



PRABHAT AGRI BITECH LIMITED

NOMINATION AND REMUNERATION POLICIES

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1. INTRODUCTION

Pursuant to Section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee shall:

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- formulate the criteria for evaluation of Independent Directors and the Board;
- devise a policy on Board diversity.

Therefore the key responsibilities of the Committee are:

- (a) To devise a policy on Board diversity;
- (b) To advise the Board regarding appointment, re-appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- (c) To formulate criteria for evaluation of the members of the Board and evaluate the performance of the Board as a whole and provide necessary inputs to the Board for further evaluation; and
- (d) To recommend to the Board a policy relating to Remuneration for the Directors, Key Managerial Personnel (KMP) Senior Management Personnel (SMP) and other employees. **2.**

DEFINITIONS

2.1. **“Board”** means the Board of Directors of the Company.

2.2. **“Company”** means “Nuziveedu Seeds Limited.”

2.3. **“Employees’ Stock Option”** means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at future date(s) at a pre-determined price.

2.4. **“Key Managerial Personnel”** or **“KMP”** means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.

2.5. **“Nomination and Remuneration Committee”** shall mean the Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

2.6. **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”

2.7. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

2.8. **“Senior Management”** means, personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

2.9. Interpretation

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the Companies Act, 2013 or the rules framed thereon.

3. POLICY ON BOARD DIVERSITY

3.1. Purpose of this Policy:

This Policy on Board Diversity (the “Policy”) sets out the Company’s approach to ensuring adequate diversity of thought, experience, knowledge, perspective and gender in its Board of Directors (the “Board”) and is devised in consultation with the Nomination and Remuneration Committee (the “Committee”) of the Board.

3.2. Policy Statement:

The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business in which it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to corporate management and the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of divergent knowledge skills, talent, regional and industry experience, background, race, gender and other distinctions amongst Directors. These diversities will be considered in determining the optimum composition of the Board and balanced appropriately. All Board

appointments are made on the basis of needs and merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole must pool to be effective.

3.3. Review of the Policy:

The Board and the Committee will review this Policy on a regular basis to ensure its efficiency, effectiveness and also comply with the Companies Act 2013.

3.4. Policy on Board diversity:

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc. or as may be considered appropriate.

The Board shall consist of such number of Independent Directors to fulfil the requirements of the Companies Act, 2013.

4. SELECTION CRITERIA, APPOINTMENT AND REMOVAL

Subject to the applicable provisions of the Companies Act, 2013, other applicable laws, if any and the Company HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

4.1. Criteria for appointment of Directors (including Independent Directors)

4.1.1. Qualifications for appointment

- Persons of eminence, standing and knowledge with notable achievements in business, professions and/or public service.
- Financial or business literacy/skills.
- Minimum age shall be 21 years.
- Seed, Agriculture, Rural Development, Logistics, Marketing or Manufacturing industry experience.

- Other relevant qualification/experience as per applicable provisions of Companies Act 2013, and rules made thereunder.

The Nomination and Remuneration Committee will have discretion to consider and fix any other criteria or norm for selection of the most suitable candidate/s.

4.1.2. **Positive attributes of Directors (including Independent Directors):**

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities with due accountability.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, operations, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's cordial relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

4.2. **Criteria for appointment of KMP/Senior Management:**

- To possess the required qualifications, experience, skills, expertise and competence to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- Ability to build teams and motivate the team members along for achieving the goals/objectives of the corporate mission.
- To possess high discipline and adhere to good ethical and moral standards in line with Company's Code of Conduct.

4.3. **Term / Tenure**

4.3.1. **Managing Director / Whole-time Director / Manager (Managerial Personnel)**

The Company may appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

4.3.2. **Independent Director**

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

(c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and to three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

(d) The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

4.4. Removal

Due to reasons of any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations and for other relevant reasons the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and KMP subject to the provisions and compliance of the applicable laws, rules and regulations.

