

Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON CODE OF GOVERNANCE

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only their capital is handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or involving moral hazard. Your Company perceives good corporate governance practices as a key to sustainable corporate growth and long-term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behaviour. Your Company is continuously striving to attain excellence in business backed by client service. Similar to our personal performance monitoring, wherein our focus is towards being outstanding or excellent, all our products and business processes need to be 'Excellent' - first in our own perception and then in our customers' perception.

Your company believes that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. Your company firmly believes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

Further, our governance structure, including our commitment to environment and sustainability, aim to reflect our corporate governance standards and practices. We have a three-tiered governance structure comprising our Board, Board Committees and Executive Management. Our Board Committees also play a vital role in ensuring sound corporate governance practices.

| | |
|------------------------------|---|
| Strategic supervision | The Board of Directors occupies the top most tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations. |
| Strategic management | The Executive Committee is composed of the senior management of the Company and operates upon the directions and supervision of the Board. |
| Executive management | The function of Management Committee is to execute and realize the goals that are laid down by the Board and the Executive Committee. |

BOARD OF DIRECTORS

a. Composition of Board

As on March 31, 2021, the Board of Directors comprised of 6 (Six) directors, of which 4 (four) were Independent Directors:

| Sr. No. | Name of the director(s) | Designation | Category |
|---------|--|----------------------|---------------|
| 1 | Mr. Pravin Agarwal | Chairman | Non-Executive |
| 2 | Mr. Arun Todarwal ¹ | Independent Director | Non-Executive |
| 3 | Mr. A.R. Narayanaswamy | Independent Director | Non-Executive |
| 4 | Ms. Haixia Zhao | Independent Director | Non-Executive |
| 5 | Mr. Anoop Seth ² | Independent Director | Non-Executive |
| 6 | Mr. Pratik Pravin Agarwal ³ | Managing Director | Executive |

¹ Mr. Arun Todarwal ceased to be a Director of the Company upon completion of his term of 5 years on July 24, 2021.

² Mr. Anoop Seth was appointed as an Additional Independent Director w.e.f. July 31, 2020 and his appointment was approved by the shareholders in Annual General Meeting held on December 31, 2020.

³ Mr. Pratik Pravin Agarwal was re-appointed as the Managing Director w.e.f. June 01, 2021 for a term of 3 years and his re-appointment was approved by the shareholders in Annual General Meeting held on December 31, 2020.

All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned in the Companies Act, 2013. All the Directors have made necessary disclosures regarding Committee positions and directorships held by them in other companies. None of the directors on the Company's Board is a member in more than ten committees and Chairman in more than five Committees (Audit Committee and Stakeholders' Relationship Committee) across all companies in which he/she is a director. Also, none of the Independent Directors' of the Company, served as an Independent Director in more than 7 listed companies. Further, in the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended and are independent of the management.

Further, changes in Directorships during the year under review upto the date of this Report are already disclosed in the Directors' Report which is forming part of this Annual Report.

The current composition of Board of Directors of the Company is as under:

| Sr. No. | Name of the director(s) | Designation | Category |
|---------|---------------------------|----------------------|---------------|
| 1 | Mr. Pravin Agarwal | Chairman | Non-Executive |
| 2 | Mr. A.R. Narayanaswamy | Independent Director | Non-Executive |
| 3 | Ms. Haixia Zhao | Independent Director | Non-Executive |
| 4 | Mr. Anoop Seth | Independent Director | Non-Executive |
| 5 | Mr. Pratik Pravin Agarwal | Managing Director | Executive |

Relationship of Directors with other Directors/KMPs:
Members are informed that Mr. Pratik Pravin Agarwal, Managing Director is the son of Mr. Pravin Agarwal, Chairman of the Company.

b. Meetings of the Board of Directors

The details of meetings of the Board held during the FY21 have already been disclosed in the Directors' Report which is forming part of this Annual Report. Members are being informed that, owing to the ongoing pandemic, all the board meetings were held through video conferencing/other audio-video facilities.

The composition of the Board during FY21 and attendance of Directors in the meetings are as follows. Also given below is the attendance of Directors of the Company at the 5th Annual General Meeting of the Company held on December 31, 2020:

| Sr. No. | Name of the Directors | Designation | Attendance at the last AGM held on December 31, 2020 | No. of Board Meetings held during FY21 | | |
|---------|--|----------------------|--|--|--------------------|----------------|
| | | | | Held | Entitled to attend | Attended |
| 1 | Mr. Pravin Agarwal | Chairman | Yes | 14 ¹ | 14 | 5 |
| 2 | Mr. Pratik Pravin Agarwal ² | Managing Director | Yes | 14 ¹ | 14 | 7 ³ |
| 3 | Mr. Arun Todarwal ⁴ | Independent Director | Yes | 14 ¹ | 14 | 14 |
| 4 | Mr. A.R. Narayanaswamy | Independent Director | Yes | 14 ¹ | 14 | 14 |
| 5 | Ms. Haixia Zhao | Independent Director | No | 14 ¹ | 14 | 14 |
| 6 | Mr. Anoop Seth ⁵ | Independent Director | No | 14 ¹ | 13 | 13 |
| 7 | Ms. Avaantika Kakkar ⁶ | Independent Director | No | 14 ¹ | 10 | 1 |

¹ Excluding the adjourned meeting

² Mr. Pratik Pravin Agarwal was re-appointed as a Managing Director w.e.f. June 01, 2021.

³ Mr. Pratik Pravin Agarwal was present in the original meeting held on December 22, 2021, however, was granted leave of absence in adjourned meeting held on December 23, 2021. Therefore, in number of meetings attended, his presence in original meeting has been counted.

⁴ Mr. Arun Todarwal ceased to be a Director upon completion of his tenure of 5 years on July 24, 2021.

⁵ Mr. Anoop Seth was appointed as Director effective from July 31, 2020.

⁶ Ms. Avaantika Kakkar ceased to be a Director effective from February 1, 2021.

Further, since the Company had entered into a scheme of amalgamation with Sterlite Power Grid Ventures Limited- wholly owned subsidiary of the Company ("SPGVL"), and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, which was sanctioned by the National Company Law Tribunal, Mumbai Bench by way of its order dated May 22, 2020 which became effective from November 15, 2020, the details of meetings of the Board of SPGVL along with details of attendance at the meeting, also is given herein below:

During the period April 01, 2020 to November 15, 2020, the Board of Directors of SPGVL met 6 (six) times. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 (hereinafter also referred to as "the Act") and Secretarial Standard 1 on Board meetings issued by the Institute of Company Secretaries of India read with MCA Circulars, as issued from time to time. The dates on which these meetings were held are April 20, 2020, July 31, 2020, August 13, 2020, September 30, 2020, November 10, 2020 and November 12, 2020.

