

Jenburkt Pharmaceuticals Limited

**POLICY FOR SELECTION OF DIRECTORS
AND DETERMINING DIRECTORS'
INDEPENDENCE**



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I. Scope and Exclusion:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

II. Definitions:

- A. “Director”** means a director appointed to the Board of a company.
- B. “Nomination and Remuneration Committee”** means the committee constituted by Jenburkt’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as N&R Committee).
- C. “Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

III. Criteria for Qualifications:

- A.** In evaluating the suitability of individual Board members, the N&R Committee may take into account the following factors:
 - 1. General understanding of the Company’s business dynamics and social perspective;
 - 2. Educational and professional background for the job;
 - 3. Personal and professional ethics, integrity and values;
 - 4. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- B.** The proposed appointee shall also fulfill the following requirements:
 - 1. Shall possess a Director Identification Number;
 - 2. Shall not be disqualified under the Companies Act, 2013;
 - 3. Shall give his written consent to act as a Director;
 - 4. Shall endeavour to attend all Board Meetings and the Committee Meetings (if appointed in the Committee);
 - 5. Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel and affirm it’s compliance, annually;



6. Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
7. Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

C. Criteria of Independence

1. The criteria of independence, as laid down in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a) *who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;*
- b) *- who is or was not a promoter of the company or its holding, subsidiary or associate company;*
- who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) *who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;*
- d) *none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;*
- e) *who, neither himself nor any of his relatives—*
 - i. *holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;*
 - ii. *is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—*
 - *a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or*



- *any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;*
 - iii. *holds together with his relatives two per cent or more of the total voting power of the company; or*
 - iv. *is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or*
 - v. *is a material supplier, service provider or customer or a lessor or lessee of the company.*
 - f) *shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.*
 - g) *shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.*
 - h) *who is not less than 21 years of age.*
2. The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
 3. The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

D. Other directorships / committee memberships

1. A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
2. A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
3. A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

