



ANNUAL EVALUATION POLICY FOR BOARD OF DIRECTORS

1. Purpose

The purpose of this policy is to establish a framework for the **annual performance evaluation of the Board of Directors**, its Committees, and individual directors, in accordance with **Section 134(3)(p)** and **Schedule IV** of the **Companies Act, 2013**, and applicable rules and regulations.

2. Legal Basis

This policy is prepared pursuant to:

- **Section 134(3)(p)** of the Companies Act, 2013 – Board's Report to include a statement on the manner of formal annual evaluation
- **Schedule IV (Code for Independent Directors)** – Evaluation of the performance of non-independent directors and the Board as a whole
- **Rule 8(4) of Companies (Accounts) Rules, 2014**
- **SEBI (LODR) Regulations, 2015** – For listed companies (Regulations 17 and 25)

3. Objectives

- Improve the effectiveness and functioning of the Board
- Assess the performance of individual directors, the Board, and Committees
- Identify areas of improvement and development needs
- Promote accountability, transparency, and high standards of governance

4. Scope

This policy applies to:

- **Board as a whole**
- **Individual Directors** (including Chairperson and Independent Directors)
- **Committees of the Board**

5. Evaluation Criteria

A. Evaluation of the Board

- Composition, diversity, and skills
- Board structure and role clarity
- Effectiveness in strategic guidance
- Risk management oversight
- Quality of discussions and decision-making

B. Evaluation of Committees

- Composition and structure
- Frequency and effectiveness of meetings



- Fulfilment of charter and responsibilities
- Reporting to the Board

C. Evaluation of Individual Directors

- Preparedness and participation
- Contribution to Board deliberations
- Professional conduct and ethics
- Understanding of the company and industry
- Independence of judgment (for Independent Directors)

D. Evaluation of the Chairperson

- Leadership and effectiveness
- Communication and coordination
- Conduct of Board meetings
- Engagement with stakeholders

6. Evaluation Process

A. Responsibility

- The **Nomination and Remuneration Committee (NRC)** will oversee the evaluation framework.
- The **Board** will conduct the overall evaluation based on inputs from NRC.
- **Independent Directors** will evaluate the performance of non-independent directors and the Board in a separate meeting (as per Schedule IV).

B. Methodology

- Evaluation will be carried out through:
 - Structured questionnaires and rating scales
 - One-on-one discussions
 - Board and Committee feedback forms
- Results will be collated and summarized for discussion in Board and NRC meetings.

7. Confidentiality

Evaluation results will remain confidential and will be shared only with relevant stakeholders (Board, NRC) unless disclosure is required under applicable laws or regulations.



8. Disclosure Requirements

The Company will disclose in the **Board's Report**:

- The manner in which the evaluation has been conducted
- Specific areas of improvement identified, if applicable (without disclosing individual scores)

9. Review and Amendments

This policy shall be reviewed annually by the Board on the recommendation of the NRC and may be amended as required in line with applicable regulatory changes.