The composition of the Board of SPGVL during FY21 and its attendance in the meetings are as follows:

| Sr. No. | Name of the Directors | Designation | No. of Board Meetings of SPGVL held during FY21 | | |
|---------|-----------------------------------|----------------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. Pravin Agarwal | Chairman | 6 | 6 | 2 |
| 2 | Mr. Arun Todarwal | Independent Director | 6 | 6 | 6 |
| 3 | Mr. A.R. Narayanaswamy | Independent Director | 6 | 6 | 6 |
| 4 | Ms. Haixia Zhao | Independent Director | 6 | 6 | 6 |
| 5 | Ms. Avaantika Kakkar ¹ | Independent Director | 6 | 1 | 1 |
| 6 | Mr. Pratik Pravin Agarwal | Managing Director | 6 | 6 | 4 |

¹ Ms. Avaantika Kakkar ceased to be a Director effective from April 21, 2020.

c. Information provided to the Board

Information is provided to the Board Members on regular basis for their review, inputs and approvals. The quarterly Board Meeting presentations to the Board provide adequate information to Directors on strategy, future roadmap, technology, functional updates, financial results and their analysis, governance matters and legal updates. The Statutory Agenda for Board and Committee meetings is sent in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

Further, the Managing Director and Chief Financial Officer have interactions with all Directors at the Board Meeting(s); Members of senior Management also attend the Board Meetings at times to provide detailed insight to the Board Members.

d. Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Act, a separate meeting of the Independent Directors of the Company was held on March 30, 2021 for the FY21 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

e. Induction and training of Board Members

The Company has put a process in place for the Induction and Training of Board Members. Upon appointment, the concerned Director will be issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director will be taken through a formal induction program including the presentation from the Managing Director on the Company's business. The details of familiarization programs imparted to independent directors is forming part of the Nomination & Remuneration Policy and can be accessed at website of the Company at www.sterlitepower.com. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a director. On matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board Members. The familiarization program of directors' forms part of Company's Nomination and Remuneration Policy.

f. Evaluation of the Board, Committees, Chairman and Individual Directors

The Nomination & Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Chairman and individual Directors is to be done.

The evaluation process includes circulation of questionnaires to all the directors for evaluation of the Board and its Committees, Board composition and its

structure, its effectiveness, its functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all directors in their individual capacity shall be evaluated.

Accordingly, pursuant to the provisions of the Act, the Board has carried out an annual performance evaluation of its own performance, the Chairman, the directors individually as well as the evaluation of the working of its Committees. The said structured evaluation was conducted after taking into consideration, the inputs received from the directors, covering various aspects like role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

Committees of the Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for noting. As on date the Board has established the following Committees:

C01 Audit Committee;

C02 Nomination and Remuneration Committee;

C03 Stakeholders Relationship Committee;

C04 Corporate Social Responsibility Committee;

C05 Risk Management Committee;

C06 Investment Committee.

C07 Banking and Authorization Committee; and

C08 Allotment Committee.

C01 Audit Committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as may be referred by the Board of Directors. The primary objective of the Audit Committee of the Board of Directors is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as accounting and audit activities. The Terms of Reference of the Audit Committee are as under:

A. Review Role- Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. qualifications and modified opinion(s) in the draft audit report;
3. Examination and review with the management of the quarterly financial statement and auditor's report thereon; and audit findings, including any significant suggestions for improvements provided to the Management by the independent auditors, or the internal auditor before submission to the board for approval.
4. Review the financial statements, in particular, the investments made by the unlisted subsidiary.
5. Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
6. Review and monitor effectiveness of the audit process.
7. Review and monitor the auditor's independence, performance and qualifications, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner and consider regular rotation of the accounting firm serving as the independent auditors.
8. Review with the Management, performance of Statutory and Internal auditors and adequacy of the internal control systems.
9. Evaluate Internal Financial Controls and Risk Management systems and call for comments by the auditors about internal control systems/scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the Management of the Company.
10. Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
11. Discussion with internal auditors of any significant findings and follow up thereon and review the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Review material issues raised in any inquiry or investigation by governmental or professional authorities, regarding any independent audit performed by the independent auditor, during their tenure with the Company, and any steps taken to deal with any such issues.
13. Review proposals for fund raising, mergers and acquisitions, making investments or sale of investment/assets.
14. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
15. Review with the Management, and independent auditors, any prospectus or such other document including financial statements contained therein, proposed to be issued by the Company for the purpose of raising capital.
16. Monitoring of end use of funds raised through public offers and related matters.
17. Monitoring and review of the utilization of loans and/or advances from/investment in the subsidiary companies exceeding rupees 100 crore or 10% of the asset size of the subsidiary/associate companies, whichever is lower; including existing loans/advances/investments existing as on the date of coming into force of this provision.
18. Review the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.
19. Periodically review the treasury policy of the Company.
20. Review the functioning of the Vigil/Whistle Blower Mechanism.
21. Review of compliance with the Code of Business Conduct & Ethics, Prevention of Sexual Harassment at Workplace Policy, Conflict of Interest Policy, Anti-Trust Policy and Anti-Corruption and Bribery Policy

22. Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;

23. Review of secretarial audit report, cost audit report and other audit report as required under the applicable laws.

24. Review, in conjunction with legal counsel, any legal matters that could have a significant impact on the Company's financial statements/position.

25. Review the following:

a. Management discussion and analysis of financial condition and results of operation.

b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

Provided that only those members of the Audit Committee, who are independent directors, shall approve related party transactions

c. Management letters/letters of internal control weaknesses issued by the statutory auditors including Internal audit reports relating to internal control weaknesses.

d. Statement of deviations, if any in the use of proceeds as against the objects for which the funds were raised.

e. Review the statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

f. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

B. Approval Role- Audit Committee

26. Approval of other non-audit services rendered by the Statutory Auditors including finalization of fees for such other services;

27. Approval or any subsequent modification of transactions of the Company with the related parties or recommendation of the same to the Board.

28. Approval of appointment of the Chief Financial Officer and Chief Internal Auditor after assessing the qualifications, experience and background, etc. of the candidate. The removal and terms of remuneration of

the chief internal auditor shall also be subject to review by the Audit Committee.

29. Recommendation for appointment, remuneration and terms of appointment of the auditors of the Company including secretarial auditors and cost auditors.

C. Other Roles and Functions- Audit Committee

30. Formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with internal auditor.

31. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

32. Scrutiny of inter corporate loans and investments and periodically review its status.

33. Valuation of undertakings or assets of the Company, wherever it is necessary

34. Appointment of Registered Valuer in terms of Section 247 of the Companies Act, 2013, if required.

35. Formulate the criteria for granting omnibus approval in line with the policy on related party transactions of the Company.

36. Make an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions and requirements as prescribed by Applicable Law.

37. Undertake any other activity in this regard as may be required by the Companies Act, 2013, the Rules, or the SEBI Listing Regulations or other applicable law from time to time.

38. To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.

39. Investigate into any matter in relation to activities mentioned above and for this purpose have the authority to obtain professional advice from external sources and have full access to records of the Company.

The audit committee shall have powers to investigate any activity within its terms of reference or referred to it by the Board, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition and Meetings of Audit Committee

The Audit Committee comprises of two Independent Directors and one Non-Executive Director. Mr. A.R. Narayanaswamy, Chairman of the Committee (Independent Director) is a Chartered Accountant and has accounting and financial expertise. The other Committee Members are also

financially literate, with ability to read and understand the financial statements. Mr. Arun Todarwal, former Chairman of the Committee ceased to be a Member of the Committee upon completion of his term as Director on July 24, 2021. The Company Secretary acts as the Secretary to Audit Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher with at least two Independent Directors.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on December 31, 2020.