4.5. Retirement

The Director, KMP and SMP shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and SMP in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

5. REMUNERATION POLICY

5.1. Objective

The objective of the Company's Remuneration Policy is to ensure that the Directors, Key Managerial Personnel's ("KMP's"), Senior Management Personnel's ("SMP's") and other employees of the Company are governed by comprehensive compensation criteria that foster meritocracy and right behaviors. Remuneration packages are designed to attract, retain and motivate high caliber personnel required to run the Company successfully.

The Remuneration Policy is guided by a common recognition, reward, retention framework and set of principles and objectives as more fully envisaged under section 178 of the Companies Act, 2013 read with related rules issued thereon, inter-alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

The policy is divided into separate sections for Directors, KMP's, SMP's and other employees of the Company. The basic guiding principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract, retain and motivate competent executives and the linkage of remuneration to performance is clear with appropriate performance benchmarks.

5.2. Remuneration to Directors

5.2.1. Remuneration to Executive Directors

The remuneration policy for the executive directors has been formulated, considering the following key principles including but not limited to the basic principle to have long term relationship with the Company:

5.2.1.1. Key Principles:

- **Linked to strategy:** A substantial portion of the executive director's remuneration is linked to success in developing and implementing the Company's strategy.
- **Performance related:** A part of the total remuneration varies with performance, aligned with the shareholder's interest.
- **Long term:** The structure of remuneration is designed to reflect the long term interests of the Company and significance of the protection of interest of the shareholders.
- **Fair treatment:** Total overall remuneration takes into account both the external market and company conditions to achieve a balanced "fair outcome".

5.2.1.2. Elements of the Remuneration structure of Executive Directors:

- **Fixed salary**

Company shall provide the base level fixed remuneration to reflect the scale and dynamics of the business and to be competitive with the external market.

- **Perquisites and Allowances**

Company shall provide such perquisites and allowances to the executive directors as may be considered necessary, keeping in view the market trend, industry standards etc.

- **Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.**

- Certain portion of the variable part of remuneration shall be dependent on short term performance against the annual plans of the Company.

- Substantial portion of the variable part of the remuneration shall be linked with the long term performance. The level varies according to the performance relative to the measures linked to strategic priorities.

➤ Premium for Indemnity Insurance

The company may pay premium for indemnity Insurance to cover the liability of executive directors of the Company towards any claims that may be filed against any of the executive directors of the Company.

Pursuant to the provisions of Section 197 of the Companies Act, 2013, where any insurance is taken by a company on behalf of its Managing Director, Whole-Time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

➤ Other benefits in accordance with the market practice and industry analysis.

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

5.2.1.3. The remuneration to any one Managing Director or Whole Time Director or Manager shall not exceed five percent of the net profits of the Company and if there is more than one such director remuneration shall not exceed ten percent of the net profits to all such directors and Manager together. In case the Company has no profits or inadequate profits, the remuneration of Managing Director or Whole Time Director or Manager shall be paid in accordance with the provisions laid down under schedule V of the Companies Act, 2013.

5.2.1.4. A Managing or Whole-Time Director of the Company who is in receipt of any commission from the Company may also receive any remuneration or commission from any holding company or subsidiary company of the Company subject to ceiling limits prescribed under 5.2.1.3 and its disclosure by the company in the Board's report.

5.2.2. Remuneration to Non-Executive Directors & Independent Directors (*“Collectively referred to as NED’s”*)

This Section deals with the requirements pertaining to the remuneration structure of NED's.

5.2.2.1. Key Principles:

- Remuneration should be sufficient to attract, retain and motivate best non-executive talent which meets the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for NED's.
- Independent Directors are not entitled to have any stock options.

5.2.2.2. Elements of the Remuneration structure of NED's:

- **Fee for attending Board, Committee and other meetings**
 - NED's may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board from time to time.
 - The amount of fees shall not exceed the amount as may be prescribed under Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendment thereto.
 - The amount of fee to Independent directors shall not be less than the fee payable to other directors. ○ The Board shall review the quantum of fee of NED's as may be considered necessary keeping in view the industry trends, corporate practices, Company's performance, shareholder's interest and the relevant statutory guidelines issued from time to time.
- **Commission on profits** ○ In addition to the fee paid by the Company for attending Board and Committee meetings, NED's may receive commission on profits of the Company as may be decided by the Board within the limits as specified in the Companies Act, 2013 read with related rules issued thereon and all other applicable laws.

