



**ADANI ELECTRICITY MUMBAI LIMITED**

**Charter of**

**Nomination and Remuneration Committee**

**TABLE OF CONTENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Context	3
2.	Terms of reference	3
3.	Composition	3
4.	Policy	4
5.	Disclosures	5

## **1. CONTEXT**

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Companies Act, 2013.

## **2. Terms of Reference**

1. Formulation of 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. Formulation of criteria for evaluation of Independent Directors and the Board of directors.
3. Devising a policy on Board diversity.
4. 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 shall carry out evaluation of every director's performance.
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
7. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To recommend to the board, all remuneration, in whatever form, payable to senior management.
9. To perform such other functions as may be necessary or appropriate for the performance of its duties.

## **3. Composition**

The Quorum of the Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

## **Charter of the Nomination and Remuneration Committee**

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at subsequent Board Meetings.

The Company Secretary acts as a Secretary to the Committee.

### **4. Policy**

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis.

The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce.

The policy ensures that the level and composition of remuneration of the Directors is optimum.

1. Remuneration to Non-Executive Director (s) are paid as sitting fees as approved by Board from time to time and in addition and actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

Performance Evaluation Criteria for Independent Director (s):

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

2. Remuneration to Executive Director (s).

The remuneration of the Executive Director (s) is recommended by the Nomination and Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations and is decided by the Board of Directors.

## **Charter of the Nomination and Remuneration Committee**

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Executive Director (s) within the limits prescribed under the Companies Act, 2013 and approved by the shareholders.

Only Executive Director (s) of the Company are drawing any remuneration from the Company.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Whole-time Director.

The Company has not granted stock options to the Executive Director (s) or Employees of the Company.

The aforesaid Executive Director (s), so long as they function as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.

### **5. DISCLOSURES**

The updated policy shall be continuously hosted on the website of the Company.