

Nomination & Remuneration Policy 2026

(Formulated under Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies [Meetings of Board and its Powers] Rules, 2014 for Unlisted Public Companies)

1. INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013 (“the Act”) and applicable rules, the Board of Directors (“Board”) of Bindlas Duplux Limited (“the Company”) at its Meeting held on **02nd September, 2026** approved and adopted this, Policy.

This Policy on nomination and remuneration of Directors, Key Managerial Personnel (“KMP”), and Senior Management Personnel has been formulated by the NRC and approved by the Board of Directors.

The Company is a company covered under Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, being an unlisted public company that meets each of the prescribed threshold(s) of paid-up share capital of ten crore rupees or more, turnover of one hundred crore rupees or more, and aggregate outstanding loans, debentures and deposits exceeding fifty crore rupees, as per its latest audited financial statements, and the constitution of the NRC is accordingly mandatory and not voluntary.

2. OBJECTIVES

The objectives of this Policy are:

- To establish criteria for determining the qualifications, positive attributes, and independence of Directors.
- To ensure that the Board comprises persons with appropriate qualifications, skills, knowledge, experience, integrity, and expertise required for effective functioning.
- To provide a framework for identifying, recommending, and approving suitable persons for appointment as Directors, KMP, and Senior Management.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate persons of the quality required to run the Company successfully.
- To ensure that the relationship between remuneration and performance is clear and reflects appropriate performance benchmarks.
- To ensure that remuneration appropriately balances fixed and variable/incentive components, having regard to the Company's performance, operational goals, and long-term interests.
- To promote diversity on the Board with regard to skills, experience, knowledge, background, and other relevant attributes.
- To establish an appropriate framework for performance evaluation of the Board, its committees, and individual Directors.
- To facilitate succession planning for the Board, KMP, and Senior Management.

3. DEFINITIONS

3.1 “Act” means the Companies Act, 2013 and the rules made thereunder, as amended from time to time.

3.2 “Board” means the Board of Directors of the Company.

3.3 “Committee” or “NRC” means the Nomination and Remuneration Committee of the Board constituted in accordance with applicable provisions of the Act.

3.4 “Director” means a director appointed to the Board of the Company.

3.5 “Independent Director” means an Independent Director as defined under Section 149(6) of the Act and rules made thereunder.

3.6 “Key Managerial Personnel” (KMP) means:

- The Chief Executive Officer or the Managing Director or the Manager;
- The Whole-time Director;
- The Chief Financial Officer;
- The Company Secretary; and
- Such other officer as may be prescribed under applicable law.

3.7 “Senior Management” / “Senior Managerial Personnel” means personnel of the Company who are members of its core management team excluding the Board of Directors, comprising all members of management one level below the Executive Directors, including functional heads.

3.8 “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him/her and includes perquisites as defined under the Income-tax Act, 1961.

3.9 “Policy” means this Nomination and Remuneration Policy, as amended from time to time.

Words and expressions used but not defined herein shall have the meanings respectively assigned to them under the Act and other applicable laws.

4. CONSTITUTION, COMPOSITION & MEETINGS OF THE COMMITTEE

4.1 Composition: The NRC shall consist of three (3) or more Non-Executive Directors, out of which not less than one-half shall be Independent Directors.

4.2 Chairperson: The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the NRC but shall not chair the Committee. The Chairperson of the NRC shall be an Independent Director where so required by applicable law.

4.3 Quorum: The quorum for a meeting of the NRC shall be two (2) members or one-third of the total strength of the Committee, whichever is higher.

4.4 Meetings: The NRC shall meet as and when required for the discharge of its functions and responsibilities.

4.5 Attendance: The Chairperson of the NRC or, in his/her absence, such other member authorised in this regard, shall attend the general meetings of the Company where required under applicable law.

5. ROLE AND RESPONSIBILITIES OF THE COMMITTEE

The NRC shall perform such functions and duties as prescribed under the Act and other applicable laws and shall, inter alia:

- Identify persons who are qualified to become Directors and persons who may be appointed in Senior Management in accordance with the criteria laid down by the Committee;
- Recommend to the Board the appointment and removal of Directors and Senior Management, as applicable;
- Formulate criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to remuneration for Directors, KMP and other employees;
- Specify the manner for effective evaluation of the performance of the Board, its committees and individual Directors, as applicable;
- Consider matters relating to Board composition, succession planning and development of leadership capabilities;
- Review the remuneration structure and practices of the Company from time to time;
- Consider such other matters as may be assigned to it by the Board or prescribed under applicable law.

