



URJA GLOBAL LIMITED

NOMINATION AND REMUNERATION POLICY

1. Introduction

Urja Global Limited (“Company”) is one of India’s leading Non Renewable and Renewable Energy developers and operators. The Company has always given priority to fair recruitment process and reasonable compensation of employees. The Company does not discriminate on the grounds of age, gender, color, race, ethnicity, language, caste, creed, economic or social status or disability and considers human resources as its vital resource. The intention of the Company through this policy is to pay equitable remuneration to all Directors, Key Managerial Personnel, Senior Management and other employees of the company and to evaluate the performance of Directors (including Independent Directors).

As per Section 178 of Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is incumbent for every Listed Company to frame a policy for the Nomination and Remuneration of all Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the company. Therefore, this policy has been formulated by the Nomination and Remuneration Committee in compliance with Section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Definitions

In this Policy unless the context otherwise requires:

1. ‘Act’ means Companies Act, 2013 and rules thereunder.
2. ‘Board of Directors’ or ‘Board’, in relation to the Company, means the collective body of the directors of the Company.
3. ‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
4. ‘Company’ means Urja Global Limited
5. ‘Independent Director’ means a director referred to in Section 149 (6) of the Companies Act, 2013
6. ‘Key Managerial Personnel’ (KMP) means:
 - a) Managing Director;
 - b) Whole-time Director;
 - c) Chief Financial Officer;

- d) Company Secretary;
- e) Such other officer as may be prescribed

7. **“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.

3. Constitution of Committee

The Board of Directors of the Company (the Board) shall constitute the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

4. Role of the Committee

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

- a) To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- b) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel, Senior Management and other employees.
- c) To lay out remuneration principles for Directors, Key Managerial Personnel, Senior Management and other employees linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- d) Devising a policy on diversity of Board of Directors.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- f) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- g) Formulation of the criteria to evaluate the performance of Independent Directors and the Board.

5. Policy for Appointment and Removal of Director, KMP and Senior Management

5.1. Appointment criteria and qualifications

- a) 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.
- b) 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.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years unless his appointment is approved by Special Resolution after he attains the age of seventy years.
- d) Subject to the provision of Section 203 of Companies Act, 2013, a whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- e) Appointment of Independent Directors is subject to the compliance of provisions of Section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.2. Term / Tenure

- a) Managing Director/Whole-time Director:

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

- b) 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.

Provided that no Independent Director shall hold office for more than two consecutive terms of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided further 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.

5.3. Evaluation

The Committee shall advise the process to carry out evaluation of performance of every Director, KMP and Senior Management Personnel and other employees at regular interval (yearly)

Performance evaluation of the Independent Directors shall be carried out by the entire Board, except the Independent Directors being evaluated.

5.4 Removal

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, 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.

5.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Regulations 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.

6. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

❖ FIXED PAY

The Directors, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration or at a specified percentage of the net profits of the company or at partly by one way and partly by the other as may be approved by the Board on the recommendation of the Committee.

❖ MINIMUM REMUNERATION

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Directors & Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

❖ EXCESS REMUNERATION

If any Director including any Managing Director or Whole-time 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 the prior sanction of the Central Government, wherever required, he shall refund such sums to 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 permitted by the Central Government.

❖ SITTING FEES

A Director may receive fees for attending meetings of Board or Committee thereof subject to the condition that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

7. Remuneration to Non-Executive & Independent Directors

❖ REMUNERATION

The remuneration shall be fixed as per the terms and conditions mentioned in the letter of appointment and as per the provisions of Companies Act, 2013.

❖ COMMISSION

Commission may be paid within the monetary limit approved by shareholders, subject to the limits as per the applicable provisions of the Companies Act, 2013.

❖ SITTING FEES

The Non- Executive Directors/Independent Directors may receive fees for attending meetings of Board or Committee thereof.

Provided further that for Independent Directors, the sitting fees payable to them shall not be less than the sitting fees payable to other directors.

❖ STOCK OPTIONS

An Independent Director shall not be entitled to any stock option of the Company.

❖ REIMBURSEMENT OF EXPENSES

The Independent Directors may charge reimbursement of expenses for participation in the Board Meeting and for conducting separate meetings of the Independent Directors.

8. Review And Amendment

- a) The NRC or the Board may review the Policy as and when it deems necessary.
- b) This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above.
