



ADITYA BIRLA FASHION AND RETAIL LIMITED

CHARTER & TERMS OF REFERENCE : NOMINATION AND REMUNERATION COMMITTEE*

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ADITYA BIRLA FASHION AND RETAIL LIMITED

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CHARTER

I. OBJECTIVES:

The objectives of the Nomination and Remuneration Committee (*"the Committee"*) of the Board of Directors (*"the Board"*) of Aditya Birla Fashion and Retail Limited (*"the Company"*) is to assist the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors, Key Managerial Personnel (*"KMP"*) and senior management and matters stated in the terms of reference of the Committee.

The role, responsibilities and powers of the Committee shall include matters set out in this charter and such other items as may be prescribed by applicable laws as amended or by the Board in compliance with applicable law from time to time.

II. COMMITTEE MEMBERSHIP AND ORGANIZATION:

The Committee shall be appointed by and will serve at the discretion of the Board. The Committee shall consist of three (3) or more members with at least two thirds of the members being Independent Directors. The members of the Committee shall meet as provided under applicable laws from time to time.

The members of the Committee will be appointed by the Board.

III. MEETINGS AND QUORUM:

The Committee shall meet at least once a year. The quorum for Committee meeting shall either be two members or one third of the members of the Committee, whichever is greater, with at least one Independent Director. The Managing Director shall be a permanent invitee to the meetings of the Committee.

TERMS OF REFERENCE

In terms of the applicable provisions of Section 178 of the Companies Act, 2013, and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the scope, functions, and terms of reference of the Committee *inter alia* include the following:

- (a) Recommending the remuneration/ revision in remuneration of Managing Director and Executive Directors to the Board;
- (b) Formulating criteria for evaluation of Board, its Committees and each Director and reviewing its implementation and compliance;
- (c) Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- (d) Identifying persons who are qualified to become Directors and who may be appointed at senior management positions in accordance with the criteria laid down and recommending to the Board their appointment and removal;
- (e) Formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy relating to the remuneration for the Directors, KMP, senior management and other employees;
- (f) For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description;
- (g) Devising a policy on Board diversity and
- (h) Recommending to the Board the extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.