

FOCUS

LIGHTING & FIXTURES LTD.

POLICY ON APPOINTMENT OF DIRECTORS

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1. BACKGROUND

The Boardroom is where strategic decisions are made. It, is therefore, imperative that the Board consists of individuals who together offer an optimal mix of skills, experiences and backgrounds. The Board of Directors of **FOCUS LIGHTING AND FIXTURES LIMITED** (“the Board”) acknowledges the importance of diversity in the Boardroom and considers that its diversity, is a vital asset to the business.

2. PURPOSE

The Policy on Appointment of Directors (“the Policy”) set out the approach to diversity on the Board of **FOCUS LIGHTING AND FIXTURES LIMITED**.

3. OBJECTIVE & SCOPE

The objective of this policy is to lay down the criteria for appointment of Directors including Independent Directors on the Board of Directors (“Board”) of **FOCUS LIGHTING AND FIXTURES LIMITED** (“Company”) and the organization’s approach to Board Diversity. This policy is to be read in conjunction with the Nomination and Remuneration policy of the Company, as approved and amended from time to time.

The policy applies only to the appointment of Directors and not to any other employees.

4. BOARD DIVERSITY

All appointments to the Board will continue to be made on merit. However, the Company believes that establishing and maintaining diversity of the Board is one of the key aspects of the selection and appointment of Board members.

The Company believes that, Board Diversity basis the gender, race, age will help build diversity of thought that and will set the tone at the top. The mix of individuals representing different geographies, culture, industry experience, qualification and skill set will bring in different perspectives and help the organization grow.

It is always the endeavour of the organization to maintain Board diversity while retaining its philosophy of selection and appointment of board member on the basis of merit.

The Board of Directors of the Company shall at all times have an optimum combination of Executive and Non-Executive directors and Independent Directors.

5. APPOINTMENT OF DIRECTORS

The Board on the recommendations of the Nomination & Remuneration Committee (“the Committee”), is responsible for selection and appointment of Directors on the Board of the Company subject to approval of Shareholders, wherever applicable.

The appointment of all the Directors is subject to the articles of association of the Company, provisions of the Companies Act, 2013 and the SEBI Listing Regulations, including any modifications thereto from time to time.

The re-appointment of Directors on the Board is also subject to the evaluation of the Director and performance of the concerned Director in the previous term.

6. CRITERIA FOR SELECTION OF INDEPENDENT DIRECTORS AND KEY SKILLS, EXPERTISE, AND CORE COMPETENCIES OF THE BOARD

The Board of the Company comprises of eminent personalities and leaders in their respective fields. These Directors are nominated based on well-defined selection criteria.

The Committee is responsible for evaluating the qualifications of each director and of those directors who are to be nominated for election by shareholders at each Annual General Meeting, and for recommending duly qualified director nominees to the full Board for election.

The qualification criteria set forth herein to describe the qualities and characteristics are desired for the Board as a whole and for Board members individually.

A. Qualifications of Independent Directors:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

The Board has not established specific minimum age, education or years of business experience for Board members, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

In its evaluation, the Committee shall consider the Board size and composition of the Board according to the following guidelines:

– With respect to Board composition as a whole and the Board Committees, the required number of Directors who qualify as “**Independent**” pursuant to applicable rules and the Independence Standards as per the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) shall be maintained.

B. Positive Attributes of Independent Directors:

An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold code of business ethics and compliance; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

The Committee shall also consider the personal qualities of each director candidate to be able to make a substantial active contribution to Board deliberations. The director candidate must be

willing to commit, as well as have, sufficient time available to discharge the duties of Board membership.

The Committee shall also consider its policies as well as all other relevant facts and circumstances in making its recommendations to the Board.

C. Criteria for determining ‘Independence’ status of Independent Director:

A Director is Independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates (“Affiliate” shall mean any Company or other entity that controls, is controlled by, or is under common control with the Company) or any member of senior management.

An Independent director should meet the requirements of the Companies Act, 2013 and the regulations prescribed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) concerning independence of Directors.

D. Independence Review:

The Independent Director’s independence will be determined by the Board on an Annual basis upon the Declarations made by such Directors as per the provisions of the Companies Act, 2013 read with the Rules thereon and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

Each Independent Director has an affirmative obligation to inform the Board of any change in his/her Independent Status to the Board immediately.

7. REVIEW OF THE POLICY

The Board of Directors is responsible for review of the policy from time to time.