



## **SARDA ENERGY & MINERALS LIMITED**

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018  
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: [cs@seml.co.in](mailto:cs@seml.co.in)  
URL: [www.seml.co.in](http://www.seml.co.in) CIN: L27100MH1973PLC016617

### **BOARD DIVERSITY, EVALUATION & SUCCESSION PLANNING POLICY**

1. **Purpose**

The purpose of this Board Diversity Policy is to ensure an inclusive and diverse membership of the Board of Directors of Sarda Energy & Minerals Ltd. (the "Board") resulting in optimal decision-making & assisting in the development and execution of a strategy which promotes success of Sarda Energy & Minerals Ltd. ("SEML") for the collective benefit of its stakeholders.

SEML is committed to promote diversity & inclusion within the organization and in larger communities who we partner with. Our objective is to achieve gender parity across all levels starting from our Board.

2. **Scope**

This Board Diversity Policy is applicable to SEML Board only but inspires SEML's Code of Business Conduct and associated policies, which set out SEML's commitment to diversity & inclusion.

3. **Definitions**

- i. **Act** : The Companies Act, 2013
- ii. **Listing Regulations** : The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

4. **Policy Statement**

- i. It is critical that membership of the Board includes a diverse mixture of skills, professional & industry backgrounds, age, sexual orientation, physical disabilities, family status, religious beliefs, political beliefs, nationality geographical experience & expertise, gender, tenure, ethnicity and diversity of thought; and
- ii. A diverse Board will include and make good use of the differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members as a whole. It will have a range of views, insights, perspectives, and opinions to improve its decision-making and benefit the company's stakeholders.

5. **Appointment and removal of Director, KMP and SMP**

- i. The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013 and the SEBI Listing Regulations.
- ii. The Nomination & Remuneration Committee (NRC) shall evaluate the diversity of the board, balance of knowledge, skill, professional & functional expertise, industry orientation, board diversity, age etc. on the Board and, in the light of this evaluation, prepare and recommend to the Board, a description of the role and capabilities required for a particular appointment. For every appointment, the Committee shall:
  - a. Regularly review Board composition, succession planning, talent development and broader aspects of diversity



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- b. Identify suitable candidates for appointment as Independent Director on merit keeping in mind:
    - 1. the benefits of diversity in promoting the success of SEML for the benefit of its shareholders
    - 2. the skills, experience, background, qualifications and attributes as per the applicable laws, independence and expertise required
    - 3. Ensure that the person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
  - iii. For the purpose of identifying suitable candidates, the NRC may: 1.) use the services of an external agency, if required; 2.) consider candidates from a wide range of backgrounds, having due regard to diversity; and 3.) consider the time commitments of the candidates.
  - iv. With respect to removal of any Director, KMP and SMP, the NRC shall in consultation with either the Chairman of the Company, review the performance and/or other factors meriting a removal and subject to the provisions of the Applicable Laws and the Articles of Association of the Company, recommend to the Board its course of action.
  - v. In pursuance to the applicable laws, each Director shall attend atleast one meeting of the Board of Directors held during a period of twelve months or such period as may be prescribed. If the director does not meet the minimum attendance criteria and is absent from all the meetings with or without seeking leave of absence from the Board, then the director may incur disqualification.
6. **Key Evaluation Criteria**
- The NRC shall evaluate the performance of the Board, individual directors, Chairperson and the committees of the Board and update the same to the Board. The NRC shall be guided by the following in arriving at its findings:
- i. ***Evaluation of Board (applicable to Committees also, with required changes)***
    - a. Composition of the Board
    - b. Procedures for Nomination and appointment of Board members and their remuneration
    - c. Leadership by the Chairman of the Board
    - d. Receipt of proper and timely information by the Board members
    - e. Meaningful/active participation at board meetings
    - f. Consideration of quality and appropriateness of financial accounting and reporting including the transparency of disclosures
    - g. Existence and effective working of necessary committees
  - ii. ***Evaluation of Independent Directors***
    - a. Understanding of the Company and the external environment in which it operates and contribution to strategic direction
    - b. Knowledge about Company's products/services/ activities
    - c. Attendance and participations in the meetings and timely inputs on the minutes
    - d. Adherence to ethical standards and code of conduct of Company and disclosure of



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non-independence, as and when it exists and disclosure of interest

- d. Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- e. Interpersonal relations with other directors and management
- f. Objective evaluation of Board's performance, rendering independent, unbiased opinion

iii. ***Evaluation of Non-Independent Directors***

- a. Attendance and participations in the meetings and timely inputs on the minutes
- b. Contribution towards growth of the Company
- c. Leadership initiative
- d. Adherence to ethical standards and code of conduct of Company
- e. Teamwork attributes and supervising & training of staff members
- f. Compliance with policies, reporting of frauds, violations, etc. and disclosure of interest
- g. Safeguarding of interest of whistle blowers under vigil mechanism and safeguard of confidential information

7. **Criteria for determining Qualifications, Positive Attributes, and Independence of a Director**

i. ***Qualifications***

- a. diversity of thought, experience, knowledge, perspective, age and gender.
- b. appropriate blend of functional and industry expertise.
- c. Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/ domains.

ii. ***Positive attributes***

- a. compliance with duties as provided in the Companies Act, 2013.
- b. possessing highest standards of ethical and moral qualities, strong interpersonal and communication skills and soundness of judgment as are considered eligible for the position.
- c. act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- d. exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- e. IDs are also expected to abide by the Code for Independent Directors as outlined in Schedule IV to section 149(8) of the Companies Act, 2013.

iii. ***Independence***

A director will be considered as an "Independent Director" if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 and the Listing Regulations.



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### **8. Separate Meeting of Independent Directors**

The independent directors of the Company shall hold at least one meeting in a year or such number of meetings as may be required, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting. The independent directors in their separate meeting shall, inter alia:

- i. review the performance of non-independent directors and the Board of directors as a whole;
- ii. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- iii. assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of directors that is necessary for the Board of directors to effectively and reasonably perform their duties.

### **9. Succession Planning**

Succession Planning is done to ensure that the affairs of the Company are not impeded on account of events viz; retirement, resignation, death, etc. The NRC shall draft and recommend to the Board a succession plan for the appointments made to the Board as well as KMPs & SMPs. The NRC shall review such plan at such intervals as may be required / deemed necessary and recommend revisions, if any, to the Board. The NRC shall work with the management and follow the following process for effective succession planning:

- a. Assessment of potential employees and creation of a leadership pool.
- b. Development of the talent pool through actions such as involvement in strategic meetings, leadership workshops with top management, coaching, anchoring, job rotations, role enhancement, council memberships and involvement in cross function projects etc.

### **10. Directors' and Officers' Insurance**

The Company will take Directors' & Officers' Insurance for all its directors and officers for such quantum and such risks as may be decided by the Company on behalf of its Directors, KMPs/SMP etc. for indemnifying them against any liability and the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

### **11. Responsibility & Review**

The Nomination & Remuneration Committee will review this policy as and when required and recommend appropriate revisions to the Board as may deem necessary.

In the event of any conflict between the provisions of this Policy and any statutory enactments/rules, the provisions of such statutory enactments/rules shall prevail over this policy and automatically be applicable and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the statutory requirements.



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12. **Effective Date**

This revised Policy shall be effective from 1<sup>st</sup> April 2025.

13. **Dissemination**

This Policy shall be disclosed suitably as required and shall be placed on the website of the company as required under the Companies Act, 2013 and the Listing Regulations.