

Performance Evaluation of the Board of Directors

- (1) **Objective** : The objective is to facilitate the individual Directors and the Board as a whole to review the performance of the Board. The Board will undertake the following activities annually :
- (a) The Chairperson may meet with the Non-Executive Directors to discuss individual performance and ideas for improvement
 - (b) The Board as a whole will discuss and analyse its own performance during the year, including suggestions for improvement
- (2) **Performance Evaluation Areas** :
- (a) **Review Strategy and Performance** :
 - (i) Review Company Strategy annually
 - (ii) Set the organisation performance objectives based on qualitative and quantitative measures
 - (iii) Review the strategic objectives and ensure that they are in line with the Company's priorities and the changing nature of the Company's business
 - (iv) Review performance of the Executive Directors annually and have it reflect in the remuneration review
 - (v) Review performance of Independent Directors annually
 - (b) **Performance of the Committees constituted under the Board** :
 - (i) Review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committee
 - (ii) Review the charters of the Committees once a year to ensure that they are up to date

- (c) **Financial Controls and Reporting** : Ensuring the integrity of the Company's accounting and financial reporting systems, including independent audit and that appropriate systems of control are in place
- (3) **Evaluation of Independent Directors** : Schedule IV of the Companies Act, 2013, prescribes the Code for Independent Directors (Code). The Company has adopted the Code by incorporating it in the Company's Code of Conduct. Role, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code
- (4) **Review and Modifications** : Based on the discussion on the foregoing evaluation areas, parameters and regulatory provisions, the enclosed parameters may be used for evaluation of Whole Time, Non Whole Time and Independent Directors

Performance Assessment Parameters

The Directors may consider below mentioned evaluation parameters or criterias while conducting the assessment :

Evaluation Criteria for evaluation of Board as a whole :

Name :

I	<u>Board Composition & Attributes :</u>
(1)	The Board has appropriate expertise, experience and diversity
(2)	The Board has appropriate combination of Executive, Non-Executive and Independent Directors
(3)	The Board Members demonstrate highest level of integrity (including maintaining confidentiality and identifying disclosing and managing conflicts of interest)
(4)	The Board Members spend sufficient time in understanding the vision, mission of the Company and strategic and business plans, financial reporting risk and related internal controls and provide critical oversight on the same
(5)	The Board reviews the organisation’s performance on a regular basis
(6)	The Board regularly reviews achievement of business goals under purview
(7)	The Board Meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues
II	<u>Board Process :</u>
(1)	The frequency of the Board Meeting is adequate
(2)	The adequacy of attendance and participation by the Board Members at the Board Meetings
(3)	The Board Meeting encourage a high quality of discussion and decision making

III	<u>Board Strategy and Risk Management</u> :
(1)	The Board regularly reviews the strategy for delivering the long term objectives of the Company
(2)	The decision making process of the Board is adequate to assess creation of stakeholder value
(3)	The Board and the Management are able to actively access each other and exchange information
(4)	The Board uses General Meetings to communicate with Investors and to encourage their participation
(5)	The Board regularly reviews the risks in light of the dynamic internal and external environment
IV	<u>Matters placed before the Shareholders</u> :
(1)	The Board reviews and recommends each item of business placed before the shareholders
(2)	The Board gives disclosure of interest of any Director and/ or KMPs for each item of business placed before the shareholders

PERFORMANCE EVALUATION OF THE COMMITTEES

Audit Committee :

Sr. No.	Evaluation Criteria
(1)	The Committees are appropriately constituted and the composition is as per requirement
(2)	Effectively delivers respective functions prescribed under the Companies Act, 2013, Listing Regulations and the Committee Charter
(3)	Committee Meetings are regularly held, organized properly and appropriate procedures are followed in this regard
(4)	Ensures that it obtains the information required to carry out all the responsibilities outlined in its charter
(5)	The Committee makes periodic reporting to the Board along with its suggestions and recommendations
(6)	The Committee appropriately considers audit reports, management's responses and steps towards improvement/Review Policies
(7)	Adequate independence of the Committee is ensured from the Board
(8)	The Committee's recommendations contribute effectively to the decisions of the Board

Nomination & Remuneration Committee :

