

EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Evaluation Policy

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under Clause 49 of the Listing Agreement (as may be applicable), the Board of Directors (Board) shall carry out an annual evaluation of its own performance and that of its Committees and individual Directors.

The performance of the Board and individual Directors shall be evaluated by the Board seeking inputs from all the Directors. The performance of the Committees shall be evaluated by the Board, seeking inputs from the Committee members. A template is prescribed to evaluate the performance of the directors and members of the Committees.

At the first stage, the Chairman of the Nomination and Remuneration Committee shall obtain from all the Board members duly filled in Board evaluation templates for evaluation of the performance of the Board as a whole, evaluation of the Committee members etc.

At the second stage, a separate meeting of independent Directors shall be held to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Based on such report of the meeting an Evaluation Report shall be placed before the Board.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings,

follow up actions on decisions taken etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, follow up actions etc. In addition the Chairperson is to be also evaluated on the key aspects of his/her role.

The summary of the evaluation reports shall be presented to the respective Committees and the Board for their consideration.

The details of the two policies are stated below.

POLICY ON BOARD DIVERSITY

Pursuant to the provisions of the Clause 49 of the Listing Agreement, the Policy on Board Diversity is framed and adopted.

The broad objectives of the Policy are:

- Diversity and inclusion initiatives based on sound business principles and objectives;
- To help the Company build a Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- To bridge the gap in Board composition for achieving optimum and balanced Board with a wide range of attributes; and
- To encourage healthy and open discussion and promote independence of judgment in Board and Committee deliberations.

REMUNERATION POLICY:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Remuneration Policy is framed and adopted.

The broad objectives of the Policy are:

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

While deciding on the remuneration for Directors, the Board and Nomination & Remuneration Committee considers the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and other relevant factors.

The performance of the Company and individual performance as well employees' potential, criticality and longevity in the grade are considered while determining remuneration to the Employees

EVALUATION DURING THE YEAR:

The Board has handed out the Templates and sought responses from all Directors/ members of the Committees and the same were evaluated and grades awarded by the independent Directors in their meeting held on 12th February, 2015 and the Report of the evaluation of the Board KMP and Committees were finalized by the Independent Directors and placed before the Board in the next Meeting.

TEMPLATE FOR EVALUATION

A	MISSION	Yes	No	Can't say	Grade Awarded
1.	The board understands the vision and the mission of the Company				
2.	The board is able to communicate the mission of the Company				
B	ROLE				
1	The board understands the separation of responsibility between management and the board.				
2	The board approves policies developed by management to assure the Association's objectives are met.				
3	The board committees function effectively to assist the board in conducting its business.				
4	The board understands the fund-raising strategy of the Company.				
5	The board gives the M.D enough authority and responsibility to manage the Company successfully.				
6	The board evaluates the M.D, Directors individually performance in a systematic and fair way on a regular basis.				
7	The board has a strategic vision of how the Company should be evolving over the next 3 to 5 years.				
8	Financial reports are understandable, accurate, and timely.				
9	The board has established appropriate investment policies.				
10	The organization has an effective public relations and marketing strategy.				
11	In its decisions, the board considers the view points, suggestions provided by the members				
12	The board is able to meet its financial goals for providing support to the Company.				
C	COMPANY				
1.	Board meetings are structured to make effective use of the members' time and talents.				
2.	Board members receive appropriate materials for timely decision making.				
3.	Board members demonstrate preparation for meetings through active participation in decision making.				

D	EDUCATION				
1.	Board members receive sufficient orientation to understand their duties.				
2.	The board is knowledgeable about the Company's current programs and activities.				
E	COMMENTS: Suggestions for strengthening the board				