The Audit Committee met fourteen times during FY21 i.e., on July 30, 2020, September 30, 2020, November 09, 2020, November 12, 2020, November 17, 2020, November 30, 2020, December 07, 2020, December 17, 2020, December 22, 2020, January 27, 2021, February 01, 2021, February 04, 2021, February 26, 2021, and March 22, 2021 and the gap between two meetings did not exceed the statutory timelines. The Composition of the Audit Committee during FY21 and attendance at the meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Audit Committee Meetings held during FY21 | | |
|---------|--------------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. Arun Todarwal ¹ | Chairman | 14 | 14 | 14 |
| 2 | Mr. Pravin Agarwal | Member | 14 | 14 | 1 |
| 3 | Mr. A.R. Narayanaswamy | Member | 14 | 14 | 14 |

¹ Ceased to be a member of the Committee upon completion of term of 5 years as Director on July 24, 2021 and Mr. Anoop Seth was introduced as a member of the Committee w.e.f. August 03, 2021.

The current composition of Audit Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|-----------------------------|-------------|
| 1 | Mr. A.R. Narayanaswamy | Chairman |
| 2 | Mr. Pravin Agarwal | Member |
| 3 | Mr. Anoop Seth ¹ | Member |

¹ Introduced as a member of the Committee effective from August 03, 2021.

Further, pursuant to merger of Sterlite Power Grid Ventures Limited (SPGVL) with the Company, the details of meetings of Audit Committee of SPGVL convened during the period April 01, 2020 upto November 15, 2020 are given hereunder:

The Audit Committee of SPGVL met 5 (five) times during FY21 i.e., on April 20, 2020, July 30, 2020, September 30, 2020, November 09, 2020, and November 12, 2020 and the gap between two meetings did not exceed the statutory timelines. The composition of Audit Committee of SPGVL and attendance details of its meetings held during the period April 01, 2020 to November 15, 2020 is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Audit Committee Meetings of SPGVL held during FY21 | | |
|---------|------------------------|-------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. A.R. Narayanaswamy | Chairman | 5 | 5 | 5 |
| 2 | Mr. Arun Todarwal | Member | 5 | 5 | 5 |

| Sr. No. | Name of the Directors | Designation | No. of Audit Committee Meetings of SPGVL held during FY21 | | |
|---------|-----------------------------------|-------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 3 | Ms. Avaantika Kakkar ¹ | Member | 5 | 1 | 1 |
| 4 | Mr. Pratik Pravin Agarwal | Member | 5 | 5 | 1 |

¹ Ceased to be a Director and member of the Committee on April 21, 2020.

C02 Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas as provided under the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as referred by the Board. The Terms of Reference of the Nomination & Remuneration Committee includes:

A. Nominating Functions- Nomination and Remuneration Committee

- Review and recommend the structure, size and composition of the Board and its Committees.
- Formulate and recommend to the Board the criteria for determining qualifications, positive attributes and independence of a Director.
- Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment.
- To devise a policy on diversity of board of directors.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- Review and recommend to the Board appointment of Directors and Senior Management, including evaluation of incumbent directors for potential re-nomination. Further, to recommend to the Board their removal, as may be necessary.
- To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Review succession planning for Senior Management.

B. Remuneration Functions- Nomination and Remuneration Committee

- Recommend to the Board a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company (refer "Remuneration Policy") and periodically review the same.
- The NRC, while formulating the above policy, should ensure that:
 - the level and composition of remuneration be reasonable and sufficient to attract, retain and

motivate directors of the quality required to run the Company successfully;

- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
3. Determine and recommend to the Board the remuneration payable to the Directors of the Company and the Senior Management and Key Managerial Personnel of the Company.
 4. Review the annual compensation strategy and budget covering all employees of the Company including Senior Management.
 5. Review deployment of key Human Resources strategies and tools specifically in the area of talent management, employee engagement & development and succession planning.

C. Governance and Evaluation Function- Nomination and Remuneration Committee

1. To formulate a criteria for evaluation of performance of independent directors and the board of directors.
2. To establish and oversee, the process of annual evaluation, including self-evaluation, of the Board, its Committees and Directors.
3. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance
4. To bi-annually review the performance of the executive director/s.
5. To annually review its own performance and present the results to the Board.

Composition and Meetings of Nomination and Remuneration Committee

The NRC comprises of three Independent Directors. Mr. A.R. Narayanaswamy is the Chairman of the Committee. Mr. Arun Tadarwal, former Chairman of the Committee and Ms. Avaantika Kakkar, member of the Committee ceased to be the members of the Committee on July 24, 2021 and February 01, 2021 respectively. The Committee met five times during the FY21 i.e., on April 20, 2020, July 15, 2020, September 29, 2020, November 30, 2020 and December 30, 2020. The Company Secretary acts as the Secretary to Nomination and Remuneration Committee.

The Composition of Nomination and Remuneration Committee during the FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Nomination and Remuneration Committee Meetings held during FY21 | | |
|---------|-----------------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. Arun Todarwal ¹ | Chairman | 5 | 5 | 5 |
| 2 | Mr. A.R. Narayanaswamy | Member | 5 | 5 | 5 |
| 3 | Ms. Avaantika Kakkar ² | Member | 5 | 5 | 2 |
| 4 | Ms. Haixia Zhao | Member | 5 | 5 | 5 |

¹ Mr. Arun Todarwal ceased to be member of the Committee upon completion of his term of 5 years as Director on July 24, 2021 and Mr. Anoop Seth was introduced as a member of the Committee effective from August 03, 2021.

² Ms. Avaantika Kakkar ceased to be a member of the Committee effective from February 1, 2021 and Ms. Haixia Zhao was introduced as a member of the Committee effective from February 04, 2021.

The current composition of Nomination and Remuneration Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|-----------------------------|-------------|
| 1 | Mr. A.R. Narayanaswamy | Chairman |
| 2 | Ms. Haixia Zhao | Member |
| 3 | Mr. Anoop Seth ¹ | Member |

¹ Introduced as a member of the Committee effective from August 03, 2021.

Further, pursuant to merger of Sterlite Power Grid Ventures Limited (SPGVL) with the Company, the details of meetings of Nomination & Remuneration Committee of SPGVL held during the period April 01, 2020 upto November 15, 2020 are given hereinunder:

The Nomination & Remuneration Committee of SPGVL met 1 (one) time during FY21 i.e., on September 29, 2020. The attendance details of the meetings are as follows:

| Sr. No. | Name of the Directors | Designation | No. of Nomination & Remuneration Committee Meetings of SPGVL held during FY21 | | |
|---------|---------------------------|-------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. A.R. Narayanaswamy | Chairman | 1 | 1 | 1 |
| 2 | Mr. Arun Todarwal | Member | 1 | 1 | 1 |
| 3 | Ms. Haixia Zhao | Member | 1 | 1 | 1 |
| 4 | Mr. Pratik Pravin Agarwal | Member | 1 | 1 | 0 |

Policy for selection and appointment of directors and their remuneration

The Nomination and Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

A. Appointment criteria and qualification- Policy for selection and appointment of directors and their remuneration

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his/her appointment.