Sr. No.	Evaluation Criteria
(1)	The Committees are appropriately constituted and the composition is as per requirement
(2)	Effectively delivers respective functions prescribed under the Companies Act, 2013, Listing Regulations and the Committee Charter
(3)	Committee Meetings are regularly held, organised properly and appropriate procedures are followed in this regard
(4)	The Committee makes periodic reporting to the Board along with its suggestions and recommendations
(5)	Adequate independence of the Committee is ensured from the Board
(6)	The Committee's recommendations contribute effectively to the decisions of the Board

Corporate Social Responsibility Committee :

Sr. No.	Evaluation Criteria
(1)	The Committees are appropriately constituted and the composition is as per requirement
(2)	Effectively delivers respective functions prescribed under the Companies Act, 2013 and the Committee Charter
(3)	Committee Meetings are regularly held, organised properly and appropriate procedures are followed in this regard
(4)	The Committee makes periodic reporting to the Board along with its suggestions and recommendations
(5)	Adequate independence of the Committee is ensured from the Board
(6)	The Committee's recommendations contribute effectively to the decisions of the Board

Stakeholders Relationship Committee :

Sr. No.	Evaluation Criteria
(1)	The Committees are appropriately constituted and the composition is as per requirement
(2)	Effectively delivers respective functions prescribed under the Companies Act, 2013, Listing Regulations and the Committee Charter
(3)	Committee Meetings are regularly held, organised properly and appropriate procedures are followed in this regard
(4)	The Committee makes periodic reporting to the Board along with its suggestions and recommendations
(5)	Adequate independence of the Committee is ensured from the Board
(6)	The Committee's recommendations contribute effectively to the decisions of the Board

PERFORMANCE EVALUATION OF CHAIRPERSON

Sr. No.	Evaluation Criteria for Chairperson
(1)	Contribution/Guidance on business strategy
(2)	Well informed about the Company and external environment in which it operates
(3)	Understands governance, regulatory and fiduciary responsibility of Board/ Committees
(4)	Deployment of expertise in furthering business of Company
(5)	Exercising independent Judgement
(6)	Impartiality in conducting discussions, seeking views and dealing with dissent, etc. and focuses the board's attention on critical issues
(7)	Ability to keep shareholders' interests in mind during discussions and decisions
(8)	Scrutinizes the performance of management in meeting agreed goals and objectives
(9)	Understands governance, regulatory and fiduciary of Board/Committees
(10)	Upholding of the statutory compliance/ corporate governance
(11)	Availability and Attendance
(12)	Contribution at committees (of which the Chairperson is a member)

PERFORMANCE EVALUATION OF THE EXECUTIVE DIRECTOR

Sr. No.	Evaluation Criteria for Executive Director
(1)	Contribution/Guidance on business strategy
(2)	Well informed about the Company and external environment in which it operates
(3)	Deployment of expertise in furthering the business of the Company
(4)	Understands governance, regulatory and fiduciary responsibility of the Board/ Committees
(5)	Translates vision/strategy of the Company into feasible business or operational plans to achieve the objectives of the Company
(6)	Ability to influence and inspire
(7)	Initiative
(8)	Ensuring integrity of financial controls/risk management measures
(9)	Upholding of the statutory compliance/ corporate governance - Ensures that the Company's operations complies with requirements from all pertinent laws and regulations
(10)	Contribution to IIML Brand and Goodwill
(11)	Serves as an effective Company's representative in communicating with all stakeholders

PERFORMANCE EVALUATION OF NON-EXECUTIVE DIRECTORS

Sr. No.	Evaluation Criteria for Non-Executive Director
(1)	Contribution/Guidance on business strategy
(2)	Well informed about the Company and external environment in which it operates
(3)	Exercising independent Judgement
(4)	Deployment of expertise in furthering business of Company
(5)	Ensuring integrity of financial controls/risk management measures
(6)	Scrutinizes the performance of management in meeting agreed goals and objectives
(7)	Upholding of the statutory compliance/corporate governance
(8)	Availability and Attendance
(9)	Contribution at committees (of which he is a member)

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

Sr. No.	Evaluation Criteria for Independent Directors
(1)	Contribution/Guidance on business strategy
(2)	Well informed about the Company and external environment in which it operates
(3)	Exercising independent Judgement
(4)	Scrutinizes the performance of management in meeting agreed goals and objectives
(5)	Upholding of the statutory compliance/ corporate governance
(6)	Fulfillment of the independence criteria as specified in the Companies Act and LODR Regulations (Annexure 1)
(7)	Independence from the management
(8)	Availability and Attendance
(9)	Contribution at committees (of which he/she is member)