6. CRITERIA FOR APPOINTMENT OF DIRECTORS

The NRC shall identify and ascertain the integrity, qualifications, expertise, and experience of a person proposed to be appointed as a Director and recommend his/her appointment to the Board.

6.1 Qualifications & Industry Experience

A person proposed to be appointed as a Director shall possess appropriate qualifications, skills, knowledge, and relevant expertise. The NRC may consider:

- Knowledge and understanding of the Company's business and industry;

- Financial, legal, commercial, and corporate governance expertise;
- Strategic thinking and leadership capabilities;
- Relevant industry experience and professional qualifications.
- Such other criteria as may be considered relevant by the NRC or prescribed under applicable law.

6.2 Positive Attributes

A Director should possess attributes including:

- High standards of integrity and ethical conduct;
- Commitment to corporate governance principles;
- Ability to exercise independent judgment and devote sufficient time and attention to Company affairs;
- Ability to contribute constructively to Board deliberations.
- Such other attributes as may be considered appropriate by the NRC.

6.3 Independence Criteria & Directorship Limits

In the case of an Independent Director:

- The proposed candidate must satisfy all independence criteria prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, including that the person is not a promoter of the Company or its holding, subsidiary or associate company; has no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters or directors, exceeding the prescribed limits (other than remuneration as an Independent Director); has none of the specified relatives with such pecuniary relationships or employment; is not, and has not been in the preceding three financial years, a KMP or employee of the Company or its holding/subsidiary/associate company; and holds no other prescribed disqualifying relationship as set out in Section 149(6) and the Rules.
- The NRC shall ensure compliance with the maximum directorship limits prescribed under Section 165(1) of the Act, namely that no person shall hold office as a director, including any alternate directorship, in more than twenty (20) companies at the same time, of which not more than ten (10) shall be public companies (with directorships in dormant companies excluded from this limit).

7. APPOINTMENT OF KMP AND SENIOR MANAGEMENT

The NRC shall identify, evaluate, and recommend to the Board the appointment of KMP and Senior Management based on integrity, educational qualification, core expertise, and relevant experience.

8. TERM / TENURE

8.1 Managing Director / Whole-time Director / Executive Director

- The Company shall appoint or re-appoint a Managing Director, Executive Director, or Whole-time 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 the existing term.
- No person shall be appointed or continued as Whole-time Director after attaining seventy (70) years of age; provided that extension beyond seventy years may be permitted with shareholder approval via Special Resolution.

8.2 Independent Director

- An Independent Director shall hold office for up to five consecutive years on the Board and shall be eligible for re-appointment upon passing of a Special Resolution by the members and disclosure in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms of up to 5 years each.
- After completion of two consecutive terms, an Independent Director shall be eligible for re-appointment only after a mandatory cooling-off period of three years, during which period they must not be appointed in or associated with the Company in any other capacity, directly or indirectly.

9. PERFORMANCE EVALUATION

- The performance evaluation of the Board, its Committees, KMP, Senior Management, and individual Directors shall be carried out yearly or at such intervals as determined by the Board/NRC.
- Criteria shall include attendance, preparation, strategic guidance, objective decision-making, adherence to governance standards, and (for Independent Directors) independence of judgment.

10. REMOVAL AND RETIREMENT

- Removal: The NRC may recommend to the Board the removal of a Director, KMP, or Senior Management personnel for valid grounds recorded in writing, subject to statutory provisions, employment agreements, and principles of natural justice.
- Retirement: Governed by Company service rules and applicable statutory provisions. The Board retains discretion to extend services beyond retirement age in accordance with law.

11. POLICY FOR REMUNERATION TO DIRECTORS, KMP, AND SENIOR MANAGEMENT

The remuneration framework shall attract, retain, and motivate competent personnel, align compensation with performance benchmarks, maintain an equitable balance between fixed and variable components, and satisfy statutory limits.

