

NOMINATION AND REMUNERATION POLICY

INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its most valuable asset, to ensure equitable remuneration for all Directors, Key Managerial Personnel (KMP) and employees, and to harmonize individual aspirations with the Company's goals, this Nomination and Remuneration Policy ("Policy") has been formulated.

This Policy is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, as amended from time to time, and has been approved by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee ("NRC" / "Committee").

OBJECTIVE AND PURPOSE OF THE POLICY:

The objective of the policy is to ensure that;

- Lay down criteria for identifying persons qualified to become Directors (Executive and Non-Executive), KMPs and Senior Management Personnel and Recommend their appointment and removal.
- Determine remuneration based on:
 - Company's size and financial position
 - Industry benchmarks and peer practices
 - Ensure performance evaluation of Directors, KMPs and Senior Management Personnel.
 - Provide rewards linked to performance, dedication, and achievement.
 - Attract, retain, motivate and promote talent.
 - Ensure long-term sustainability and competitive advantage.

EFFECTIVE DATE:

This Policy was originally adopted by the Board of Directors of **Bang Overseas Limited** on 13th August 2014. It was revised in line with the introduction of the SEBI (LODR) Regulations, 2015 and became effective from **April 01, 2019**, pursuant to amendments dated 9th May 2018 and again reviewed and updated on October 18, 2025.

Constitution of the Nomination and Remuneration Committee:

The Board shall have the authority to constitute, reconstitute or modify the composition of the Committee in accordance with applicable laws and regulatory requirements.

DEFINITIONS

- **Board**, means Board of Directors of the Company.
- **Directors**, means Directors of the Company.
- **Committee**, means Nomination and Remuneration Committee of the Company as constituted by the Board.

- **Company**, means Bang Overseas Limited.
- **Independent Director**, means a director referred to in section 149(6) of the Companies Act, 2013 and as per Listing Regulation.
- **Key Managerial Personnel (KMP) means-**
 - (i) Managing Director or Chief Executive Officer or manager and in their absence, a Whole-time Director;
 - (ii) Chief Financial Officer;
 - (iii) Company Secretary;
 - (iv) Such other officer as may be prescribed under the applicable statutory provisions / rules and regulations.
- **“Regulations” or “Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- **“Senior management”**, means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

APPLICABILITY:

The Policy is applicable to

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

SECRETARY OF THE COMMITTEE:

The Company Secretary of the Company shall act as Secretary of the Committee.

RECOMMENDATIONS TO BE MADE BY NRC

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- Recommend to the Board whether to extend or continue the term of appointment of Independent Directors based on the basis of report of performance evaluation.
- Recommend to the Board, all remuneration, in whatever form payable to senior management.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as 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 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.

- **Term/Tenure:**

1. **Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, 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.

2. **Independent Director**

An Independent Director shall hold office for a term up to five consecutive years 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 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. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

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 of a listed company.

- **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

- **Performance Evaluation Criteria of Independent Directors:**

1. Understanding of nature and role of independent directors' position;
2. Active engagement with the Management and attentiveness to progress of decisions taken;
3. Driving any function or identified initiative based on domain knowledge and experience;
4. Proactive, strategic and lateral thinking.

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder 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, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Where any insurance is taken by the Company on behalf of its Whole-time 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.

- **Remuneration to Whole-time Director/Managing Director**

The Whole-time Director / Managing Director shall be eligible for remuneration as may be approved by the shareholders and Board of Directors on the recommendation of the Committee in line with provisions of the Companies Act, 2013 and Listing Regulations.

While recommending the remuneration payable to Whole Time Director / Managing Director, the Committee shall, inter alia, consider the following matters:

- a. Financial and operating performance of the Company;
- b. Relationship between remuneration and performance;
- c. Industry/ sector trends for the remuneration paid to executive director;
- d. Such other matters as Committee deem fit.

Annual Increments to the Whole Time Director / Managing Director shall be within the maximum amount approved by the shareholders of the Company. Increments shall be recommended by the Nomination and Remuneration Committee to the Board of Directors at times it desires to do so but preferably on an annual basis.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Shareholders, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

- **Remuneration to Non- Executive / Independent Director:**

Non-Executive Directors / Independent Directors are paid remuneration by way of sitting fees and reimbursement of expenses for participation in the meeting of the Board of Directors or any duly constituted Committee thereof, subject to the governing provisions of the Companies Act, 2013 and Listing Regulations.

In addition to the above, they may also be paid remuneration by way of commission within the overall limit prescribed under the Companies Act, 2013 and Listing Regulations subject to the approval of Board of Directors and shareholders, as required. The Independent Director shall not be entitled to any stock option of the Company.

- **Remuneration to Senior Management Personnel / KMPs**

The remuneration in whatever form to be paid to KMP / Senior Management Personnel shall be based on the experience, qualification, expertise of the related personnel as well as the prevailing market conditions and shall be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and consonance with the limits, if any, prescribed under the Companies Act, 2013, Listing Regulations or in any other applicable enactment for the time being in force.

AMENDMENTS TO THE POLICY:

The Board has the power to reconstitute the Committee and or to change/amend the policy as may be expedient taking into account the law for the time being in force.
