

Policy on Evaluation of Performance of Directors and the Board

1. OBJECTIVE:

This Policy aims to:

- i. Ensure compliance of the applicable provisions of the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended or re-enacted from time to time) relating to the evaluation of performance of individual Directors and the Board as a whole.
- ii. Adopt best practices to manage the affairs of the Company in a seamless manner.
- iii. Achieve good Corporate Governance standards as well as sustained long-term value creation for the stakeholders.

2. EVALUATION PROCEDURE:

- i. The Nomination and Remuneration Committee (NRC) shall carry out the evaluation of performance of every Director.
- ii. The evaluation of performance of the Independent Directors (IDs) shall be carried out by the entire Board of Directors excluding the Director being evaluated.
- iii. The evaluation shall be carried out once a year.

3. EVALUATION CRITERIA:

- i. While evaluating the performance of the Independent Directors and other Non Executive Directors (NEDs), the following parameters shall be considered:
 - a) Attendance and contribution at Board / Committee Meetings.
 - b) Ability to understand the Issues involved.
 - c) Ability to give proper advice and counselling.
 - d) Ability to contribute to the discussions and decision-making.
 - e) Ability to bring in new ideas and initiatives.
 - f) Ability to monitor Management performance and development of the Company.
 - g) Commitment to fulfill the obligations and responsibilities of a Director.
 - h) Willingness to spend adequate time for participation at the meetings.
 - i) Core Competency.
 - j) Fulfillment of the independence criteria as specified in the SEBI Regulations and in Companies Act 2013, and their independence from the Management.
- ii. While evaluating the performance of the Managing Director and the Executive Director, the Nomination and Remuneration Committee shall consider the appropriate benchmarks as per the industry standards, the performance of the individual director and the performance of the Company.

- iii. While evaluating the performance of the various Committees, the following parameters shall be considered:
 - a) The role and responsibilities of the Committee.
 - b) Frequency of meetings of the Committee.
 - c) Constructive nature of discussions at the meetings.
 - d) Decisions taken and recommendations made by the Committee.
 - e) Performance of the function expected of it.

- iv. While evaluating the performance of the Board of Directors, the following parameters shall be considered:
 - a) Composition of the Board.
 - b) Frequency of meetings.
 - c) Duration of meetings.
 - d) Adherence to statutory provisions.
 - e) Free exchange of views and ideas.
 - f) Adequacy of disclosure of information.
 - g) Constructive nature of discussions.
 - h) Focus given on growth and development.
 - i) Unambiguousness of decisions taken.