



POLICY ON EVALUATION OF PERFORMANCE OF DIRECTORS AND THE BOARD

1. OVERVIEW

In terms of Section 134(3)(p) of the Act, 2013, read with rule 8(4) of Companies (Accounts) Rules, 2014, every listed company and every other company having paid up share capital of Rs. 25 crore or more calculated at the end of the preceding financial year shall include in its Board's Report, a statement indicating the manner in which formal annual evaluation has been made. Our company have listed it's secured redeemable NCDs on Bombay Stock Exchange Limited and accordingly, this policy has been formulated and approved by the Board of Directors of the Company in compliance with the statutory requirements.

2. OBJECTIVE:

(i) to ensure compliance of the applicable provisions of the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges (as amended or re-enacted from time to time) relating to the evaluation of performance of the Directors and the Board.

(ii) to adopt best practices to manage the affairs of the Company in seamless manner.

(iii) to achieve good corporate governance as well as sustained long-term value creation for stakeholders.

3. EVALUATION:

(i) The Board of Directors shall carry out the evaluation of performance of every Director. The evaluation of performance of the Independent Directors (IDs), if any, shall also be carried out by the entire Board of Directors excluding the Director being evaluated. Evaluation performance should be carried out at least once in a year.

(ii) While evaluating the performance of the Non Executive Directors (NEDs), the following parameters shall be considered:

(a) Attendance at meetings of the Board and Committees thereof,

(b) Participation in Board meetings or Committee thereof,

(c) Contribution to strategic decision making,

(d) Review of risk assessment and risk mitigation,

(e) Review of financial statements, business performance.

(f) Contribution to the enhancement of brand image of the Company.

(iii) While evaluating the performance of the Managing Director and the Wholetime Director, the Board of Directors shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company.



(iv) Evaluation of performance shall be carried out at least once a year.

(v) The Company shall provide suitable technical or business related training to the Non-Executive Directors including Independent Directors, if any. Any other need based training shall also be provided.

The evaluation of the Directors and the Board shall be carried out based on the questionnaire and feedback form which forms part as Annexure to this Policy.

ANNEXURE

Performance Evaluation Form for Directors

Name of Director: _____

Date of Evaluation: _____

S.No.	Evaluation Criteria	Max. score	Remarks	Achieved Score
1.	Is the attendance** of Director at meetings satisfactory?	10	This sub criteria shall ensure the involvement of the Directors in the Company's decision making process. This will also ensure the Directors awareness about the activities and progress of the Company.	
2.	Do the Director show willingness to spend time and effort learning about the Company and its business?	10	This is to identify the contributions of the individual Director's in the matters with respect to the Law, business and economics, the Company belongs to. This is also to ensure, how the Directors keep himself updated in all these matters.	
3.	How well prepared and well informed the Directors for Board Meetings?	10	Criteria is to ensure that the Directors read and analyse the Company's Documents to make himself well aware about the discussions on the issue relating to the Company and also to add some values in it.	
4.	What has been the quality and value of Director's contributions at Board and Committee Meetings?	10	Criteria to decide the worth of the suggestions and submissions made by any Director on certain issue in the Meetings.	
5.	What has been their contribution to the development of Strategy and risk management?	10	To analyse the concern of the Director with respect to the risk involved in decision making process and strategy to do the safe, secure and progressive business.	
6.	How successfully the Directors brought their knowledge and experience to bear in the consideration of strategy?	10	The Directors contributions in making strategies of the Company, with their updated knowledge in the sector in	

			<i>which Company operates and law relating thereto.</i>	
7.	<i>How effectively have they followed up matters about which they have expressed concern?</i>	10	<i>Criteria to ensure the seriousness of the Directors of the Company, and also to ensure their concern for the adoption of the opinion being made by them.</i>	
8.	<i>How good are their relationship with other board members, the company secretary and senior management?</i>	10	<i>To ensure that the negative relationship should not affect the Board process and hamper the Company's decision making process.</i>	
9.	<i>How actively and successfully do they refresh their knowledge and skill? Are they up-to-date with the latest developments in areas such as the corporate governance framework and financial reporting and in the industry and market conditions?</i>	10	<i>To ensure their updating in the knowledge relating to the law, business industry, economic at large.</i>	
10.	<i>How well do they communicate with other board members, senior management and others (e.g. shareholders)?</i>	10	<i>To ensure the flow of Communication with other Board members and senior management on various issues, in the large interest of the Company.</i>	
11.	<i>Can they present their views convincingly, yet diplomatically?</i>	10	<i>The way of representation of the Directors.</i>	
12.	<i>Do they listen to the views of others?</i>	10	<i>To ensure the acceptability of other's views and also to counter the same.</i>	
	Total	120		

