.

3. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director. In case of Key Managerial Personnel and Senior Management Personnel, this shall be in accordance with compensation framework as adopted for employees generally. Increments will be effective from the date mentioned in the respective resolutions in case of a Managing Director/ Whole-time Director and 1st April, in respect of other employees of the Company, unless specifically approved otherwise.

4. Insurance Premium paid by the Company for the Directors and Officer (D & O) Liability Policy and such other policy availed by the Company on behalf of its Managing Director/ Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability shall not be treated as part of the remuneration payable to any such personnel.

### B. Components of the Remuneration

1. Remuneration to Whole-time Director/Managing Director

    a. Fixed pay and Variable pay payable to Managing Director/ Whole-time Director

       The Managing Director/ Whole-time Director shall be eligible for remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.

The remuneration payable to Managing Director/ Whole-time Director shall comprise of fixed pay, perquisites and a variable salary by whatever name called determined as a percentage of fixed salary & payable annually, linked to achievement against pre-agreed annual performance parameters.

In view of the above, notwithstanding that in any financial year the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as aforesaid to its Managing Director/ Whole-time Director in accordance with the provisions of Schedule V of the Act and other applicable provisions of the Act.

b. Remuneration to Key Managerial personnel and Senior Management Personnel

The structure of remuneration payable to Key Managerial Personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the HR department. Such compensation framework adopted for the employees by the HR department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies & having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

2. Provisions for excess remuneration:

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without approval required as per the Act, he / she shall refund such sums to the Company within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

**C. Remuneration to Non- Executive / Independent Director**

1. Remuneration/ Commission:

The remuneration/ commission may be paid as per the provisions of the Act and the rules framed thereunder.

2. Sitting Fees:

The Non-Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The Board of Directors shall decide on the amount of sitting fees to be paid for each meeting. Provided that the amount of such fees shall not exceed Rs 1,00,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

   Commission may be paid within the monetary limit approved by the Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

4. Employee Stock Options

   An Independent Director shall not be entitled to Employee Stock Options of the Company.