



KIRLOSKAR ELECTRIC COMPANY LIMITED

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

INTRODUCTION:

Kirloskar Electric Company Limited (**the “Company”**) recognizes the importance and benefits of having a diverse Board to enhance quality of its performance and ensuring adherence to all laws and regulations in order to achieve highest standards of corporate governance.

This **Policy on Board Diversity (the “Policy”)** for the **Board of Directors (the “Board”)** of the Company) has been formulated by the **Nomination and Remuneration Committee (“NRC”)** in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) to have a diversity on the Board in terms of thought, experience, knowledge, perspective and gender in the Board, based on the applicable laws, rules and regulations applicable to the Company.

PURPOSE:

The purpose of this 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 will ensure an inclusive and diverse membership of the board resulting in optimal decision-making and assisting in the development and execution of a strategy which promotes the success and reputation of the Company for the benefit of its shareholders as a whole, having regards to the interests of other stakeholders.

APPLICABILITY:

This Policy applies to the Board of Directors of the Company and does not apply to the employees of the Company.

INTERPRETATION

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, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under.

In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee and the decision of the Committee in such a case shall be final.

POLICY STATEMENT:

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

NRC shall review and assess the composition and performance of the Board and shall identify appropriately qualified persons to occupy the Board positions.

The Board shall have an optimum combination of executive, non-executive and independent directors including women directors in accordance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board's composition shall be disclosed in the Company's Corporate Governance Report annually.

REVIEW AND AMENDMENTS:

NRC shall review this Policy periodically to ensure effectiveness of this Policy and recommend appropriate revisions to the Board for consideration and approval.

DISCLOSURE OF THE POLICY:

The Company shall disclose this Policy on its website i.e., www.kirloskarelectric.com. The necessary disclosure, if any, about the policy will also be made as per the requirements of SEBI (LODR) Regulations, 2015 and other applicable laws.
