

NOMINATION AND REMUNERATION POLICY

ERA INFRA ENGINEERING LIMITED

CIN: L74899DL1990PLCo41350

1. LEGAL FRAMEWORK & PREAMBLE

Pursuant to the provisions of Section 178 of the Companies Act, 2013, read with the applicable rules made thereunder, Schedule IV of the Companies Act, 2013 and Regulation 19 read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), the Nomination and Remuneration Committee (“NRC” or “Committee”) of Era Infra Engineering Limited (“the Company”) has formulated this Nomination and Remuneration Policy (“Policy”).

This Policy lays down a structured framework for:

- appointment, re-appointment and removal of Directors;
- determining qualifications, positive attributes and independence of Directors;
- remuneration of Directors, Key Managerial Personnel (“KMP”), Senior Management and other employees; and
- evaluation of performance of the Board, its Committees and individual Directors.

This Policy shall be read in conjunction with, and implemented in accordance with, the Resolution Plan approved by the Hon’ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 (“Approved Resolution Plan”). In the event of any inconsistency, the provisions of the Approved Resolution Plan shall prevail, to the extent applicable.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are to:

- identify and recommend suitable persons qualified to become Directors and Senior Management;
- ensure that appointments are made on merit, integrity, competence and experience;
- formulate criteria for determining qualifications, positive attributes and independence of Directors;
- ensure that remuneration is reasonable, competitive and performance-linked;
- align remuneration with the Company’s long-term strategy, financial position and stakeholder value;
- ensure transparency, consistency and compliance with applicable laws; and
- retain and motivate Directors, KMP and Senior Management of high calibre.

3. APPLICABILITY

This Policy shall apply to:

- Executive, Non-Executive and Independent Directors;
- Key Managerial Personnel (KMP);
- Senior Management personnel; and
- such other employees as may be decided by the Board / NRC.

4. DEFINITIONS

Unless the context otherwise requires:

- “Act” means the Companies Act, 2013 and rules made thereunder.
- “Board” means the Board of Directors of the Company.
- “Committee” / “NRC” means the Nomination and Remuneration Committee of the Board.
- “Independent Director” means a Director satisfying the criteria under Section 149(6) of the Act and SEBI LODR.
- “Key Managerial Personnel (KMP)” shall have the meaning assigned under Section 2(51) of the Act.
- “Senior Management” means personnel one level below the Board / Executive Directors, including functional heads.
- “Policy” means this Nomination and Remuneration Policy, as amended from time to time.

5. CONSTITUTION, MEMBERSHIP & GOVERNANCE OF NRC

5.1 Composition

- The Committee shall consist of at least three Non-Executive Directors.
- At least 50% of the members shall be Independent Directors.

5.2 Chairperson

- The Chairperson of the Committee shall be an Independent Director.
- The Chairperson of the Company may be a member of the Committee but shall not chair the NRC.
- In the absence of the Chairperson, members present shall elect one among themselves to chair the meeting.

5.3 Quorum & Meetings

- Two members shall constitute the quorum.
- Meetings shall be held at such intervals as may be required to discharge the functions effectively.

5.4 Participation & Voting

- A member shall not participate in discussions concerning his/her own remuneration or evaluation.

- Decisions shall be taken by majority vote; in case of equality, the Chairperson shall have a casting vote.

6. POLICY FOR APPOINTMENT OF DIRECTORS, KMP & SENIOR MANAGEMENT

6.1 General Appointment Criteria

The Committee shall consider:

- integrity, ethical standards and probity;
- educational qualifications and professional expertise;
- industry and functional experience;
- leadership qualities and ability to work as a team;
- absence of disqualifications under the Act, SEBI LODR or other applicable laws.

6.2 Additional Criteria

While recommending appointments, the NRC shall evaluate:

- contribution to Board diversity (skills, experience, gender, background);
- ability to contribute to Board effectiveness;
- existing directorships and potential conflicts of interest;
- capacity to devote sufficient time and attention.