While determining the amount of fee and commission on profits, the Board shall take into account the market practice, the performance of the Company, the travel and time commitment required for attending Board and Committee meetings and extent of responsibilities cast on directors under the various laws and other relevant factors.

➤ **Reimbursement of expenses**

- NED's shall be entitled to reimbursement of expenses on travelling, lodging, boarding and other expenses incurred for participation in the Board and Committee meetings or for any other purpose as may be decided by the Board.

5.2.2.3. Ceiling of one percent of Net profit

The amount of commission to NED's, premium for health insurance for non-executive directors including independent directors and their spouses shall not exceed 1% of the Net profits of the Company. The ceiling of one percent of net profits shall be exclusive of the fees payable to directors.

5.3. Remuneration to Key Managerial Personnel

The remuneration to Key managerial personnel's of the Company i.e. Managing Director/Chief Executive Officer/ Whole Time Director, Company Secretary and Chief Financial Officer as defined under Companies Act, 2013 read with related rules issued thereon, will be fixed after taking into account educational and professional qualification, experience & expertise of the personnel and the competitive market practices.

5.3.1. Key Principles:

- Remuneration should be sufficient to attract, retain and motivate best talent which suits the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel's.

5.3.2. Elements of the Remuneration structure of KMP's:

The remuneration to key managerial personnel shall include:

- Fixed salary
- Perquisites and Allowances
- Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.
- Over and above, the key managerial personnel may be offered –

- Special awards for breakthrough business performance ○

Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on agreed criteria of individual performance, company performance, market environment and future plans.

5.4. Remuneration of Senior Management Personnel

- The remuneration to Senior Management personnel shall be fixed considering internal and external factors with due regard to and individual and procedural equity.
- Remuneration to Senior Management Personnel shall include –
 - Fixed Salary
 - Perquisites and Allowances
 - Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.
 - Over & above, the Senior Management Personnel may be offered –
 - Retention Bonus, where deemed fit, to ensure continuity of service depending upon:
 - Criticality of the role
 - Difficulty of replacement
 - Risk of Resignation ○ Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on agreed criteria of individual performance, company performance, market environment and future plans.

5.5. Remuneration to other employees

- The grades / job shall primarily determine the distinction in the pay fixation for different levels of employees.
- Wage and salary structure shall be kept simple and avoid unnecessary complexity so as to provide effective compensation and reward to employees.

- Retention bonuses may be given and the formula / criteria wherever devised shall be subject to decision of the management.
- The discipline of normal Bell Curve distribution shall however form an integral part of determining the pattern of pay-raise among the entire spectrum of employees.
- Annual Pay increases shall be based on a combination of competency and performance rating.

6. Framework for performance evaluation of Directors and the Board

As per the provisions of Section 178 (2) of the Companies Act, 2013, the Nomination and Remuneration Committee (the “Committee”) shall carry out evaluation of every Directors performance.

The self-evaluation framework shall cover the Board as a whole i.e. the Board itself, its Committees and individual directors and it shall facilitate the Board in assessing its own performance in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee shall, once in a year, undertake the evaluation processes as per criteria laid down under clause 6.2 and submit a report to the Board.

6.1. The Board shall consider the evaluation report of Nomination and Remuneration Committee and conduct a self-evaluation of the overall policies and processes of the board and its committees and effectiveness of corporate governance. It is the responsibility of the Chairman of the Board, supported by the Company Secretary, if any of the Company, to organise the evaluation process (refer Exhibit 4) and act on its outcome;

6.2. The self-evaluation criteria for the Board, its committees and individual directors shall be broadly based on the following parameters:

6.2.1. **Board** (refer Exhibit 1)

6.2.1.1. Degree of fulfillment of key responsibilities;

6.2.1.2. Board structure and composition;

6.2.1.3. Establishment and delineation of responsibilities to committees;

6.2.1.4. Effectiveness of Board processes, information and functioning;

6.2.1.5. Board Culture and Dynamics;

6.2.1.6. Quality of relationship between the Board and the Management

6.2.1.7. Efficacy of communication with external stakeholders.

6.2.2. **Committees of Board** (refer Exhibit 2)

