

NOMINATION & REMUNERATION POLICY

A. Preamble

POWERGRID Unchahar Transmission Limited (“**Investment Manager**” or “**IM**”) has been appointed as the investment manager of POWERGRID Infrastructure Investment Trust (“**Trust**”), an infrastructure investment trust registered with the Securities and Exchange Board of India (“**SEBI**”) in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**InvIT Regulations**”). Accordingly, the board of directors of the Investment Manager (the “**Board**”), has adopted the following policy and procedures (the “**Policy**”) to provide a framework for nomination and remuneration of members of the Board, Key Managerial Personnel (“**KMPs**”), and other employees of the Investment Manager.

B. Nomination and Remuneration of Members of the Board, Key Managerial Personnel, and other Employees of the Investment Manager

- (a). The Investment Manager, being the wholly-owned subsidiary of Power Grid Corporation of India Limited (“**POWERGRID**”), is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 and is also a Central Public Sector Enterprise (“**CPSE**”). The board of directors of the Investment Manager comprise Independent Directors nominated by Government of India and non-executive (non-independent) Directors being the directors / officials nominated by its holding company i.e. POWERGRID. Further, the key managerial personnel (KMP) and other officials of IM are the employees of holding company- POWERGRID, who are posted on secondment basis in IM.
- (b). Remuneration:
 - (i). Independent Directors of the IM are appointed by the Government of India. The remuneration to Independent Directors is paid by way of sitting fee for attending the meetings of Board of Directors and Committees thereof, in accordance with the guidelines or instructions issued by the Department of Public Enterprises (“**DPE**”), Government of India for CPSEs from time to time. The sitting fee is being paid to Independent Directors in accordance with the guidelines or instructions of the DPE, within the ceiling limit prescribed under Section 197 (5) read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
 - (ii). Non-executive (non-independent) Directors of the IM, being the directors / officials nominated by its holding company i.e. POWERGRID are not paid any remuneration by the IM. These directors are remunerated by POWERGRID as per its applicable policies and rules.
 - (iii). Remuneration of KMPs and other officials of IM, posted by POWERGRID on secondment basis, are governed as per the applicable policies and rules of POWERGRID.

C. Conflict with Applicable Law

The Policy shall not contradict with the provisions of the InvIT Regulations, SEBI (Listing and Disclosure Requirements) Regulations, 2015, (“**SEBI Listing Regulations**”) the Companies Act, 2013, along with the rules framed thereunder, any bye-law, rule, regulation, guideline, circular, order, notification, any requirement under, or notice of, any Ministry of the Government of India, regulatory body, listing agreements with the Stock Exchanges, compulsory guidance, rule, order or decree of any court or any arbitral authority, or directive, delegated or subordinate legislation or any other applicable law (collectively, the “**Applicable Law**”). In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

D. Amendment

- (a). Any amendment or variation to this Policy shall be undertaken in compliance with the Applicable Law.

- (b). Notwithstanding the above, this Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the InvIT Regulations and the SEBI Listing Regulations, without any action from the Investment Manager or approval of the unitholders of the Trust.

Adopted by the board of directors of POWERGRID Unchahar Transmission Limited on behalf of the Trust on March 31, 2023.