



## **MADHUCON PROJECTS LIMITED**

# **POLICY ON DIVERSITY OF BOARD OF DIRECTORS**

### **1. Introduction**

At the core of Madhucon Projects Limited (Company) is the value that is emphasised on adherence to good Corporate Governance and managing its affairs in a fair, honest, ethical, transparent and legal manner. The objective of this policy is to recognize and embrace the benefits of having a diverse Board which possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company.

### **2. Scope**

The Securities and Exchange Board of India ("SEBI") issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'LODR Regulations') on September 02, 2015, effective from December 01, 2015, with an aim to consolidate and streamline the provisions of existing listing agreements thereby ensuring better enforceability.

This policy on Board Diversity (the "Policy") for the Board of Directors (the "Board") of Madhucon Projects Limited (the "Company") has been formulated by the Board in accordance with the LODR Regulations, to assure that the Board is fully diversified and comprises of an ideal combination of executive and non- executive directors, including independent directors, with diverse backgrounds.

The Policy applies to the composition of the Board only and does not apply to diversity in relation to the employees of the Company. This Policy would take effect upon listing of the securities of the Company in the Stock Exchange(s).

### **3. Policy Statement**

The Company recognizes and believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing different skills, qualifications, professional experiences, knowledge, gender, ethnicity, background and other distinguished qualities etc. of the members of the Board, necessary for driving business results, achieving competitive advantage, effective corporate governance, and sustainable and balanced development.

The Company also maintains that Board appointments should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole taking into account discrete characteristics reflected in the Individual members, that the Board might consider relevant to function effectively and efficiently.

The composition of the Board shall be in accordance with the Articles of Association of the Company, the Companies Act, 2013, LODR Regulations as well as other statutory, regulatory and contractual obligations of the Company.

In the process of attaining a diverse Board based on the aforementioned criteria, the following norms needs to be assessed:



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### **I. Optimum composition**

- a) The Board shall have an optimum combination of Executive and Non-executive Directors and not less than fifty per cent of the Board of Directors shall comprise of Non-executive Directors.
- b) At least half of the Board should comprise of Independent Directors (where the Chairman of the Board is Executive) or at least one-third of the Board should comprise of Independent Directors (where the Chairman of the Board is Non-executive).
- c) The Company shall continue to have at least one Woman Director on the Board to ensure that there is no gender inequality on the Board.

### **II. Functional diversity**

- a) Appointment of Directors to the Board of the Company should be based on specific needs and business of the Company.
- b) Appointment should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.
- c) Knowledge and experience in domain areas such as Finance, Legal, Risk Management, Education sector, other Industry etc., should be duly considered while making appointments to the Board level.
- d) While appointing Independent Directors, care should be taken as to the independence of the proposed appointee.
- e) Directorships in other companies may also be taken into account while determining the candidature of a person.

### **III. Stakeholder diversity**

- a) The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/ or any agreement between the Company and the nominating agency.

## **4. Role of nomination and remuneration committee**

The Nomination and Remuneration Committee ("NRC"), inter alia, is responsible for reviewing and assessing the composition of the Board as well as for identifying and recommending appropriately qualified candidature(s), to hold Directorship in the Company, to the Board of Directors where and if need be.

## **Review**

The Board will review this Policy periodically.

The above policy has been approved by the Board of Madhucon Projects Limited at its meeting held on 28<sup>th</sup> May, 2019.