6.2.2.1. Degree of fulfillment of key responsibilities

6.2.2.2. Adequacy of committee composition

6.2.2.3. Effectiveness of meetings

6.2.2.4. Committee dynamics

6.2.2.5. Quality of relationship of the committee with the Board and the management

6.2.3. **Individual Directors** (refer Exhibit 3)

6.2.3.1. Attendance

6.2.3.2. Contribution at meetings

6.2.3.3. Guidance /support to management outside Board / Committee meetings

6.2.3.4. Effectiveness as Chairman (applicable to Chairman of Board or its committees)

6.2.4. In addition to above, the Executive Directors shall be evaluated on the basis of performance targets / criteria fixed to them by the board from time to time.

6.3. The Directors are required to complete the evaluation forms and submit the same to the Chairman of Nomination and Remuneration Committee.

6.4. In terms of Section 134 of the Act, the Directors' Report should include a statement indicating the manner in which the Board has done formal annual evaluation of its own performance and that of its Committees and also of individual Directors of the Company.

7. DISCLOSURES

The Company shall disclose these policies on its website, if any and provide the web-link in the Annual Report.

8. AMENDMENT

Any amendment or modification in the applicable regulation relating to Nomination and Remuneration Committee shall automatically be applicable to the Company.

EXHIBIT 1 - BOARD - SELF-EVALUATION QUESTIONNAIRE TEMPLATE

This questionnaire has been designed to evaluate the Board. Every question would need to be evaluated on a 5 point scale as given below.

Strongly disagree		Neither agree nor disagree		Strongly Agree
1	2	3	4	5

The questionnaire also provides for space for qualitative comments.

I. Degree of fulfillment of key responsibilities	
The Board satisfactorily meets the key criteria for long term value creation for all stakeholders (as established by the Board and specific to the Company strategy)	
The Board effectively performs the responsibilities as required by law (i.e. as provided in Act and Clause 49)	
The Board effectively reviews and approves the Annual Operating Plan (including the strategy and the resources plan)	
The Board shows effective oversight of maintenance of high standards of values and ethical conduct of business	
The Board devotes sufficient time in review of audit findings and monitoring of action plan	
The Board takes adequate actions towards the protection and enhancement of the company's brand	
Comments:	
II. Board structure and composition	
The Board is staffed adequately (in terms of size, skills / expertise, experience and gender) to carry out the responsibilities	
The Board has a composition of directors aligned to the needs and strategy of the company	
Comments:	
III. Establishment and delineation of responsibilities to committees	
The committees established by the Board are effective in terms of their number and scope	
There is clarity between the Board and every committee with respect to the role played	

The committees are effective in fulfillment of responsibilities delegated to them	
There is good coordination and cohesiveness in the working of the Board and the committees	
Comments:	
IV. Effectiveness of Board processes, information and functioning	
The frequency of Board meetings is adequate	
The agenda discussed in the meetings is clear and realistic in terms of number and nature of items to be covered	
Time allotted for every meeting is adequate to cover all agenda items	
Information provided for the meeting is adequate and presented in a way that facilitates productive discussion (i.e. material is relevant with the right amount of detail and is “reader-friendly”)	
Information required for the meeting is provided with adequate time for preparation	
Sufficient time is spent in discussing critical issues / issues of strategic importance	
The Board does not wander into unwanted minutiae or tangents while discussing agenda items	
The Board is able to add value in matters of critical significance for the company	
Discussions/ decisions made in the meeting show a large degree of alignment with the overall company strategy	
The minutes of the meeting effectively capture the discussion/ decisions taken and the post meeting actions	
There is an effective system for monitoring and driving closure of critical post meeting actions/ decisions	
Comments:	
V. Board Culture and Dynamics	
All directors have clarity of their role and responsibilities	

All directors feel free to speak their mind and contribute effectively on key issues	
There is cohesiveness in the overall working of the Board	
There is adequate dialogue and participation from directors on critical issues and issues of strategic importance	
Conflict/ differences of opinion between directors are managed constructively. Directors are respectful to each other	
Comments:	

