

MAHANAGAR GAS LIMITED
NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION :

Mahanagar Gas Limited has, right from inception, considered its human resource as an invaluable asset. The Company, taking forward its compliance with the regulatory requirements has formulated a Nomination and Remuneration Policy ("**Policy**") pursuant to the requirement of section 178 of the Companies Act, 2013 read along with rules thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other regulatory provisions, as applicable. The Board has constituted Nomination and Remuneration Committee ("**Committee**") consisting of three or more non- executive directors out of which not less than one-half are independent directors and the Chairman of the said Committee is an Independent Director. The Policy has been formulated by the Committee and same was recommended for approval of the Board of Directors. The Board of Directors approved the Policy in its meeting held on September 22, 2015. The policy has been formulated in order to pay equitable/suitable remuneration to the Directors, Key Managerial Personnel, Senior Management and other employees and to harmonize the aspirations of human resources consistent with the goals of the Company.

2. OBJECTIVES :

- i) To ensure an effective process for selection of new directors and assessment of the Board, Board Committees and individual directors which will result in the required mix of skills, experience and responsibilities being present on the Board.
- ii) To establish, review and report to the Board on a formal and transparent procedure for developing a policy on Executive Directors' remuneration and compensation of Non-Executive Directors; and
- iii) To lay down remuneration principles for employees linked to their effort, performance and achievement relating to the company's goals.
- iv) To motivate and promote the talented managerial personnel for ensuring long term sustainability

3. DEFINITIONS:

- i. 'Act' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

- ii. 'Board' means the Board of Directors.
- iii. 'Directors' mean Directors of the Company.
- iv. 'Key Managerial Personnel' (KMP) means;
 - a. the Chief Executive Officer or the Managing Director or the manager;
 - b. the Company Secretary;
 - c. the Whole-time Director;
 - d. the Chief Financial Officer; and
 - e. such other officer as may be prescribed.
- v. 'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management at one level below the executive directors, including the functional heads.
- vi. 'Company' means Mahanagar Gas Limited.
- vii. 'Independent Director' means a Director referred to in Section 149(6) of the Act.

4. ROLES AND RESPONSIBILITIES OF THE COMMITTEE :

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to, the remuneration of the Directors, key managerial personnel and other employees;
- ii. Formulating criteria for evaluation of performance of independent directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Review the Terms and Conditions of services including remuneration in respect of Technical Director and Managing Director and submit their recommendation to the Board.
- v. Identifying persons who are qualified to become directors and who may be appointed in senior managerial positions in accordance with the criteria laid down and recommended to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- vi. To extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.

- vii. Evaluating the current composition, organization and governance of the Board and its Committees, as well as determine future requirements and make recommendations to the Board for approval;
- viii. Determining on the basis of desired Board qualifications, expertise and characteristics and conducting searches for potential Board members with corresponding attributes. Evaluate and propose Nominees for election to the Board whenever a need arises. In performing these tasks, the Committee shall have the sole authority to retain and terminate any Search Firm to be used to identify Director candidates;
- ix. Evaluate and recommend termination of membership of individual Directors for acting against the interest of the company;
- x. Recommend to the Board regarding the appointment, promotion and removal of the senior management personnel at such level/s.
- xi. Review, amend, modify and approve all other Human Resources related Policies of the Company from time to time;
- xii. Review and recommend to the Board the Manpower Plan/budget, sanction of new senior management position from time to time in future;
- xiii. Review and recommend to the Board, on matters relating to revision of compensation/salary and long term wage settlements.
- xiv. Review with the management, all HR related issues from time to time so as to maintain harmonious employer-employee relations;
- xv. Periodically review and re-examine the Terms of Reference and make recommendation to the Board for any proposed changes;
- xvi. The Committee, in order to perform its duties better, shall have authority to obtain advice, reports or opinions from internal or external counsel and expert advisors.
- xvii. Ensure there should be a proper induction program for new Directors, KMP and Senior Management and reviewing its effectiveness; ensure that on appointment receive a formal letter of appointment in accordance with guidelines provided under the Act.
- xviii. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