For the appointment of persons in Senior Management, a person should possess adequate qualification, expertise and experience for the position he/she is considered for the appointment. Further, for administrative convenience, the appointment of persons in Senior Management, Managing Director of the Company is authorized to identify and appoint suitable persons for such positions. However, if the need be, Managing Director of the Company may consult the Committee/Board for further directions/guidance.

B. Term- Policy for selection and appointment of directors and their remuneration

The Term of the Directors including Managing/Whole time Director/Manager/Independent Director shall be governed as per the provisions of the Act and Rules made thereunder.

Whereas the term of the persons in Senior Management shall be governed by the prevailing HR policies of the Company.

C. Removal- Policy for selection and appointment of directors and their remuneration

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and/or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director or person in Senior Management.

D. Remuneration of Managing/Whole-time Director, KMP and Senior Management- Policy for selection and appointment of directors and their remuneration

The remuneration/compensation/commission, etc., as the case may be, to the Managing/Whole time Director will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission, etc., as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing/Whole-time Director) and persons in Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

E. Remuneration to Non-Executive/Independent Directors- Policy for selection and appointment of directors and their remuneration

The remuneration/commission/sitting fees, as the case may be, to the Non-Executive/Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee/Board/ Shareholders.

An Independent Director shall not be entitled to any stock option of the Company, if any, unless otherwise permitted in terms of the Act.

C03.Stakeholders Relationship Committee

The powers, role and terms of reference of the Stakeholders' Relationship Committee (SRC) covers the areas as provided under the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as referred by the Board. The Terms of Reference of Stakeholders Relationship Committee includes:

1. To approve/refuse/reject registration of transfer/ transmission of Shares in a timely manner;
2. To approve/revise the format of share certificates and authorize printing thereof;
3. To authorize to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates;
4. To monitor redressal of and resolve the security holder's complaints/grievances including relating to non-receipt of allotment/refund, transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
5. Review of measures taken for effective exercise of voting rights by shareholders.
6. Review of adherence of the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
7. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
8. Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder, or the SEBI Regulations each as amended or by any other regulatory authority, from time to time;
9. To do all acts, deeds and things as may be necessary for effective implementation of the foregoing acts.

Composition and Meetings of Stakeholders Relationship Committee

The SRC comprises of two Independent Directors and one non-executive Director. Ms. Haixia Zhao- Independent

Director, is the Chairperson of the Committee. Ms. Avaantika Kakkar- Independent Director was the Chairperson of the Committee, however, she ceased to be the member of the Committee w.e.f. February 01, 2021. Thereafter, Ms. Haixia Zhao was inducted as the Chairperson of the Committee. The Committee met once during FY21 i.e., on November 9, 2020. The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee during the FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Stakeholders Relationship Committee Meetings held during FY21 | | |
|---------|-----------------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Ms. Avaantika Kakkar ¹ | Chairperson | 1 | 1 | 1 |
| 2 | Ms. Haixia Zhao ² | Chairperson | 1 | 0 | 0 |
| 3 | Mr. Pravin Agarwal | Member | 1 | 1 | 0 |
| 4 | Mr. A.R. Narayanaswamy | Member | 1 | 1 | 1 |

¹ Ms. Avaantika Kakkar ceased to be a Director and member of the Committee on February 1, 2021.

² Ms. Haixia Zhao was introduced as a member & Chairperson of the Committee effective from February 04, 2021

The current composition of Stakeholders Relationship Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|------------------------|-------------|
| 1 | Ms. Haixia Zhao | Chairperson |
| 2 | Mr. Pravin Agarwal | Member |
| 3 | Mr. A.R. Narayanaswamy | Member |

Further during the year under report, the Company received 16 complaints for various matters like non-receipt of share certificates, non-receipt of dividend and non-receipt of annual report. All the complaints were resolved to the satisfaction of investors. Mr. Ashok Ganesan, Company Secretary, acts as the Compliance Officer of the Company. There were no pending complaints as on March 31, 2021.

Sterlite Power Grid Ventures Limited ("SPGVL")- a wholly owned subsidiary which merged with the Company was not required to constitute the Stakeholders Relationship Committee, hence no disclosure with respect to composition of Committee and details of attendance at the meeting is required to be given for SPGVL.

C04. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee's primary role is to assist the Company in discharging its social responsibilities. The Committee monitors the implementation of the Corporate Social Responsibility Policy. The Committee's constitution and terms of reference meet with the requirements of the Act and Rules made thereunder. The terms of reference of the Corporate Social Responsibility Committee includes:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, the CSR Rules and amendments therein, from time to time.

2. Formulate and recommend to the Board, a roadmap of the CSR activities to be undertaken by the Company and annual budget to carry out the CSR activities including amendments therein, from time to time.
3. Approve and recommend to the Board the expenditure to be incurred on the CSR activities, from time to time as per the annual budget/CSR program approved by the Board of directors and in accordance with the Companies Act, 2013 and the CSR Rules.
4. Establish a transparent monitoring mechanism for implementation of CSR projects and programs undertaken by the Company and submit a half-yearly report to the Board of directors.
5. Review and monitor the Corporate Social Responsibility Policy and CSR activities of the Company.
6. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
 - (a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
 - (b) the manner of execution of such projects or programs as specified in sub-rule (1) of rule 4 of the CSR Rules;
 - (c) the modalities of utilization of funds and implementation schedules for the projects or programs;
 - (d) monitoring and reporting mechanism for the projects or programs; and
 - (e) details of need and impact assessment, if any, for the projects undertaken by the Company;

Provided that Committee may alter such plan at any time during the financial year, and recommend the same to the Board, based on the reasonable justification to that effect.
7. The CSR Committee may at the expense of the Company secure external professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary.
8. The Committee shall have access to any internal information necessary to fulfil its role.
9. Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the CSR Rules, or other applicable law each as amended or by any other regulatory authority, from time to time.
10. To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.

Composition and Meetings of Corporate Social Responsibility Committee

The CSR Committee comprises of total 4 members out of which two are Independent Directors, one Non-Executive Director and one Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. Mr. Arun Tadarwal was the Chairman of the Committee and he ceased to be a member of the Committee upon completion of his term on July 24, 2021. Post his cessation, Mr. Pravin Agarwal was elected as the Chairman of the Committee. The Committee met twice during FY21 i.e., on July 30, 2020 and February 25, 2021. The Composition of CSR Committee during FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Corporate Social Responsibility Committee Meetings held during FY21 | | |
|---------|---------------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. Arun Tadarwal ¹ | Chairman | 2 | 2 | 2 |
| 2 | Mr. Pravin Agarwal ² | Member | 2 | 2 | 0 |
| 3 | Mr. Pratik Pravin Agarwal | Member | 2 | 2 | 0 |
| 4 | Mr. A.R. Narayanaswamy | Member | 2 | 2 | 2 |
| 5 | Ms. Haixia Zhao | Member | 2 | 2 | 2 |

¹ Ceased to be a member of the Committee upon completion of his term of 5 years as Director on July 24, 2021.

² Mr. Pravin Agarwal was elected as the Chairman of the Committee w.e.f. August 20, 2021.