VI. Quality of relationship between the Board and the Management	
There is clarity between the Board and the management with respect to the role played by each of them	
Board members are accessible to senior management employees and vice-versa	
Adequate opportunities are availed by the Board to be exposed to the company's management and to understand the company's products and operations	
The management shows a high degree of responsiveness to the guidance/ direction provided by the Board	
The Board is apprised in a timely manner by the management of important developments affecting the company	
There is mutual trust between Board members and senior management	
Comments:	
VII. Efficacy of communication with external stakeholders	
The Board is adequately involved in communication with various external stakeholders/ public constituencies such as the media, financial community, employees, shareholders, agents, dealers, distributors and importers	
The Board (where involved) is effective in communication with various external stakeholders/ public constituencies	
Comments:	

Overall Comments

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EXHIBIT 2: BOARD COMMITTEE - SELF-EVALUATION QUESTIONNAIRE TEMPLATE

This questionnaire has been designed to evaluate the committee. Every question would need to be evaluated on a 5 point scale as given below.

Strongly disagree	Neither agree nor disagree	Strongly Agree
1	2	3
4	5	

The questionnaire also provides for space for qualitative comments.

I. Degree of fulfillment of key responsibilities	
The committee effectively performs the responsibilities as outlined in the charter	
The mandate of the committee is sufficient in addressing the objectives for which it was set up by the Board	
Comments:	
II. Adequacy of Committee Composition	
The Committee is staffed adequately (in terms of size, skills/ expertise, experience) to carry out the responsibilities	
Comments:	
III. Effectiveness of meetings	
The frequency of committee meetings is adequate	
The agenda discussed in the meetings is clear and realistic in terms of number and nature of items to be covered	
Time allotted for every meeting is adequate to cover most of the agenda items	
Information provided for the meeting is adequate, timely and presented in a way that facilitates productive discussion (i.e. material is relevant with the right amount of detail and is “reader-friendly”)	

Sufficient time is spent in discussing critical issues/ issues of strategic importance	
The committee does not wander into unwanted minutiae or tangents while discussing agenda items	
Appropriate balance is maintained in analyzing the past, discussing current issues and planning for future	
Discussions/ decisions made in the meeting show a large degree of alignment with the overall company strategy	
There is an effective system for monitoring and driving closure of critical post meeting actions/ decisions	
Comments:	
IV. Committee dynamics	
All members have clarity of their role and responsibilities	
All members feel free to speak their mind and contribute effectively on key issues	
There is cohesiveness in the overall working of the committee	
There is adequate dialogue and participation from members on critical issues/ issues of strategic importance	
Conflict/ differences of opinion between members are managed constructively	
Members are respectful to each other	
Comments:	
V. Quality of relationship of the committee with the Board and the management	
There is clarity between the Board, management and committee with respect to the role played by the committee	
There is good coordination and cohesiveness in the working of the Board, management and the committee	
Committee members are accessible to senior management employees	

Adequate opportunities are availed by the committee to be exposed to the company's management and to understand the company's products and operations	
The Board and the management shows a high degree of responsiveness/ acceptance of the guidance/ direction provided by the committee	
Comments:	

EXHIBIT 3 - INDIVIDUAL DIRECTOR - SELF-ASSESSMENT QUESTIONNAIRE TEMPLATE

This questionnaire has been designed to enable self-assessment by every individual director. Every question would need to be evaluated on a 5 point scale as given below.

Strongly disagree		Neither agree nor disagree		Strongly Agree
1	2	3	4	5

Name:	Role:	
I. Attendance (captured from records of meetings)		
II. Contribution at meetings		
I am well informed of the agenda and well prepared on the issues to be discussed		
I provide meaningful and constructive contribution and inputs in meetings		
I display independence of judgment		
I display candor in expressing views even when they are in divergence with the rest of the Board		
I have built effective working relationships with other Board members		
III. Guidance/ support to management outside Board/ Committee meetings		
I am accessible to the senior management of the company and have built effective working relationships with them		
I provide a good degree of direction/guidance to senior management outside of meetings		
I display initiative with respect to follow-up and closure of critical issues		

