RICO AUTO INDUSTRIES LIMITED

BOARD DIVERSITY POLICY

Rico Auto Industries Limited

Board Diversity Policy

1. I**ntroduction/Background**

Pursuant to Regulation 19(4) read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Nomination and Remuneration Committee of the Board of Directors of a listed entity is required to devise a policy on Diversity of the Board of Directors ("the Board") to ensure diversity in the Board with a robust set of Executive and Non-Executive Directors,including credible Independent Directors from diverse backgrounds.

In compliance with the SEBI Listing Regulations, the Board of Rico Auto Industries Limited ("the Company"), has adopted a Policy on Board Diversity, formulated and recommended by the Nomination and Remuneration Committee.

2. **Scope & Purpose**

This Policy sets out a framework for appointment of persons who are not only well qualified but bring diversity to the Board of Directors of the Company.

3. Definitions

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

"Board of Directors" or **"Board"** means the Board of Directors of Rico Auto Industries Limited, as constituted/re-constituted from time to time.

"Company" means Rico Auto Industries Limited

"Nomination and Remuneration Committee" or **"Committee"** means the Committee of the Board constituted/re-constituted under the provisions of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 as in force from time to time.

"Policy" or **"this Policy"** means Board Diversity Policy.

Words and expressions used and not defined in this Board Diversity Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, as amended,or the Companies Act, 2013 and rules and regulations made thereunder.

4. Policy

1. The Company believes that a Board with diversity will contribute to the achievement of the Company's objectives including:

    - Drive business results and strategic growth
    - Ensure sustainable development and corporate governance
    - Enhance quality and responsible decision-making capability
    - Enhance the reputation of the Company
    - Secure a wider range of perspectives and expertise to enrich decision-making of the Board.

    The Company recognizes the benefits of having a Board of Directors that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company and that of the sector.

2. The Board of Directors shall have the optimum combination of Directors from different areas/fields like Finance, Management, Accountancy, Legal and Regulatory matters, Technical or such other fields as may be considered relevant by the Nomination and Remuneration Committee for achieving a diverse Board. The fields mentioned above are merely indicative and the Committee may at any time add new professional backgrounds, skills and experiences that may help the Company's strategic needs.

3. The composition of the Board shall be in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, the SEBI Listing Regulations and the statutory, regulatory and contractual obligations of the Company. The Board shall have at least one each of the following:

    a. An expert in the field of accounting or related financial management; and
    b. An Independent Woman Director.

4. To ensure a robust and balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds without discrimination based on gender, religion, caste, region, ethnicity or sexual orientation.

5. The Nomination and Remuneration Committee shall periodically review the structure, size and composition of the Board and any future appointment of new Directors of the Company to ensure that it has a balanced composition ofskills, experience and expertise appropriate to the requirements of the business of the Company, in line with the principles enunciated above.

5. Non-compliance

Non-compliance of the relevant provisions of the Act, read together with the Rules will attract the penal provisions as per the Act.

6. General

a) Review

The Nomination and Remuneration Committee shall review and monitor the implementation of this Policy to ensure its effectiveness and make recommendations on any required changes to Board for consideration and approval.

b) Disclosure of the policy

The Company shall disclose this Policy on its website i.e., **https://www.ricoauto.in/investor-relation.html**. The necessary disclosure, if any, about the policy will also be made as per the requirements of SEBI (LODR) Regulations, 2015 and other applicable laws.

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