The current composition of the CSR Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|---------------------------|-------------|
| 1 | Mr. Pravin Agarwal | Chairman |
| 2 | Mr. Pratik Pravin Agarwal | Member |
| 3 | Mr. A.R. Narayanaswamy | Member |
| 4 | Ms. Haixia Zhao | Member |

Further, pursuant to merger of Sterlite Power Grid Ventures Limited (SPGVL) with the Company, the details of meetings of Corporate Social Responsibility Committee held by SPGVL during the period from April 01, 2020 to November 15, 2020 are given hereinunder:

The Corporate Social Responsibility Committee of SPGVL met 3 (three) times during FY21 on July 30, 2020, September 29, 2020 and November 09, 2020 and the gap between two meetings did not exceed the statutory timelines. Attendance details of the meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Corporate Social Responsibility Committee Meetings of SPGVL held during FY21 | | |
|---------|-----------------------------------|-------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. A.R. Narayanaswamy | Chairman | 3 | 3 | 3 |
| 2 | Ms. Avaantika Kakkar ¹ | Chairperson | 3 | 0 | 0 |
| 3 | Mr. Arun Tadarwal | Member | 3 | 3 | 3 |
| 4 | Ms. Haixia Zhao | Member | 3 | 3 | 3 |
| 5 | Mr. Pratik Pravin Agarwal | Member | 3 | 3 | 0 |

¹ Ceased to be a Director and member of the Committee on April 21, 2020.

C05.Risk Management Committee

The Company has constituted a Risk Management Committee (RMC) which supports the Board in fulfilling its Corporate Governance oversight responsibilities with regard to identification, evaluation and mitigation of risks impacting the business. The terms of reference of the RMC Committee includes:

- Advise the Board on the Company's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and drawing on financial stability assessments such as those published by relevant industry and regulatory authorities.
- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- Oversee and advise the Board on the current risk exposures of the Company and future risk strategy and review the risk management plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- Review of cyber security and related risks;
- Set a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance.
- Ensure the CRO shall be given the right of unfettered direct access to the Chairman of the Board and/or to the Committee.
- The Committee may at the expense of the Company secure external legal or other professional advice and

attendance of third parties with relevant experience and expertise, if it considers this necessary. The Committee may also seek information from any employee of the Company.

13. Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder, or the SEBI Listing Regulations each as amended or by any other regulatory authority, from time to time.

Composition and Meetings of Risk Management Committee

Risk Management Committee (RMC) comprises of two Independent Directors and one Executive Director. Ms. Haixia Zhao is the Chairperson of the Committee. The Committee met twice during FY21 i.e. on July 30, 2020 and February 03, 2021. The Composition of RMC during FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Risk Management Committee Meetings held during FY21 | | |
|---------|--------------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Ms. Haixia Zhao | Chairperson | 2 | 2 | 2 |
| 2 | Mr. A.R. Narayanaswamy | Member | 2 | 2 | 2 |
| 3 | Mr. Pratik Pravin Agarwal | Member | 2 | 2 | 2 |
| 4 | Mr. Arun Todarwal ¹ | Member | 0 | 0 | 0 |

¹ Mr. Arun Todarwal was inducted as a member of RMC Committee w.e.f. February 04, 2021. However, he ceased to be a member of the Committee upon completion of his term of 5 years as Director on July 24, 2021.

The current composition of the RMC Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|---------------------------|-------------|
| 1 | Ms. Haixia Zhao | Chairperson |
| 2 | Mr. A.R. Narayanaswamy | Member |
| 3 | Mr. Pratik Pravin Agarwal | Member |

Further, Sterlite Power Grid Ventures Limited (now merged with the Company) had not constituted the Risk Management Committee and hence no information is required to be disclosed in this regard.

C06. Investment Committee

During the year under review, the Company constituted an Investment Committee (IC) to oversee strategic transactions and to provide direction and guidelines to the operating teams, evaluate risk and alignment with overall Group objectives globally including Brazil. The terms of reference of the Investment Committee includes:

1. Advise the Board on the proposed following strategic transactions, provide direction and guidelines to the operating teams, evaluate risk and alignment with overall Group objectives globally, including India and Brazil:

- a. Sale of assets;
- b. Purchase of assets;
- c. Bidding of infrastructure projects in India and Brazil;
- d. Raising of debt/Refinancing/Restructuring at hold co level;
- e. Raising of debt at project level/Refinancing/Restructuring;
- f. Equity raise;
- g. Potential Mergers and Acquisitions.

2. Review and recommend to the Board for its approval investment opportunities, acquisitions, joint ventures in accordance with the Company's Business plans.
3. Perform such other duties consistent with the Committee's purpose or that are assigned to it by the Board.

Composition and Meetings of Investment Committee

Investment Committee (IC) constituted by the Board of Directors effective from February 04, 2021, comprises of two Independent Directors and one Executive Director. The Committee met three (3) times during FY21 i.e., on February 06, 2021, February 26, 2021 and March 22, 2021. The Composition of IC during FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Investment Committee Meetings held during FY21 | | |
|---------|---------------------------|-------------|---|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Ms. Haixia Zhao | Member | 3 | 3 | 3 |
| 2 | Mr. Anoop Seth | Member | 3 | 3 | 3 |
| 3 | Mr. Pratik Pravin Agarwal | Member | 3 | 3 | 3 |

Further, there is no change in the composition of Investment Committee as on the date of this report.

Further, Sterlite Power Grid Ventures Limited (now merged with the Company) had not constituted the Investment Committee and hence no information is required to be disclosed in this regard.

C07. Banking and Authorization Committee

The Banking and Authorization Committee ("BAC") of the Company was constituted to ease the day-to-day affairs of the Company within the approvals accorded and delegated by the Board of Directors. The Terms of Reference of the Banking & Authorization Committee includes:

- i. Opening and/or Closure of Bank Accounts/Opening and/or Closure of Demat Accounts/Hedging Accounts/Forex Accounts/Derivative/Forex Transactions/Internet Banking Authorizations/Cash Management Services with various banks in India and/or outside India and change in operations of Bank Accounts, issuing letter of continuity and all such matters related to operations of the Current and Cash Credit Accounts.

