

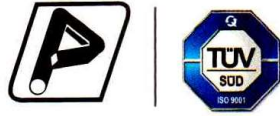
**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

**POLICY ON DIVERSITY OF BOARD**

**SYNOPSIS**

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**Date on which Policy placed at Nomination and Remuneration Committee / Board Meeting: 5<sup>th</sup> February, 2022**



# **Pradeep Metals Limited**

## **Manufacturers of Precision Closed Die Forgings**

### **1. Introduction**

Diversity in the composition of the Board of Directors has become essential in view of the expansion of business, greater social responsibility, increasing emphasis on Corporate Governance, need for addressing concerns of diverse stakeholders and the necessity for managing risks in the business effectively. A Board composed of appropriately qualified and skilled people, with a broad range of experience relevant to the business, is important for effective corporate governance and sustained commercial success of a company.

This policy is largely framed to address the importance of a diverse Board in Pradeep Metals Limited ('the Company') harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organization and business as a whole. The basic essence of the Policy is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

This Policy has been adopted by the Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee (NRC).

### **2. Objectives**

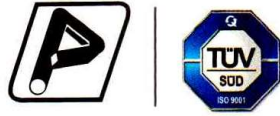
The Objectives of the Policy include:

- i. Board to drive diversity and have an appropriate blend of functional and industry expertise;
- ii. While recommending the appointment of a Director to, inter alia, consider the manner in which the function and domain expertise of the individual contributes to the overall skill domain mix of the Board;
- iii. To help the Company build a better Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- iv. To achieve an optimum and balanced Board, with a wide range of attributes;
- v. To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations; and
- vi. To have an optimum mix of Executive, Non-Executive and Independent Directors, including Women Directors.

### **3. Policy Statement**

To meet the above Objectives:

- i. The Nomination and Remuneration Committee of the Company will ensure that a transparent Board nomination process is in place that encourages diversity of thought, experience, skills, knowledge, perspective, age, nationality, gender, cultural and educational background;



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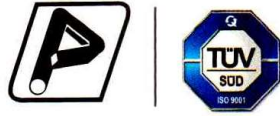
- ii. It will be ensured that the Board has an appropriate blend of functional and industry expertise and skills;
- iii. The consideration and selection of candidates for appointment to the Board will be based on merit which shall include a review of any candidate's integrity, experience, educational background, industry or related experience and more general experience;
- iv. Candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience and having the ability to devote sufficient time to the affairs of the Company, should be considered for appointment to the Board; and
- v. While recommending the appointment of a Director, the NRC will consider the criteria as laid down under the Act and applicable Regulations/Guidelines issued by Statutory and Regulatory Authorities, as also those issued by the Company, from time to time, and the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

### **4. Monitoring**

The NRC will largely rely on the regulatory provisions of the Act, and the Regulations/Guidelines issued by the Securities and Exchange Board of India, and review the measurable objectives for achieving diversity against these provisions and recommend the same to the Board for adoption. At any given point of time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

The Committee shall support laying down a succession plan and drive the understanding of talent across the organization and support development program for the Board. As part of the exercise, it will also review and suggest training for directors. Amongst the key requirements is to also plan for the evolution of non-executive directors over the medium term to maintain appropriate mix of skills, age and gender diversity on the Board.

The Company shall provide sufficient information about this policy to its shareholders, and provide information regarding the composition of the Board, the areas of expertise of each director and their qualification / characteristics etc. The necessary disclosures about the policy and other details should be made as per the requirements of the Listing Agreement and Companies Act, 2013. The policy shall be made available in the website of the Company.



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**5. Review and Amendments**

The NRC will review the Policy periodically, which will include an assessment of the effectiveness of the Policy. The NRC will discuss any revision that may be required and recommend the same to the Board for approval.

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