CG Power and Industrial Solutions Limited
Registered Office:
CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India
T: +91 22 2423 7777 F: +91 22 2423 7733 W: www.cgglobal.com
Corporate Identity Number: L99999MH1937PLC002641

Smart solutions.
Strong relationships.

Board Diversity Policy

1. The Board Diversity Policy (Policy) sets out the approach to diversity on the Board of Directors (Board) of CG Power and Industrial Solutions Limited (CG).

2. CG believes that diversity at Board level is a critical ingredient in maintaining competitive advantage, and a truly diverse Board facilitates critical thinking and consideration of alternative views in the oversight of executive decisions. An inclusive and diverse Board is better able to understand customers and stakeholders and to benefit from fresh perspectives, new ideas, vigorous challenge and broad experience. This in turn leads to better decision making.

3. The Nominations and Remuneration Committee (Committee) reviews and assesses Board composition on behalf of the Board and recommends appointment of new Director(s). The Committee also oversees the annual review of Board effectiveness. When deciding on appointments to the Board and the continuation of those appointments, the Committee considers and will continue to take into consideration the level of competencies required, which include the following:

    - knowledge of global diversified manufacturing
    - skills in operations
    - skills in business, finance, accounting and audit matters
    - outside board experience
    - leadership and strategy roles
    - experiences in integrating and establishing successful businesses
    - technical and engineering experience
    - legal, governance, governmental, public policy or regulatory experience
    - philanthropic orientation

4. The Company will continue to decide on appointments to the Board having regard to the merit of candidates and believes that doing so will be consistent with achieving a diversity of perspectives as described above.

5. CG has and will always strive to ensure that the composition of its Board is optimum and balanced in terms of proportion of executive and non-executive directors, independent directors and woman director on Board.

6. The Committee will periodically review the Policy as and when it deems necessary and appropriate, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

CRITERIA FOR SENIOR MANAGEMENT

The Nomination and Remuneration Committee (N&R Committee) of the Board is responsible for identifying persons who are qualified to be appointed in Senior Management position. The following criteria laid down by the N&R Committee of Cholamandalam Investment and Finance Company Limited in terms of section 178(2) of the Companies Act, 2013 are to be considered for induction of a person into Senior Management position.

Senior Management for the purpose of this Code shall mean officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the Functional Heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors.

The term ‘Manager’ here refers to a ‘Manager’ appointed under the provisions of the Companies Act, 2013. The criteria for selection of candidates for appointment/induction to Senior Management position shall be:

Personal Traits

- Highest personal and professional ethics and integrity.
- Share and demonstrate the values embodied in the guiding principles of the Murugappa Group and the Company - “Five Lights” – Integrity, Passion, Quality, Respect and Responsibility.
- Meet the age criteria set by the Company.

Competencies

- Possess specialist knowledge and business acumen relative to the position for which he or she is being considered.
- Good leadership skills
- Be innovative.
- Demonstrate intelligence, maturity and wisdom.
- Exercise sound judgement gained through experience and expertise in management/ technical/ financial/ corporate matters in the best interest of the Company was a whole.
- Ability to see and prepare for future, anticipate needs, opportunities and threats.
- Possess managerial abilities such as effective communication skills, action focus, people engagement, cultural sensitivity, flexibility, team player, strategic thinking, creating a shared vision etc.
- Exhibit personal effectiveness
- Ability to influence and drive decisions in the interest of the Company.
- Respect customer centricity.
- Good interpersonal relationship
- An effective team player

Experience and Background

- Highly accomplished and experienced in their respective field of engineering/ finance/ marketing/ corporate affairs, technology/ law/ HRM etc. with superior credentials and recognition.

Fit

- Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders.
- Should be able to exercise objective independent judgement on corporate affairs.
- Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge and familiarity with the Company.
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders.
- Adhere to the Code of Conduct of the Company.
- Protect the legitimate interests of the Company, its shareholders and employees and maintain confidentiality.
- Absence of commitments and other fixed outside obligations.
- Absence of personal and business relationships that would pose a conflict of interest to the position.

***