- ii. Appointing hedging brokers/sub-brokers for London Metal Exchange or any other Metal Exchanges.
- iii. Authorize/Grant Power of Attorneys to employees of the Company for bidding in tenders, marketing, representing the Company in routine business matters.
- iv. Authorize/grant Power of Attorney to employees of the Company or consultants to the Company in routine business matters.
- v. Authorize/grant Power of Attorney to one or more persons to represent before authorities under Income Tax, Sales Tax, Excise, VAT, decide authentication of Excise Invoices, Customs (including issuing Bonds), Ministry of Corporate Affairs, the Reserve Bank of India, the Registrar of Companies, Foreign Investment Promotion Board, Enforcement Directorate, Electricity Boards, Pollution Control Boards, Town and Country Planning Authorities and/or other statutory authorities under Central and/or State Governments.
- vi. Authorize/grant Power of Attorney to one or more persons to initiate and/or defend all legal proceedings including appointment of counsel, attorneys, mediators, arbitrators on behalf of the Company and also to execute affidavits, appeals, applications, petitions and other documents and all such necessary/incidental steps necessary in this regard.
- vii. Authorize one or more employees of the Company under Section 113 of the Companies Act, 2013 to attend and vote at the meetings of the companies where the Company is a shareholder/debenture-holder, meetings of creditors and meetings convened by the orders of the Court and to nominate/change nominee shareholders in any Subsidiary or Associate Companies from time to time to ensure the presence of quorum at their General Meetings and to ensure minimum number of members under the Companies Act 2013.
- viii. Authorize employees of the Company in matters relating to opening and/or closing of representative/ branch offices in India or other countries.
- ix. Authorize/grant Power of Attorney to one or more persons at various units for administrative purposes viz. applying for telephone/internet/power connection and/or dealing with local municipal authorities, shop act authorities and related matters.
- x. Authorize/give Power of Attorney to one or more persons to make application to Central Government, Ministry of Corporate Affairs, Foreign Investment Promotion Board, Enforcement Directorate, Reserve Bank of India, Registrar of Companies for various permissions required under various Statutory enactments.
- xi. Authorize one or more persons to execute and/or register any documents, deeds, papers for purchase/sale/take or give on lease and/or Leave & License
- basis, land, factory, office premises and/or residential premises for the purpose of business.
- xii. Invest sums of money in Units of Mutual Funds, Government Securities, Bonds, Debentures, and any other Securities or instruments upto ₹ 500 crore, at any given point of time.
- xiii. Avail Working Capital facilities from various banks/ financial institutions (Fund based and non-fund based) for the prescribed limit as approved by Board from time to time.
- xiv. Avail Term Loan facilities including through Non-Convertible Debentures from various banks/financial institutions for the prescribed limit as approved by Board from time to time.
- xv. Creation of security or charge including but not limited to hypothecation, mortgage, pledge, bailment etc. on the moveable and/or immovable properties.
- xvi. Authorize one or more persons to issue, sign, execute, and deliver indemnity, corporate guarantees, undertakings, affidavit or any other document on behalf of the Company.
- xvii. Approve amendments to existing Superannuation Scheme including authority to change trustees, wherever necessary.
- xviii. Authorize any person to affix seal of the Company to any instrument by the authority of a resolution.
- xix. To revoke the powers delegated to the employee(s) by the Board and/or Committee(s) thereof from time to time.

Composition and Meetings of Banking and Authorization Committee

The Banking and Authorization Committee comprises of one Non-Executive Director and one Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. The Committee met twice during FY21 i.e., on December 18, 2020 and March 28, 2021. The Composition of Banking and Authorization Committee during FY21 and attendance details of its meetings is as follows:

| Sr. No. | Name of the Directors | Designation | No. of Banking & Authorization Committee Meetings held during FY21 | | |
|---------|---------------------------|-------------|--|--------------------|----------|
| | | | Held | Entitled to attend | Attended |
| 1 | Mr. Pravin Agarwal | Chairman | 2 | 2 | 2 |
| 2 | Mr. Pratik Pravin Agarwal | Member | 2 | 2 | 2 |

Further, there is no change in the composition of Banking and Authorization Committee as on the date of this report.

Further, no meeting of Banking and Authorization Committee of the Board of Sterlite Power Grid Ventures Limited was held during the FY21 and hence no information is required to be disclosed in this regard.

C08. Allotment Committee

The Allotment Committee has been constituted by the Board of Directors of the Company. The Terms of Reference of the Allotment Committee includes:

- i. Allot Shares/Securities of the Company.
- ii. Splitting of shares, issuance of Duplicate Share Certificate in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- iii. Authorize Directors/officers of the Company to issue Share/Securities Certificate to respective allottee(s) for above mentioned purposes.
- iv. Undertake any other activity in this regard as may be required by the Companies Act, 2013 or the Rules, from time to time.
- v. To do all acts, deeds, matters and things as may be necessary for effective implementation of the foregoing acts.

During FY21 the Allotment Committee comprised of following members and no meeting of Allotment Committee was held during the year under report.

| Sr. No. | Name of the Directors | Designation |
|---------|--------------------------------|-------------|
| 1 | Mr. Arun Todarwal ¹ | Chairman |
| 2 | Mr. Pravin Agarwal | Member |
| 3 | Mr. Pratik Pravin Agarwal | Member |

¹ Ceased to be a member of the Committee upon completion of his tenure of 5 years as Director on July 24, 2021.

The current composition of the Allotment Committee is as under:

| Sr. No. | Name of the Directors | Designation |
|---------|---------------------------|-------------|
| 1 | Mr. Pravin Agarwal | Chairman |
| 2 | Mr. Pratik Pravin Agarwal | Member |

Further, no meeting of Allotment Committee of the Board of Sterlite Power Grid Ventures Limited was held during the FY21 and hence no information is required to be disclosed in this regard.

Details of Remuneration paid to the Directors

Mr. Pratik Pravin Agarwal is the Managing Director of the Company and was re-appointed for a term of 3 years w.e.f. June 01, 2021. As per the terms of appointment, the agreement can be terminated by giving 90 days' notice or equivalent pay by either of the sides. The said appointment, its terms and remuneration were approved by the shareholders of the Company in the last Annual General Meeting of the Company held on December 31, 2020. Mr. Pratik Pravin Agarwal was paid a remuneration of ₹ 4,99,90,000/- (Indian Rupees Four Crores Ninety-Nine Lakh Ninety Thousand only) during the year under review. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

Mr. Pravin Agarwal, Chairman and Non-executive Director, was not entitled to any remuneration during FY21.

The Independent Directors are being paid sitting fee of ₹ 1,00,000/- (Indian Rupees One Lakh) for attending each meeting of the Board and Committees of the Board. Remuneration by way of commission to Non-Executive Directors is paid pursuant to the approval of the Members and is decided by the Board of Directors and distributed to them based on their participation and contribution to the Board and certain Committee meetings, as-well-as, time spent on operational matters other than at meetings. Accordingly, pursuant to the approval of members accorded in their meeting held on December 31, 2020 to pay remuneration to Independent Directors even in case of inadequate profits, the Nomination and Remuneration Committee of the Board, in its meeting held on May 19, 2021 recommended to the Board and the Board in its meeting held on May 21, 2021 approved the payment of Commission to 2 (two) of its Independent Directors for the FY21. The payment of said Commission was also approved and ratified by the members of the Company by passing resolution on August 01, 2021, through postal ballot.

For the FY21, the details of remuneration by way of commission and sitting fees paid to Independent Directors, for attending the meetings of the Board and Committees of the Board, of the Company and Sterlite Power Grid Ventures Limited (SPGVL- now merged with the Company) are given hereunder:

| S.No. | Name of Director | Sitting Fee Paid (in ₹) | | | Commission (in ₹) | Total Remuneration paid (in ₹) |
|-------|-----------------------------------|--|-------------------------------------|-----------|-------------------|--------------------------------|
| | | Company | SPGVL (now merged with the Company) | Total | | |
| 1. | Mr. Arun Todarwal ¹ | 36,00,000 | 9,50,000 | 45,50,000 | - | 45,50,000 |
| 2. | Mr. A.R. Narayanaswamy | 39,00,000 | 9,50,000 | 48,50,000 | - | 48,50,000 |
| 3. | Ms. Haixia Zhao | 27,00,000 | 7,00,000 | 34,00,000 | 60,00,000 | 94,00,000 |
| 4. | Mr. Anoop Seth ² | 17,00,000 | N.A. | 17,00,000 | 7,50,000 | 24,50,000 |
| 5. | Ms. Avaantika Kakkar ³ | Ms. Avaantika Kakkar having waived the receipt of sitting fee, no payment of sitting fee was made to her during the period under review. | | | | |

¹ Ceased to be a Director upon completion of his term of 5 years on July 24, 2021.