12. REMUNERATION TO MANAGING DIRECTOR / WHOLE-TIME DIRECTORS

- Remuneration, salary, perquisites, and commission paid to Managing Directors / Whole-time Directors shall be governed by Section 197, Schedule V of the Act, and applicable rules, subject to necessary approvals from the Board and Shareholders.
- Aggregate managerial remuneration payable to the Managing Director(s), Whole-time Director(s) and Manager, if any, together with remuneration payable to other Directors, shall not exceed eleven percent (11%) of the net profits of the Company for that financial year, computed in the manner laid down in Section 198, except with the approval of the Company in general meeting and subject to Schedule V where applicable. Within this overall limit, remuneration payable to any one Managing Director/Whole-time Director/Manager shall not exceed five percent (5%) of the net profits, or ten percent (10%) in aggregate if there is more than one such managerial person, unless a higher remuneration is approved by the members.
- The NRC shall formulate and recommend all such remuneration proposals to the Board.

13. REMUNERATION TO NON-EXECUTIVE DIRECTORS / INDEPENDENT DIRECTORS

- **Sitting Fees:** Non-Executive and Independent Directors may receive sitting fees for attending Board or Committee meetings within the statutory limits prescribed under Section 197(5) of the Act.
- **Commission & Limits:** Any additional commission or remuneration shall be subject to the monetary ceilings specified under the Act and approved by the Board and Shareholders. Such commission, together with any other remuneration payable to Non-Executive Directors (excluding sitting fees), shall not exceed one percent (1%) of the net profits of the Company if the Company has a Managing Director, Whole-time Director or Manager, or three percent (3%) of the net profits in any other case, in each case computed under Section 198, unless a higher percentage is approved by the members by special resolution.
- **Prohibition of Stock Options:** Independent Directors shall **not** be entitled to any stock options or participate in share-based payment schemes of the Company.
- **Exemption for Professional Fees:** Any remuneration paid to Non-Executive / Independent Directors for services rendered that are professional in nature shall **not** be included within the managerial remuneration limits prescribed under Section 197, provided:
 1. The services are rendered by such Director in their capacity as a professional; and
 2. In the opinion of the NRC, the Director possesses the requisite qualifications for practicing that profession.

14. REMUNERATION TO KMP AND SENIOR MANAGEMENT

- **Structure:** Consists of fixed pay (monthly salary, statutory contributions to Provident Fund, Pension Schemes, perquisites) and variable/incentive pay.
- **Incentive Pay:** Determined based on an optimal balance between overall Company performance and individual performance benchmarks, evaluated periodically.
- **Share-Based Payments / ESOPs:** The NRC (or a designated Compensation Committee constituted for this purpose) shall administer, grant, and determine stock options and share-based incentives to KMP, Senior Management, and eligible Executive Directors (excluding Independent Directors) in accordance with applicable rules.

15. CONFLICT OF INTEREST

Any member of the NRC having a personal or pecuniary conflict of interest in any matter under consideration shall disclose such interest and abstain from participating in discussions or voting on the matter.

16. STATUTORY OVERRIDE CLAUSE

In the event of any amendment, modification, or circular under the Act or applicable statutory framework that is inconsistent with any provision of this Policy, the statutory provisions shall prevail automatically. Any provision rendered inconsistent shall be deemed modified to conform with applicable law.

17. DISCLOSURE

The composition of the NRC, key provisions of this Policy, performance evaluation criteria, and web-link to this Policy shall be disclosed in the Board's Report and hosted on the Company's official website for public access.

18. IMPLEMENTATION & DELEGATION

- The NRC may issue detailed guidelines, procedures, formats, and reporting mechanisms to give effect to this Policy.
- The NRC may delegate any of its powers to one or more of its members or authorized officials, provided ultimate responsibility continues to rest with the Committee.

19. REVIEW AND AMENDMENT

The NRC shall review this Policy periodically and recommend modifications or updates to the Board as necessary to reflect regulatory changes or operational requirements.

20. EFFECTIVE DATE & ADOPTION

This revised Nomination and Remuneration Policy shall come into effect immediately upon its adoption and approval by the Board of Directors.
