

HERANBA INDUSTRIES LIMITED

CIN: L24231GJ1992PLC017315

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

(Framed under regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Updated as on: May 30, 2023

TITLE:

This Policy shall be called as '**Policy to promote diversity on the Board of Directors**' or '**Board Diversity Policy**' (hereinafter referred to as "Policy"). The Policy sets out the approach to have a diversity on the Board of Directors the Company in terms of thought, experience, knowledge, perspective and gender in the Board, based on the applicable laws, rules and regulations applicable to the Company.

OBJECTIVE:

Heranba Industries Limited (the "**Company**") is committed to deal with all stakeholders with full transparency and fairness, ensuring adherence to all laws and regulations and achieving highest standards of corporate governance. The Company recognizes and embraces the importance of a diverse Board for its success. This policy is largely framed to address the importance of a diverse Board in harnessing the unique / individual skills and experiences of the members in a way that collectively benefits the organization and business as a whole.

Pursuant to Regulation 19(4) read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the nomination and remuneration committee of the board of directors of a listed entity is required to devise a policy on diversity of board of directors. In compliance with the SEBI Listing Regulations, the Company has formulated the policy on diversity of board of directors.

DEFINITIONS:

For the purpose of this Policy the following terms shall have the meanings assigned to them hereunder:

"Board" means the board of directors of the Company;

"Board Diversity Policy" means this policy, as amended from time to time.

"NRC" means the Nomination and Remuneration Committee constituted by the Board as per the provisions of section 178 of Companies Act, 2013 and regulation 19 of the SEBI Listing Regulations.

"Heranba" or the **"Company"** means Heranba Industries Limited.

POLICY STATEMENT:

The Company recognizes and embraces the importance of a diverse Board for its success. This policy is largely framed to address the importance of a diverse Board in harnessing the unique / individual skills and experiences of the members in a way that collectively benefits the organization and business as a whole. The basic essence of the Policy is to provide a framework for leveraging on the differences

within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business & overall growth of the company.

The Policy shall confirm to the following two principles for achieving diversity on the Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination and based on the following factors:

i. Gender:

The Company shall not discriminate on the basis of gender in the matter of appointment of directors on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board. As per the provisions of the Companies Act, 2013, the Company shall at all times have at least one woman director on the Board.

ii. Ethnicity:

The Company shall promote having a boardroom comprising of people from all ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;

iii. Educational qualification:

The Board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, corporate governance, the environment, green technologies, operations of the company's businesses and other disciplines related to the company's businesses.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE:

The 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 OF THE POLICY:

The NRC shall review the policy from time to time, to ensure the effectiveness of the Policy. The Committee shall discuss any revisions that

may be required and recommend any such revisions to the Board for consideration and approval.

DISCLOSURE OF THE POLICY:

The Company shall disclose this Policy on its website i.e. www.heranba.co.in. The necessary disclosure, if any, about the policy will also be made as per the requirements of SEBI (LODR) Regulations, 2015 and other applicable laws.
