GAURIK FASHIONS LIMITED
(Formerly known as "Gaurik Fashions Private Limited")

POLICY TO PROMOTE DIVERSITY ON THE BOARD OF DIRECTORS

1. TITLE

1.1 This policy shall be called the 'Policy to promote diversity on the Board of Directors' ("**Board Diversity Policy**").

2. OBJECTIVE

2.1 Gaurik Fashions Limited (the "**Company**"), is committed to deal with all stakeholders with full transparency and fairness, ensuring adherence to all laws and regulations and achieving highest standards of corporate governance.

2.2 This Board Diversity Policy, which is in terms of Schedule II Part D (A)(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), sets out the approach to diversity on the Board of Directors ("the Board") of Gaurik Fashions Limited (the "Company"). This policy is largely framed to address the importance of a diverse Board in 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.

3. APPLICABILITY

The policy applies to the Board and does not apply to diversity in relation to employees.

4. DEFINITIONS

4.1 For the purpose of this Board Diversity Policy the following terms shall have the meanings assigned to them hereunder:

(a) **"Act"** means Companies Act, 2013, as amended, and includes rules made thereunder.

(b) "**Board**" means the board of directors of the Company;

(c) "**Board Diversity Policy**" means this policy, as amended from time to time;

(d) "**Companies Act**" means the Companies Act, 2013, read with the rules

thereunder, as amended;

(e) "**Director**" means a member of the Board; and

(f) "**Company**" means Gaurik Fashions Limited.

4.2 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, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act and rules and regulations made thereunder.

5. POLICY STATEMENT:

The Company believes that Board appointments should be based on merit and from the diverse fields such as accounts, management, legal, technical and finance that complements and expands the skills, experience and expertise of the Board considering knowledge, professional experience and qualifications, gender, age, cultural and educational background, and such factors to review and guide corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments function effectively.

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

1. Driving business results,
2. Make corporate governance more effective,
3. Enhance quality and responsible decision-making capability,
4. Ensure sustainable development, and
5. Enhance the reputation of Gaurik Fashions Limited.

The Nomination and Remuneration Committee ("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 in accordance with the relevant laws.

6. COMPOSITION OF THE BOARD:

EXECUTIVE AND NON-EXECUTIVE DIRECTORS:

The Board of Directors shall have optimum combination of executive and non-executive Directors. Not less than 50% of the directors on the Board shall be Non-executive Directors.

INDEPENDENT DIRECTORS:

If the chairman of the Board is non-executive director, non-promoter and is not related to the promoters or person occupying management positions at the Board level or at one level

below the Board at least one-third of the Board should comprise of Independent Directors.

In any other case at least 50% of the directors on the Board shall be Independent Directors. An Independent director shall hold office for a term of up to five consecutive years on the Board of a Company but can be appointed as Independent director for second term of five consecutive years with the approval of shareholders obtained by way of special resolution.

No Independent director shall be appointed for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly. For the purpose of this policy Independent Director means the Independent Director as defined in regulation 16 (b) of the SEBI Listing Regulations.

WOMAN DIRECTOR:

Subject to the provisions of the applicable laws from time to time the Board of Directors of the Company shall comprise of at least one-woman director.

DISCLOSURES

The Board's composition (including gender, ethnicity, age etc.) will be disclosed in the Annual Report.

7. EXPERIENCE AND EXPERTISE

7.1 The Company recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender, which will ensure that the Company retains its competitive advantage. The Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and responsible decision-making capability, ensure sustainable development and enhance the reputation of the Company.

7.2 The Committee shall review the profile of the prospective candidates for appointment as Director on the Board taking in consideration knowledge, experience, financial literacy / expertise, global market awareness and other relevant factors as may be considered appropriate and the Board shall be so formulated with mix of members to maintain high level of ethical standards. The Committee shall also take into consideration the provisions of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

8. PROCESS FOR IDENTIFYING THE SUITABLE PERSON

8.1 The Nomination and Remuneration Committee of the Board **("Committee")** will review

and assess the composition and performance of the board, as well as identifying appropriately qualified persons to occupy Board positions.

8.2 In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

8.3 Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, child birth or related 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.

8.4 The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, SEBI Listing Regulations and other statutory / regulatory requirements.

9. AMENDMENTS

The Committee may modify and/or amend the Board Diversity Policy at any time subject to the provisions of the SEBI Listing Regulations and the Companies Act and rules framed thereunder and any other applicable law.

10. INTERPRETATION

Any words used in this policy but not defined herein shall have the same meaning as ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder. 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 will be final.