

# **BOARD DIVERSITY POLICY AND BOARD EVALUATION POLICY OF TGV SRAAC LIMITED**

(in terms of Regulation 19 (4) of the SEBI (LODR) Regulations, 2015))

## **BOARD DIVERSITY POLICY**

### **PURPOSE:**

This Board Diversity Policy ('Policy') sets out the approach to diversity on the Board of Directors ('Board') of TGV SRAAC Limited ("the Company").

### **SCOPE:**

This Policy applies to the Board. It does not apply to employees generally.

### **POLICY STATEMENT:**

The Company recognizes and embraces the importance of a diverse Board in achieving sustainable growth through effective governance. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the company maintains its competitive advantage.

The company believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- Drive business results
- Make corporate governance more effective and transparent
- Enhance quality and responsible decision making capability
- Ensure sustainable development integrating ESG into governance
- Build and maintain effective stakeholder relationships

The Nomination and Remuneration Committee ('Committee') is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.



Accordingly, the Committee shall:

- Assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board.
- Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board; and
- Periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

### **BOARD EVALUATION POLICY:**

#### **Identification of persons to act as Directors**

The Nomination and Remuneration Committee (NRC) of the Board, while recommending the appointment of Directors may consider the desirable qualifications which may amongst other things include professional qualifications, skills sets, industry experience, background, value addition to the Company and the criteria of independence as prescribed under the Companies Act, 2013. The Policy on remuneration to Directors shall consider the requirements as specified in the Companies Act, 2013.

#### **Performance Evaluation Board:**

The Board shall carry out the annual evaluation process of its own performance as envisaged in the Companies Act, 2013 and the individual Directors (excluding the Director being evaluated). The criteria to evaluate encompasses three broad factors namely i) contribution ii) counselling and iii) controlling.

The Board performance evaluation shall:-

- Review the role of the Board and the individual Directors;
- Assess the Board effectiveness – both the Board as a whole and Individual Director's contribution to general discussions, business proposals and governance practices;
- Evaluate the quality of the discussions at Board meetings, the adequacy of the reports and information they receive, the level of interpersonal cohesion amongst the Board members;
- Evaluate its effectiveness in use of time, opportunity to adequately assess the management performance, keeping abreast of developments in the business and regulatory environment, frequency and duration of the meetings.
- Factor the suggestions received from Directors for change/improvisation.

Assess the duties are discharged in accordance with provisions of the Act.



## **Chairman**

The performance of the Chairman be evaluated, amongst other things, on the basis of leadership qualities, strategic thinking, decision making, business acumen, contribution to resolution of divergent views, time commitment, interaction with management, relationships and communications with the Stakeholders.

## **Managing Director and Executive Directors/ Whole Time Director**

The performance of Managing Director/Executive Director/Whole Time Director shall be first reviewed by the Chairman and recommendation be made to the Nomination and Remuneration Committee. Some of the parameters for evaluation that can be considered are:

- To assess the overall contribution to the performance of the Company in terms of the tasks handled.
- Leadership qualities
- Conduct of Meetings, in the absence of the Chairman, if the need arises
- Contribution to strategic Plans
- Decision making abilities, relationship with stakeholders.

## **Committees of the Board**

This Policy is to ensure that the Committees, to whom the Board has delegated responsibilities, are performing efficiently and effectively in accordance with the terms of reference set out in their charter. This encompasses the necessity of establishing any Committee and reviewing the Charter of the Committee from time to time.

## **Non-Executive Directors**

The performance of Non-Executive Director be evaluated, amongst other things, on the basis of strategic thinking, business acumen, teamwork, contribution to resolution of divergent views, proactive participation, and time commitment. The performance of the Individual Director's will also be assessed on handling the conflict of interest/situation, if any.

## **Independent Directors**

The performance evaluation of Non-Executive Independent Director's ("NEID") shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent directors have key roles to perform namely in the areas of governance, guiding in strategy formulation, ensuring statutory compliances and such other key matters which could be of importance to the Company. Some of the performance indicators on which the Independent Directors may be evaluated are:-



- Contributing and monitoring of Corporate Governance practices.
- Attendance at Board, Committee Meetings of the Company, etc.
- Making aware of international best practices for improvement.
- Active participation in strategic planning.
- Commitment to the fulfilment of duties and fiduciary responsibilities as enshrined in various statutes and charter of Committees.
- Not allowing any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
- Refraining from any action that would lead to loss of his independence.
- Maintain confidentiality of information provided, unless such disclosure is expressly required by law.

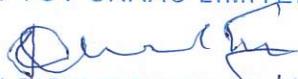
The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other statutory, regulatory and contractual obligations of the company.

The effective implementation of this Policy requires that shareholders are able to judge for themselves whether the Board as constituted is adequately diverse. To this end, the Company shall continue to provide sufficient information to the shareholders about the size, qualifications and characteristics of each Board Member.

<b>Board approval</b>	<b>Date</b>
Initial approval	29.01.2016
Revised, renewed and updated by Board	29.05.2023

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For TGV SRAAC LIMITED

  
V. RADHAKRISHNA MURTHY  
C.G.M. And Company Secretary