I display a good degree of understanding of the company, industry, sector, geography (including risks, current operational and environmental context, emerging trends)	
I am proactive in efforts to gain knowledge about the company, industry, sector and geography	
IV. Effectiveness as Chairman (applicable only to Chairman of Board / of its Committees)	
I provide effective leadership to the Board / Committee	
I set an effective strategic agenda of the Board / Committee (in conjunction with the company's management) with focus on long term value creation for all stakeholders	
I encourage active engagement by all the members of the Board / Committee and promote effective relationships and open communications.	
I communicate effectively with all stakeholders and enable meaningful relationships, as required.	
I motivate and provide guidance to the MD/ CEO.	

EXHIBIT 4 - EVALUATION TEMPLATE FOR ASSESSMENT BY THE CHAIRMAN

Name of the Director:

Period of review:: FY 2014-15

Sr. No.	Criteria of Evaluation	Rating				Comments, if any
		1	2	3	NA	
I	Knowledge to perform the role					
1	Demonstrates knowledge of the sector in which the company operates					
2	Has knowledge and familiarity with the business of the Company, its subsidiaries, plants etc.					
3	Has an understanding of the key risks applicable to the Company					
4	Has kept himself / herself abreast through Familiarisation Programme / module					
5	Has an understanding of the key policies of the Company					
6	Is aware of key information furnished by the Company to SEBI / Stock exchanges.					
II	Time and Level of Participation					
1	Has attended meetings of the Board or Board committees where he is a member					
2	Has attended general meetings of the Company including the Annual General Meeting					

3	Has participated as part of the Board / Committee meeting on performance of the Company v/s Budgets					
4	Has participated at Audit Committee meetings and discussed with Internal Auditors to understand various concerns					
5	Has participated at Audit Committee meetings and discussed with Statutory Auditors to understand various concerns					
6	Has participated at Board Meetings to understand litigations, etc.					
7	Have had discussions with the management at various meetings to understand the following:					
	- Key performance drivers and reason for key variations in financial numbers compared to prior quarters.					
	- Key areas of judgement and estimates					
	- Key accounting positions taken by the Company which have a bearing on the financial performance					
	- Understanding if any expert assistance is needed in any of the areas					
	- Adequacy of internal controls on financial reporting					
8	Does not unfairly obstruct the functioning of the Board or Committee of the Board where he is a member					

Sr. No.	Criteria of Evaluation	Rating				Comments, if any
		1	2	3	NA	
III	Performance of Duties and Level of Oversight					
1	Has reviewed levels of remunerations and terms of appointment of executive directors, key management personnel and senior management.					
2	Has reviewed levels of remunerations and terms of appointment of statutory auditors, including independence, compliance of non-audit services rendered by the statutory auditors.					
3	Has ensured that concerns raised are addressed by the Board. If significant concerns are not addressed, ensures that these are recorded in the minutes of the Board meeting.					
4	Has reviewed the Related Party transactions and ensured that they are in the interest of the Company.					
5	Has participated constructively and objectively in all meetings of the Board or committee of the Board where he is a member					
6	Has evaluated all significant complaints and whistle blower information received by the Company					

7	Has ensured that the money spent on CSR has been as per the CSR policy approved by the CSR committee.					
8	Has reviewed the Annual Report, especially the Management Discussion & Analysis.					
9	Has acted within his authority, assisted in protecting the legitimate interests of the Company, shareholders, employees and other stakeholders.					
IV	Professional Conduct and Independence					
1	Has complied with the Code of Ethics of the Company					
2	Has complied with the Insider Trading Policy of the Company					
3	Has maintained confidentiality of all information obtained in the capacity of an Independent Director.					
4	Has provided timely declarations/disclosures to the Company as required under the Companies Act 2013.					
5	Has intimated the Company immediately if there is any issue relating to Independence.					
6	Has not abused his position for gaining any personal benefit either for himself or any person related.					
7	Has no litigation pending relating to issues of integrity.					

Key to ratings

Description	Rating
Does not meet evaluation parameter	1
Meets evaluation parameter	2
Exceeds evaluation parameter	3
Not Applicable	NA