

Board Diversity Policy

VIDHI SPECIALTY FOOD INGREDIENTS LIMITED

(FORMERLY KNOWN AS VIDHI DYESTUFFS MANUFACTURING LIMITED)

BOARD DIVERSITY POLICY

(Pursuant to Regulation 19(4) read with part D (A) (3) of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Vidhi Specialty Food Ingredients Limited

(Formerly known as “Vidhi Dyestuffs Manufacturing Limited”)

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PREFACE:

Vidhi Specialty Food Ingredients Limited (Formerly known as Vidhi Dyestuffs Manufacturing Limited) ("The Company" or "Vidhi") is committed to being open and transparent with all the stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is required to comply with disclosure obligation imposed by the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 which was made applicable w.e.f. December 1, 2015.

The Company recognizes the importance and benefits of having the diverse Board to enhance the quality of performance of the Board of Directors ("the Board").

In terms of the Regulation 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") **Vidhi** is required to frame a policy on diversity of the Board which sets out the approach to diversity on the Board.

PURPOSE:

In accordance with the Regulations, the Company has framed a formal policy on Board Diversity which sets out a framework to promote diversity on the Board.

SCOPE:

This policy applies to the Board. It does not apply to employees.

POLICY STATEMENT:

Vidhi recognizes and embraces the importance of a diverse Board in its success. Vidhi believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that Vidhi retains its competitive advantage.

Vidhi believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- ✓ Drive business results
- ✓ Make corporate governance more effective
- ✓ Enhance quality and responsible decision making capability
- ✓ Ensure sustainable development and
- ✓ Enhance the reputation of Vidhi.

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The Nomination and Remuneration Committee (“the Committee”) is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board Memberships, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person’s ability to perform as a Board member.

Accordingly, the Committee shall:

- Assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board,
- Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and
- Periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

The Board shall have an optimum combination of executive, non-executive and independent directors with at least one woman director and the Composition of the Board shall be in accordance with requirements of the Articles of Association of Vidhi, the Companies Act, 2013, the Regulations and the statutory, regulatory and contractual obligations of Vidhi.

The effective implementation of this policy requires that shareholders are able to judge for themselves whether the Board as constituted is adequately diverse. To this end, Vidhi shall continue to provide sufficient information to shareholders about the size, qualifications and characteristics of each Board Member.

REVIEW OF THE POLICY:

The Committee will review the policy from time to time and make recommendations on any required changes to the Board for consideration and approval.

DISCLOSURE OF THE POLICY:

This policy will be posted on the website of the Company. The necessary disclosure about the policy will also be made as per the requirements of the regulations and the Companies Act, 2013.