² Appointed as Director w.e.f. July 31, 2020.

³ Ceased to be a Director w.e.f. February 01, 2021.

General Body Meeting

Particulars of last three Annual General Meetings

| Date | Venue | Time | Resolutions that were passed with requisite majority |
|---|---|-----------|---|
| December 31, 2020 (5 th AGM) | Held through Video Conference | 11.00 A.M | <ol style="list-style-type: none"> 1a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon. 2. Re-Appointment of Mr. Pratik Agarwal as Director of the Company. 3. Approval of remuneration of the Cost Auditors for FY21. 4. Appointment of Mr. Anoop Seth (DIN- 00239653) as an Independent Director for a term of 5 years 5. Re-appointment of Mr. Pratik Agarwal (DIN - 03040062) as Managing Director for a period of 3 years & fixation of remuneration (<i>Passed as a Special resolution</i>) 6. Authorization for creation of charge on the assets of the Company under section 180(1)(a) of the Companies Act, 2013 (<i>Passed as a Special resolution</i>) 7. Transfer of Capital Redemption Reserve to Retained Earnings of the Company (<i>Passed as a Special resolution</i>) 8. Remuneration by way of commission to Independent Directors of the Company (<i>Passed as a Special resolution</i>) |
| September 30, 2019 (4 th AGM) | The O Hotel, Plot No 293, N Main Road, Vaswani Nagar, Ragvilas Society, Koregaon Park, Pune, Maharashtra 411001 | 02.30 P.M | <ol style="list-style-type: none"> 1a. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of the Auditors thereon. 2. To appoint a Director in place of Mr. Pravin Agarwal (DIN No: 00022096), who retires by rotation and being eligible offers himself for re-appointment. 3. Approval of remuneration of the Cost Auditors for FY20. 4. Approval of remuneration of Mr. Pratik Agarwal, Managing Director & CEO for a further period of two years w.e.f June 01, 2019 (<i>Passed as a Special resolution</i>) 5. To consider payment of commission to Non-Executive Independent Directors of the Company (<i>Passed as a Special resolution</i>) 6. To consider appointment of Mr. Alampallam Ramakrishnan Narayanaswamy (DIN- 00818169) as an Independent Director 7. To consider appointment of Ms. Haixia Zhao as an Independent Director |
| September 27, 2018 (3 rd AGM) | Westin, 36/3-B Koregaon Park Annexe, Mundhwa Road, Ghorpadi, Pune, Maharashtra – 411001 | 10.00 A.M | <ol style="list-style-type: none"> 1a. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended March 31, 2018 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon. 2. To appoint a Director in place of Mr. Pratik Agarwal (DIN No: 03040062), who retires by rotation and being eligible offers himself for re-appointment. 3. Ratification of appointment of Statutory Auditors for remaining period of their tenure i.e. from the conclusion of 3rd AGM till the conclusion of 6th AGM. 4. Offer or invitation for subscription of non-convertible debentures on private placement basis. (<i>Passed as a Special resolution</i>) 5. Approval of remuneration of Cost Auditors for FY19. |

Details of resolutions passed by Postal Ballot

During the year under review there was no matter which was passed through Postal Ballot.

Subsidiary, Associate and Joint Venture Companies

The Company had 42 subsidiaries, 3 associates and 2 joint venture companies as on March 31, 2021. The Annual Financial Statements of the subsidiary companies are placed before the Audit Committee and the Board of Directors of the Company. Significant issues pertaining to all subsidiary companies are also discussed at the Audit Committee meetings. The performance of all its subsidiaries is also quarterly reviewed by the Board. The minutes of all the subsidiary companies are placed before the Board and the attention of the directors is drawn from time to time upon

significant transactions and arrangements entered with the subsidiary companies. Post March 31, 2021, 6 (six) Indian subsidiaries ceased to be the subsidiary of the Company and became joint venture companies. Also, one subsidiary of the Company in Brazil ceased to be a subsidiary of the Company, post March 31, 2021.

Policy on material subsidiaries, as approved by the Board of Directors, may be accessed at the Company's website at www.sterlitepower.com

Related Party Transactions

All Related Party Transactions are reviewed and approved by the Audit Committee of the Board in accordance with the Act. There were no materially significant transactions

with related parties during the FY which were in conflict with the interest of the Company. No transaction with the related parties has a potential conflict with the Company's interest. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on an arm's length basis and are intended in the Company's interests.

All material transactions entered into with Related Parties as defined under the Act during the FY21 were in the ordinary course of business and on an arm's length price. Suitable disclosures as required under the applicable Accounting Standards have been made in the notes to the Financial Statements.

The Board has approved the policy on Related Party Transactions, and the same can be viewed on the Company's website i.e. www.sterlitepower.com

Code of Conduct

The Company has adopted a 'Code of Business Conduct & Ethics' to meet the changing internal and external environment for its employees at all levels including senior management and directors. The Code can be viewed on the Company's website, that is, www.sterlitepower.com. The Code serves as a guide to the employees of the Company to make informed and prudent decisions and act on them.

Vigil Mechanism/Whistleblower Policy

The Company follows a strong vigil mechanism and had adopted a Whistle Blower Policy, along with the Code of Business Conduct & Ethics. The Whistle Blower Policy is the mechanism to help the employees of the Company and all external stakeholders to raise their concerns about any malpractice, impropriety, abuse or wrong-doing at an early stage and in the right way, without fear of victimization, subsequent discrimination or disadvantage.

The policy encourages to raise concerns within the Company rather than overlooking a problem. All complaints under this policy are reported to the Head - Management Assurance Service Group, who is independent of operating management and business. Complaints can also be sent to the designated E-Mail ID: stl.whistleblower@vedanta.co.in. The Head of - Management Assurance Service Group reviews the complaint and may investigate it or may assign to another competent person to investigate or assist in investigating the complaint.

