



INNOVA CAPTAB LIMITED

POLICY TO PROMOTE DIVERSITY ON THE BOARD OF DIRECTORS

<i>Approving Authority</i>	<i>Board of Directors of the Company</i>
<i>Version</i>	<i>1.0</i>
<i>Adopted and Approved</i>	<i>19 June 2022</i>

OBJECTIVE

Pursuant to Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Listing Regulations"), the Nomination and Remuneration Committee of the Board of Directors ("Board") 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 this Board Diversity Policy.

The policy has been approved by the Nomination and Remuneration Committee ("NRC") at its meeting held on 19 June, 2022 and approved by the Board in its meeting held on 19 June, 2022.

DEFINITIONS

For the purpose of this Board Diversity 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

"**Committee**" means the nomination and remuneration committee of the Board

"**Companies Act**" means the Companies Act, 2013, read with the rules thereunder, as amended

"**Company**" means Innova Captab Limited.

"**Director**" means a member of the Board

Words and expressions used and not defined in this Board Diversity Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act and rules and regulations made thereunder.

BOARD DIVERSITY

The Committee shall ensure that the Board shall have an optimum combination of executive, non-executive and independent Directors in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

The Company recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. 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, race, and gender, which will ensure that the Company retains its competitive advantage. The Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and responsible decision-making capability, ensure sustainable development, and enhance the reputation of the Company.

The Committee shall review the profile of the prospective candidates for appointment as Director on the Board taking in consideration knowledge, experience, financial literacy/ expertise, global market awareness and other relevant factors as may be considered appropriate, and the Board shall be so constituted with mix of members to maintain high level of ethical standards. The Committee shall also take into consideration the provisions of the Companies Act, SEBI Listing Regulations, and other statutory, regulatory, and contractual obligations of the Company.

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

(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 comprising 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 consisting of independent directors (where the chairman of the Board is non- executive).
In any case, the Company should strive to ensure that the number of independent directors do not fall below 3 (three) so as to enable the board to function smoothly and effectively.
- (c) The Company shall have at least one-woman director on the Board to ensure that there is no gender inequality on the Board.
Further the Company shall take necessary steps to appoint at least one independent woman director on the Board of the Company as required under Regulation 17 of SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 based on the market capitalisation.

(II) 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.
- (b) Subject to the provisions of section 151 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 (NRC)

The Nomination Committee shall be responsible for:

- a) reviewing and assessing the Board composition on behalf of the Board and shall recommend to the Board, the appointment of new directors based on their qualifications, positive attributes and independence;
- b) formally assessing the appropriate mix of Diversity, skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board;
- c) making recommendations to the Board in relation to Board succession, including the succession of the Chairman, to maintain an appropriate mix of Diversity, skills, experience and expertise on the Board;
- d) reviewing and reporting to the Board in relation to Board Diversity; and
- e) make recommendations to the Board regarding the Measurable Objectives.

In reviewing the Board composition, NRC will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

AMENDMENTS

The Committee may modify and/or amend the Board Diversity Policy at any time subject to the provisions of the SEBI Listing Regulations and the Companies Act and rules framed thereunder and any other applicable law.