

## **BABA ARTS LIMITED**

### **BOARD DIVERSITY POLICY**

**(For approval of the Nomination & Remuneration Committee of the Company in its meeting to be held on 4<sup>th</sup> November, 2015)**

#### **1. INTRODUCTION:**

Baba Arts Limited (hereinafter referred to as “**the Company**”) is committed to comply with various Rules and Regulations framed / prescribed under the Companies Act, 2013, Securities & Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the Listing Agreement signed by the Company with BSE Limited where the equity shares of the Company are listed.

Securities & Exchange Board of India (SEBI) has on 2<sup>nd</sup> September, 2015 notified SEBI ( Listing Obligations & Disclosure Requirements) Regulations, 2015 for which a period of 90 days from the date of notification of the said Regulation has been given to all listed companies to implement / comply with the requirement of the same.

As per Clause 19(4) and 20(4) read with Part D of Schedule II to the SEBI ( Listing Obligations & Disclosure Requirements) Regulations, 2015 Nomination and Remuneration Committee of a listed entity shall devise a policy on diversity of board of directors;

Accordingly the Nomination & Remuneration Committee of the Company in its meeting held on 4<sup>th</sup> November, 2015 has laid down the following policy for board diversity:

#### **PURPOSE OF THIS POLICY**

This Board Diversity policy(the”Policy”) sets out the Company’s approach to ensuring adequate diversity in its board of directors (the”Board”)

#### **SCOPE**

This Policy applies to the Board. It does not apply to employees generally.

#### **POLICY STATEMENT**

The Company recognizes and embraces the importance of a diverse Board in its success. 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, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage. The Company believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- A. Drive business results

- B. Make corporate governance more effective
- C. Enhance quality and responsible decision making capability
- D. Ensure sustainable development; and
- E. Enhance the reputation of **BABA ARTS LIMITED**

The Nomination and Remuneration Committee ('Committee') is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying and recommending persons for Board membership, 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, 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 in accordance with requirements of the Articles of Association of BABA ARTS LIMITED, the Companies Act, 2013, Listing Agreement and the statutory, regulatory and contractual obligations of BABA ARTS LIMITED.

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. The Company shall continue to provide sufficient information to Shareholders about the size, qualifications and characteristics of each Board member.

#### **RESPONSIBILITY AND REVIEW OF THE POLICY**

The Committee will review this Policy periodically and recommend appropriate revisions to the Board.