



Board Diversity Policy

Version	Board Approval Date
V0	

Sresta Natural Bioproducts Limited

CIN: U01122TG2004PLC042837

Board Diversity Policy

1. Purpose

This policy aims to set up the approach to diversity on the Board of Directors of Sresta Natural Bioproducts Limited.

2. Objective

To enhance the quality and performance of the Board, leading to superior performance and growth of the Company.

3. Policy Statement

The Board recognizes that a diverse Board with an inclusive culture will make good the differences in skills, experience, education, gender, age, race, geography, ethnicity, background and other distinctions between the directors

The Nomination and Remuneration Committee is responsible for identifying and nominating process of candidates for their appointment to the office of Director, subject to approval by the Board and shareholders.

The Nomination and Remuneration Committee shall ensure an optimum and balanced members of the Board with complementary knowledge, expertise and skills in areas such as business strategy, finance, accounting, legal, marketing, manufacturing, technology and such other areas that the Board considers desirable in order to make the Board as an effective governing Board.

An overriding principle is that all appointments of the Board will be based on merit and suitability of the candidate to particular role being filled and subject to this overriding principle, the nomination and remuneration committee will always have regard to consider any candidate from different backgrounds.

4. Optimum Composition

- I. The Board shall have an optimum combination of executive and non- executive directors with at least one woman independent director and not less than fifty per cent of the Board of directors comprising non- executive directors.
- II. 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).
- III. At least half of the Board of the Company shall consist of independent directors where the regular non-executive chairperson is a promoter or is related to any promoter or person occupying management positions at the level of Board or at one level below the Board as required under Regulation 17 of the SEBI Listing Regulations.
- IV. The Board shall comprise of not less than six directors as required under Regulation 17 of the SEBI Listing Regulations., as amended from time to time
- V. The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy-five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

5. Functional diversity

- I. Appointment of directors to the Board of the Company should be based on the specific needs and business of the Company. Appointments should be done based on the qualification, knowledge, experience, and skill of the proposed appointee which is relevant to the business of the Company.
- II. Knowledge of and experience in domain area such as Information technology, Banking and Finance, Corporate, Investment Banking, Legal, Risk, Management, etc., should be duly considered while making appointments to the Board level.
- III. While appointing independent directors, care should be taken as to the independence of the proposed appointee.

- IV. Directorship in other companies may also be taken into account while determining the candidature of a person.

6. Stakeholder diversity

- I. 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.
- II. Subject to the provisions of section 151 of the Companies Act, 2013 read with the relevant rules made thereunder, the Company may, upon notice of not less than one thousand small shareholders or one-tenth of the total number of such shareholders, whichever is lower have a small shareholders' director elected by small shareholders.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination Committee shall be responsible for:

- (a) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company ("**Board**") a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (b) formulation of criteria for evaluation of the performance of independent directors and the Board;
- (c) devising a policy on diversity of the Board;
- (d) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- (e) determining 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;
- (f) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;
- (g) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- (h) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- (i) performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;
- (j) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- (k) analyzing, monitoring and reviewing various human resource and compensation matters;
- (l) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (m) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

- (n) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.”

7. **REVIEW OF THE POLICY**

- I. The NRC will review the policy annually, which will include an assessment of the effectiveness of the policy.
- II. The NRC will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

8. **AMENDMENTS:**

This Policy may be amended, modified or supplemented from time to time, basis the review by the Committee, to ensure compliance with any modification, amendment or supplementation to the SEBI Listing Regulations or as may be otherwise prescribed by the NRC or the Board, from time to time.

9. **PUBLICATION OF THE POLICY**

The Board at its discretion may make disclosures in the Annual Report regarding Board Diversity