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Board approval	May 18, 2017
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# **1**

## **PREAMBLE**

The Board Diversity Policy sets out the Company's approach to ensuring adequate diversity in the Board of Directors of Mangalore Chemicals & Fertilizers Limited. This Policy applies to the Board of Directors of Mangalore Chemicals & Fertilizers Limited. It does not apply to employees generally.

## 2 DEFINITIONS

“Board” means Board of Directors of the Company

“Company” means Mangalore Chemicals & Fertilizers Limited

“Directors” mean Directors of the Company.

“Diversity” has not been defined under Listing Regulations. Diversity is achieved, more particularly functionally, residence and gender wise, whereby the Board has to have an optimum combination of executive, non-executive, independent, woman director/s, & small shareholders director/s in terms of law and corporate governance.

“Listing Regulations” mean SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

“Nomination and Remuneration Committee” means Committee of Board of Directors of the Company constituted as per the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder

“Policy” means Policy on Board Diversity

## **3** POLICY STATEMENT

- a. All the applicable provisions of laws, as amended from time to time, shall be complied in letter and spirit in implementing this Policy.
- b. The Board shall have an optimum combination of Executive and Non-Executive Directors and not less than fifty percent of the Board of Directors comprising Non-executive Directors.
- c. 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 consisting of Independent Directors (where the Chairman of the Board is Non-executive).
- d. In any case, Company should strive to ensure that the number of Independent Directors do not fall below 2 (two) so as to enable the Board to function smoothly and effectively.
- e. The Company shall have at least one women Director on the Board to ensure that there is no gender inequality on the Board. Subsequently, any vacancy shall be filled up within time specified.
- f. All Independent Directors, have periods of office not liable to determination by retirement by rotation.
- g. Diversity of the Board shall be maintained at all times in terms of the applicable law/s and this Policy under the guidance of the Nomination and Remuneration Committee.
- h. Appointment of Directors and composition of the Board shall be considered from a range of diversity perspectives, including but not limited to the following qualities/parameters of the individual:-
  - i. Educational background,
  - ii. Professional experience,
  - iii. Skills and knowledge of the Industry,
  - iv. Expertise,
  - v. Independence in case of Independent Director,
  - vi. Gender,
  - vii. Age
  - viii. Any other relevant parameter.

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## **4**      **ROLE OF NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee will review the Policy, from time to time, to ensure the effectiveness of the Policy. The Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

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## **5** AMENDMENTS TO THE POLICY

The Board of Directors, on its own and / or as per the recommendations of the Nomination and Remuneration Committee can amend this Policy as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, which make the provisions laid down under this Policy inconsistent with such amendment(s), clarification(s), circular(s) etc. then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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## **6** GOVERNING LAW

This Policy shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or such other Rules / Regulations, as may be notified by SEBI from time to time.