Achieved Score : _____

Grade Obtained : _____

Performance Remarks : _____

Notes:

1. Scores may be given on a 10 point scale.
2. **Score for attendance be calculated as follows:

*(No. of Meetings attended ÷ No. of meetings held during the period under review) * 10*



3. *On the Basis of the Total Score obtained out of 120 by the Director being evaluated, Grades be assigned to him/her in the following manner:*

Score Range	Grade	Performance Remarks
<i>111-120</i>	<i>A+</i>	<i>Excellent</i>
<i>101-110</i>	<i>A</i>	<i>Very Good</i>
<i>81-100</i>	<i>B+</i>	<i>Good</i>
<i>61-80</i>	<i>B</i>	<i>Average</i>
<i>40-60</i>	<i>C</i>	<i>Poor</i>

(Signature of Evaluator)

ANNEXURE

Performance Evaluation of the Board.

Date of Evaluation: _____

S.No.	Evaluation Criteria	Max. Score	Remarks	Achieved Score
1.	How well has the board performed against any objective that was set?	10	Criteria to decide the performance of the Board as a whole, the attentiveness of the Board shall also be ensured in respect to the set objective	
2.	What has been the contribution of the board to the development and testing of strategy?	10	The contribution shall be judged with the relevance of the suggestion made by the Board with respect to certain matter/issue and also to the successful implementation of the plan and strategy.	
3.	What has been the contribution of the board to ensuring robust and effective risk management?	10	The judge the effectiveness of the Board to foresee the risk involved in the business of the Company and also for preparing and implementing the effective Risk Management policy to ensure that the Company is safe with the defined risk.	
4.	Is the composition of the board?	10	To ensure with the relevant law and regulation in place.	
5.	Do these have the right balance of knowledge and skills to maximize performance?	10	To ensure that the Board is well diversified and is a perfect mix of the experience, knowledge and decision making.	
6.	Are relationships inside and outside the board working effectively?	10	To ensure the relationship between the Board members, while dealing in the matters of the Company, i.e, in the large interest of the Company.	
7.	How has the board responded to any problems or crisis that arose?	10	The ability to take up the problems in crisis situation, the ability to take up the matter, and also to find out the solutions for the same	
8.	Could / should these have been foreseen?	10	The ability of the Board to foresee the business risk and also to expect the problems that may arose.	
9.	How well does the board communicate with the management team,	10	To ensure the flow of the Communication from the Board	

	<i>employees and others?</i>		<i>level to the management and also the implementation of the decision made at the Board level.</i>	
10.	<i>How effective is its use of the Annual General Meeting and the annual report?</i>	10	<i>The contributions made by the Board in the Annual General Meeting and also in the Annual Reports.</i>	
11.	<i>Is the board as a whole up to date with the latest developments in the regulatory environment and the market?</i>	10	<i>The Board is updated with the new changes, amendments and development in the law, Industry, Economic and Technical issues, pertaining to the Company and also the aspiration to learn and update themselves.</i>	
12.	<i>How effective are the board's committee, if any (for example, in their role, their composition and their interaction with the board)?</i>	10	<i>The decision making process at the Board Committees, their Communication with the Board and also the submission and discussion in the matter dealt by the Committees.</i>	
Total		120		

Achieved Score : _____

Grade Obtained : _____

Performance Remarks : _____

Notes:

1. Scores may be given on a 10 point scale.
2. On the Basis of the Total Score obtained out of 120 by the Board of Director, Grades be assigned in the following manner:

Score Range	Grade	Performance Remarks
101-120	A+	Excellent
81-100	A	Very Good
61-80	B+	Good
41-60	B	Average
20-40	C	Poor

(Chairman)