



AMI ORGANICS LIMITED

POLICY FOR BOARD DIVERSITY

Corporate Identity Number: U24100GJ2007PLC051093

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POLICY FOR BOARD DIVERSITY- AMI ORGANICS LIMITED

1. PREAMBLE

The Policy on Board Diversity (**the “Policy”**) sets out the approach to diversity on the Board of directors (**the “Board”**) of Ami Organics Limited (**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 policy has been approved by the Board of Directors at its meeting held on April 28, 2021.

2. POLICY STATEMENT:

The Company recognises and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company sees diversity at Board level as an essential element in maintaining a competitive advantage

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.

In the process of attaining a diverse Board based on the aforementioned criteria, the following criteria needs to be assessed:

A. Optimum Composition

- 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.
- 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).
- 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.
- The Board shall comprise of not less than six directors as required under Regulation 17 of the Listing Regulations.
- 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.

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- 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.

B. Functional diversity

- 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.
- 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.
- While appointing independent directors, care should be taken as to the independence of the proposed appointee.
- Directorship in other companies may also be taken into account while determining the candidature of a person.

C. Stakeholder’s diversity

- 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.
- 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

3. ROLE OF NOMINATION AND REMUNERATION COMMITTEE

- (i) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (ii) To formulate the criteria for evaluation of performance of independent directors and the board of directors;
- (iii) devising a policy on diversity of board of directors;
- (iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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- (vi) recommend to the board, all remuneration, in whatever form, payable to senior management
- (vii) To develop a succession plan for the Board

4. REVIEW OF THE POLICY

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

The Board at its discretion may make disclosures in the Annual Report regarding Board Diversity. This Policy shall be updated at the website of the Company at www.amiorganics.com