Debt Securities

During the year under review, the Company had redeemed 3500 rated, secured, listed, redeemable non-convertible debentures ("NCDs") of ₹ 10,00,000/- each, as per following details. After redemption of said NCDs, the same were delisted pursuant to the approval granted by BSE Limited vide its notice dated January 12, 2021.

| S. No. | Date of Allotment | Date of redemption | Redemption amount per NCD (in ₹) | Amount of redemption (in ₹) |
|--------------|-------------------|--------------------|----------------------------------|-----------------------------|
| 1. | March 29, 2019 | June 30, 2020 | 2,14,286 | 75,00,00,000 |
| 2. | | November 27, 2020 | 7,85,714 | 2,75,00,00,000 |
| Total | | | 10,00,000 | 3,50,00,00,000 |

Further, erstwhile Sterlite Power Grid Ventures Limited (SPGVL- now merged with the Company) had also issued 11,500 non-convertible debentures ('NCDs') of ₹ 10,00,000 each on private placement basis as per following details. The said NCDs were also redeemed during FY21 and post redemption, the NCDs were delisted from the wholesale debt segment of BSE Limited with effect from December 21, 2020:

| S. No. | Date of Allotment | No of NCDs issued | Amount of NCDs issued (in ₹) |
|--------------|-----------------------|-------------------|------------------------------|
| 1. | March 2019- July 2019 | 195 | 195,00,00,000 |
| 2. | | 550 | 550,00,00,000 |
| 3. | | 105 | 105,00,00,000 |
| 4. | | 300 | 300,00,00,000 |
| Total | | 1150 | 1150,00,00,000 |

Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the period under review, the Company had received 2 complaints of harassment, which have been resolved. No other complaint was pending as on March 31, 2021.

Your Company has constituted Internal Complaints Committee (ICC) for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Additional Disclosures

- The Company has not received any complaints relating to child labour, forced labour, involuntary labour during the FY21.
- As a result of its businesses and the global nature of its operations, the Company is exposed in particular to market risks from changes in foreign currency exchange rates and interest rates, while commodity price risks arise from procurement. The Company has established internal guidelines for risk controlling procedures and for the use of financial instruments, including a clear segregation of duties with regard to financial activities, settlement, accounting and the related controlling. The guidelines upon which the Company's risk management processes for financial risks are based are designed to identify and analyze these risks throughout the Company, to set appropriate risk limits and controls and to monitor the risks by means of reliable and up-to-date administrative and information systems.

General Shareholder Information

Distribution of Shareholding as on March 31, 2021

| Sr. no | Category | Cases | % of Cases | No. of shares | % of shareholding |
|---------------|------------------|-----------------|---------------|--------------------|-------------------|
| 1 | 1 - 5000 | 1,06,043 | 99.85 | 1,13,19,019 | 18.50 |
| 2 | 5001 - 10000 | 79 | 0.07 | 5,37,672 | 0.88 |
| 3 | 10001 - 20000 | 38 | 0.04 | 5,13,387 | 0.84 |
| 4 | 20001 - 30000 | 13 | 0.01 | 3,14,652 | 0.51 |
| 5 | 30001 - 40000 | 4 | 0.00 | 1,29,123 | 0.21 |
| 6 | 40001 - 50000 | 9 | 0.01 | 4,01,323 | 0.66 |
| 7 | 50001 - 100000 | 7 | 0.01 | 5,19,325 | 0.85 |
| 8 | 100001 and above | 11 | 0.01 | 4,74,47,401 | 77.55 |
| TOTAL: | | 1,06,204 | 100.00 | 6,11,81,902 | 100.00 |

Equity holding pattern as on August 20, 2021¹ is as under:

| Name | Total Shares | % To Equity |
|---|--------------------|--------------|
| Promoter | | |
| Promoter | 4,36,70,398 | 71.38 |
| Promoter Group | 18,63,453 | 3.05 |
| Total of Promoter & Promoter Group (A) | 4,55,33,851 | 74.43 |
| Public Shareholders | | |
| Institutions | 51,186 | 0.08 |
| Non-Institutions | 1,43,21,423 | 23.41 |
| Body Corporates | 12,75,442 | 2.08 |
| Total (B) | 1,56,48,051 | 25.57 |
| Total (A) + (B) | 6,11,81,902 | 100 |

¹ Due to change in categorization of Promoter and Promoter Group, shareholding pattern as on August 20, 2021 has been disclosed.

Dematerialization of Shares and Liquidity

As on March 31, 2021, 6,01,02,810 equity shares representing 98.24% of total equity shares were held in electronic form. The Shareholders can hold the shares in de-mat form either through NSDL or CDSL. The ISIN allotted to the equity shares of the Company is INE110V01015.

Details of outstanding equity shares in the Unclaimed Suspense Account

The Company reports the following details in respect of equity shares lying in the suspense account as on March 31, 2021:

| Particulars | Total No. of Shareholders | Shares lying in Unclaimed Suspense Account |
|---|---------------------------|--|
| As on April 1, 2020 | 5,350 | 4,24,877 |
| Shareholders approached for transfer/delivery during FY21 | 0 | 0 |
| Shares transferred/delivered during FY21 | 0 | 0 |
| Balance as on March 31, 2021 | 5,350 | 4,24,877 |

Share Transfer System

Directors and Executives of the Company have been given powers to deal with all the matters related to transfers, transmission, issuance of duplicate share/debenture certificates, split and/or consolidation requests. In addition, the Company Secretary and authorized officials of the Registrar and Transfer Agents of the Company have been given powers to endorse registration of transfers on share certificates. The Company's shares being in compulsory

de-mat list are also transferred through the depository system. The Company has entered into agreements with both the depositories NSDL & CDSL. KFin Technologies Private Limited, Hyderabad is the Registrar and Transfer Agent for both physical and electronic mode of transfer of shares. Requests for Transfer/Transmission of shares held in physical form can be lodged with the Company's Registrar and Transfer Agent, KFin Technologies Private Limited and shall be transferred as per the provisions of the Act as may be prescribed from time to time. The requests are generally processed within 10-15 days of receipt of documents, if documents are complete and valid in all respects. Shares under objection are returned within 7-10 days.

Registrar & Transfer Agents

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited), Hyderabad is the Registrar and Transfer Agent of the Company. Shareholders, beneficial owners and Depository Participants, (DPs) can send/deliver the documents/correspondence relating to the Company's share transfer activity, etc. to KFin Technologies Private Limited at the following address:

KFin Technologies Private Limited

Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
Phone No.: 040 67161524,
New Toll-free Number: 1-800-309-4001
E-mail: einward.ris@kfintech.com

Shareholders' correspondence should be addressed to the Company's Registrar and Transfer Agents at the above-mentioned address. In case of unresolved complaints, the Members may also write to the Company Secretary & Compliance Officer at the office of the Company as detailed below:

Sterlite Power Transmission Limited

F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar,
Mathura Road, New Delhi - 110065, India
Ph. - 011 49962200 Fax - 011 49962288
E-mail: secretarial.grid@sterlite.com

Registered Office:

4th Floor, Godrej Millennium
9 Koregaon Road, Pune – 411 001
Maharashtra, India

Plant Locations

| | |
|------------|--|
| Rakholi | Survey No. 99/2/P, Rakholi Village, Madhuban Dam Road, Silvassa 396230, Union Territory of Dadra & Nagar Haveli, India |
| Piparia | Survey No. 209, Phase-II, Piparia Industrial Estate, Silvassa - 396230, UT of Dadra & Nagar Haveli, India |
| Jharsuguda | Near Vedanta Limited, Bhurkhamunda, PO - Kalimandir Road, Dist – Jharsuguda, Odisha - 768202, India |
| Haridwar | Sector - 5, Vardhaman Industrial Estate, Bahadurpur Saini, Roorkee, Haridwar - 249 402, Uttarkhand India |