POLICY ON BOARD DIVERSITY OF TAHMAR ENTERPRISES LIMITED

BACKGROUND

The Securities and Exchange Board of India ("SEBI") issued the SEBI (Listing Obligations and Disclose 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 Tahmar Enterprises Ltd (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 nonexecutive directors, including independent directors, with diverse backgrounds.

OBJECTIVE

1. It sets out the approach to achieve diversity on the Company's Board of Directors (Board).
2. It recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance.

SCOPE

It applies to the Board as a whole only and not for any other employee of the Company.

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 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:

I. **Optimum composition-**

The Board of Directors of the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors.

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.

- No listed entity shall appoint a person or continue the directorship of any person as a nonexecutive 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.

- The listed entity shall ensure that approval of shareholders for appointment or reappointment of a person on the Board of Directors or as a manager is taken at the **next general meeting or within a time period of three months from the date of appointment, whichever is earlier.**
- With effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.
- Provided that the continuation of the director serving on the board of directors of a listed entity as on March 31, 2024, without the approval of the shareholders for the last five years or more shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024.
- Provided further that the requirement specified in this regulation shall **not be applicable to the Whole-Time Director, Managing Director, Manager, Independent Director or a Director retiring as per the sub-section (6) of section 152 of the Companies Act, 2013**, if the approval of the shareholders for the reappointment or continuation of the aforesaid directors or Manager is otherwise provided for by the provisions of these regulations or the Companies Act, 2013 and has been complied with.

- Provided further that the requirement specified in this regulation shall not be applicable to the director

a) appointed pursuant to the order of a Court or a Tribunal or
b) nominee director of the Government on the board of a listed entity, other than a public sector company
c) nominee director of a financial sector regulator on the board of a listed entity.
d) director nominated by a financial institution registered with or regulated by the Reserve Bank of India under a lending arrangement in its normal course of business or
e) nominated by a Debenture Trustee registered with the Board under a subscription agreement for the debentures issued by the listed entity.

Any vacancy in the office of a director shall be filled by the listed entity at the earliest and in any case not later than three months from the date such vacancy.

Provided that if the listed entity becomes non-compliant with the requirement under sub regulation (1) of this regulation, due to expiration of the term of office of any director, the resulting vacancy shall be filled by the listed entity not later than the date such office is vacated. Provided further that this sub-regulation shall not apply if the listed entity fulfils the requirement under sub-regulation (1) of this regulation without filling the vacancy.

II. **<u>Functional diversity</u>**

a) Appointment of Directors to the Board of the Company should be based on specific needs and business of the Company. 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.
b) 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.
c) While appointing Independent Directors, care should be taken as to the independence of the proposed appointee.
d) While appointing Non-Executive Director, care should be taken that a non-executive director, who has attained the age of seventy five years cannot continue the directorship 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.
e) Directorships in other companies may also be taken into account while determining the candidature of a person.

III. **<u>Stakeholder diversity</u>**

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.

AMENDMENTS TO THE POLICY

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI/Stock Exchange(s) or any other appropriate Statutory Authority.