6.3 Independence of Independent Directors

An Independent Director shall:

- satisfy criteria under Section 149(6) and Schedule IV of the Act;
- submit annual declaration of independence;
- not have any material pecuniary relationship with the Company except as permitted by law.

6.4 Notwithstanding anything contained herein, appointments, re-appointments or continuation of Directors, Key Managerial Personnel and Senior Management shall be evaluated and recommended by the Committee keeping in view the governance structure, eligibility criteria, nomination rights, transition framework and other requirements set out in the Approved Resolution Plan and the revival process of the Company.

7. TENURE, RE-APPOINTMENT & REMOVAL

7.1 Managing Director / Whole-time Director / Manager

- Appointment shall be for a term not exceeding five years at a time.
- Re-appointment shall not be earlier than one year before expiry of the term.
- Appointment beyond the age of 70 years shall require shareholders' approval by special resolution.

7.2 Independent Directors

- Term up to five consecutive years.
- Eligible for one re-appointment by special resolution.
- Maximum of two consecutive terms, followed by a cooling-off period of three years.

7.3 Removal

The Committee may recommend removal of Directors, KMP or Senior Management due to:

- disqualification under law;
- unsatisfactory performance;
- misconduct or breach of Company policies; subject to principles of natural justice and applicable laws.

8. BOARD DIVERSITY

The NRC shall ensure an appropriate balance of:

- Executive and Non-Executive Directors;
- Independent and Non-Independent Directors; and
- diversity of skills, experience, industry knowledge, gender and background.

9. PERFORMANCE EVALUATION

The NRC shall lay down criteria and process for annual evaluation of:

- the Board as a whole;
- individual Directors;
- Chairperson; and
- Committees of the Board.

Evaluation parameters may include attendance, preparedness, contribution, strategic guidance, governance standards and effectiveness.

The performance evaluation framework shall, inter alia, take into account the roles, responsibilities, milestones, monitoring mechanisms and obligations arising out of the Approved Resolution Plan and the revival objectives of the Company.

10. REMUNERATION POLICY

10.1 Guiding Principles

Remuneration shall:

- be reasonable and sufficient to attract and retain talent;
- have a clear linkage to performance benchmarks;

- balance fixed and incentive components;
- comply with statutory limits and financial position of the Company;
- align with the implementation framework, financial restructuring and sustainability objectives envisaged under the Approved Resolution Plan and the revival process of the Company.

10.2 Remuneration of Executive Directors / KMP

May include:

- salary, allowances, perquisites;
- performance-linked incentives;
- other benefits as approved.

Remuneration shall be in accordance with Sections 197, 198 and Schedule V of the Act.

10.3 Remuneration of Non-Executive & Independent Directors

- Sitting fees for Board / Committee meetings;
- Commission within shareholder-approved limits;
- Reimbursement of expenses.

Independent Directors shall not be entitled to stock options.

10.4 Remuneration of Senior Management & Other Employees

- Based on role, responsibility, performance, internal parity and industry benchmarks.
- Authority for fixation of remuneration of other employees may be delegated to the Managing Director / CEO.

11. DISCLOSURES

- This Policy and its salient features shall be disclosed in the Board's Report.
- The Policy shall be placed on the Company's website, and the web-link shall be provided in the Board's Report.

12. AMENDMENT & REVIEW

- The NRC shall periodically review this Policy.
- Any amendment shall be recommended by the NRC and approved by the Board.
- Changes in law shall automatically apply to this Policy.

13. POLICY IMPLEMENTATION & INTERPRETATION

The Board shall have authority to issue clarifications, guidelines or make exceptions for effective implementation of this Policy, consistent with applicable laws.

For the avoidance of doubt, the Committee shall have due regard to the Approved Resolution Plan while exercising its powers relating to nomination, evaluation, remuneration and continuation of Directors, KMP and Senior Management, until completion of the revival process or such period as may be stipulated therein.

Approved by the Board of Directors of Era Infra Engineering Limited on 11.02.2026