

RAJASTHAN ANTIBIOTICS LTD

POLICY ON BOARD DIVERSITY





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1. OBJECTIVE

The Policy on Board Diversity (the “Policy”) sets out the approach to diversity on the Board of directors (the “Board”) of Rajasthan Antibiotics Ltd (the “Company”). This Policy is being adopted by the Company to comply with the applicable rules and regulations of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The objective of this Policy is to facilitate constitution of the Board that can draw upon a range of perspectives, experience and knowledge. The Company maintains that the Board appointments should be based on merit that compliments and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience, qualifications, gender, age, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time for it to function effectively.

This Policy has been approved by the Board on January 05, 2022.

2. APPLICABILITY & GENERAL GUIDELINES FOR BOARD DIVERSITY

- a) The Policy is applicable to the composition of the Board only. It is clarified that the Policy does not apply to diversity in relation to employees of the Company.
- b) The Company recognises the competitive advantage of a Board of Directors with diversity in composition.
- c) NRC and Board shall consider the candidature of person(s) for appointment as director irrespective of age, race, caste, creed, religion, disability, gender, sexual orientation or marital status; and finally select the candidate for appointment to the Board, basis meritocracy in educational qualification(s), functional expertise/specialization, skill-set and industry experience.

3. POLICY

(I) OPTIMUM COMPOSITION OF BOARD AS PER COMPANIES ACT, 2013 AND SEBI LISTING REGULATIONS

- a) The Board shall have an optimum combination of executive and non- executive directors and not less than fifty per cent of the Board of directors comprising non- executive directors.
- b) At least half of the Board should comprise of independent directors (where the chairman of the Board is executive) or at least one third of the Board should comprise of independent directors (where the chairman of the Board is non- executive).
- c) At least half of the Board of the Company shall consist of independent directors where the regular non-executive chairperson is a promoter or is related to any promoter or person occupying management positions at the level of Board or at one level below the Board as required under Regulation 17 of the Listing Regulations.



- d) The Board shall comprise of not less than six directors as required under Regulation 17 of the Listing Regulations.
- e) The Board shall have at least one woman director. Whenever company falls under top 1000 listed entities after listing of its equity shares on recognised stock exchanges its Board shall have at least 1 (one) independent woman director.
- f) Whenever company falls under top 2000 listed entities after listing of its equity shares on recognised stock exchanges its Board shall comprise of not less than six directors.
- g) The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy-five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- h) The Company shall ensure that with effect from 1 April 2022, the chairperson of the Board shall:
 - i. be a non-executive director;
 - ii. Not be related to the executive chairman or the chief executive officer as per the definition of the term “relative” defined under the Companies Act, 2013.

(II) FUNCTIONAL DIVERSITY OF BOARD

- a) Appointment of directors to the Board of the Company should be based on the specific needs and business of the Company. Appointments should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.
- b) Knowledge of and experience in domain area such as Engineering, Finance, Corporate, Investment Banking, Legal, Risk, Management, etc., should be duly considered while making appointments to the Board level.
- c) While appointing independent directors, care should be taken as to the independence of the proposed appointee.
- d) Directorship in other companies may also be taken into account while determining the candidature of a person.

(III) STAKEHOLDER'S DIVERSITY OF BOARD

- a) The Company may also have directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its articles of association and/ or any agreement between the Company and the nominating agency.
- b) Subject to the provisions of section 151 read with the relevant rules made thereunder, the Company may, upon notice of not less than one thousand small shareholders or one-tenth of the total number of such shareholders, whichever is lower have a small shareholders' director elected by small shareholders.



4. REVIEW / MODIFICATIONS

The Nomination and Remuneration Committee or the Board of Directors shall review the policy from time to time, as needed which will include an assessment of the effectiveness of the policy. The NRC will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

5. PUBLICATION OF THE POLICY

This Policy shall be updated at the website of the Company at www.rallife.com