- xix. Delegating any of its powers to one or more of its members.
- xx. Consider and determine the Remuneration policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;
- xxi. The Committee should ensure that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- xxii. Recommend any necessary changes to the Board; and considering any other matters, as may be requested by the Board;
- xxiii. The Chairperson of the nomination and remuneration committee or in his absence any member of the Committee authorised in this behalf shall be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

5. APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

I. Appointment criteria /qualifications

- i. The Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his /her appointment.
- ii. A person to be appointed as Director, KMP or Senior Management shall possess the attributes identified and ascertained by the Committee and has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory and befitting for the concerned position.
- iii. A person to be appointed as Director, KMP or other Senior Management shall have knowledge, expertise and prior experience in sectors/areas relevant to the Company and shall be a person who can actively contribute to the Company's growth and shall possess skills that are complimentary to the skills of his/her fellow Board members.
- iv. The Company shall not appoint or re-appoint or continue the employment of any person as Managing Director/Whole Time Director who has attained the age of sixty years and shall not appoint Independent Director who has attained the age of seventy years(voluntarily fixed by the company) provided the term of the person holding this position may be extended at the

discretion of the committee beyond the age of sixty years/seventy years if the Company is of the opinion that the expertise of the person/s so retiring shall be useful for furthering the growth and prosperity of the company. However in doing so the Company shall follow the regulatory requirements as enshrined in the Act.

v. KMP of the Company shall not hold office as KMP in more than one Company except in its subsidiary company at the same time. However, KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

II. Term/Tenure

i. Managing Director and Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director 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.

ii. Independent Directors

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment for a maximum term of five consecutive years on passing special resolution by the Company and such appointment/re-appointment shall be disclosed in the Board's report. No Independent Director shall hold office for more than two consecutive terms of five years each, 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. Adhering to the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Independent Directors, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies and three listed as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

III. Evaluation

The Committee shall carry out evaluation of performance of Directors yearly or at such intervals may be considered necessary and formulate the criteria and framework for evaluation of performance of Directors of the Company. Performance evaluation checklist is attached herewith as Annexure – 1.

IV. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance with the Act, rules and regulations and the terms of employment of the Company.

V. Retirement

The KMP shall retire as per the applicable provisions of the Act and the terms of employment of the Company. The Board will have the discretion to retain the KMP, even after attaining the retirement age, for the benefit of the Company.

6. REMUNERATION TO DIRECTORS, KMP AND SENIOR MANAGEMENT:

I. The remuneration and compensation to be paid to the Directors, KMP and Senior Management will be determined by the Committee and recommended to the Board for their approval. The remuneration and compensation shall be paid subject to approval of the shareholders and Central Government, whenever required.

The remuneration and compensation to be paid to the Directors shall be in accordance with the respective clause/s of the Articles of Association of the Company and as per the provisions of the Act.

Any revision in the existing remuneration and compensation structure may be recommended by the Committee to the Board which would be within overall limits as approved by the shareholders of the company.

Where any insurance is taken by the Company on behalf of its Managing Director, Directors, Chief Financial Officer, Company Secretary and Senior Management and any other employees for indemnifying them against any liability, the premium payable to any such personnel shall not be treated as part of their remuneration. However if the person for whom the premium is paid by the company is proved to be grossly negligent in performing his/ her duties , the premium paid on such insurance shall be treated as part of the remuneration of such person.

II. Minimum Remuneration

The Company with no profits or if its profits are inadequate, the Company shall pay remuneration to its Directors, including any Managing or Whole time Director in accordance with the provisions of Schedule V of the Act. Previous approval of the Central Government is required, if the Company is not able to comply with the provisions of Schedule V of the Act.

7. COMPENSATION TO INDEPENDENT DIRECTORS :

I. Compensation

The compensation payable to each Independent Director is based on the compensation structure as determined by the Board, and is revised from time to time, depending on the Company's performance and the provisions of the Act. The compensation to the Independent Directors may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company as per the applicable provisions of the Act.

II. Stock Option

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

III. Compensation for services in Professional Nature

Any compensation paid to Non-Executive /independent Directors for services rendered which are of Professional in nature shall not be considered as part of the compensation if the following conditions are satisfied:

- a. The services are rendered by such Director in his capacity as the Professional; and
- b. In the opinion of the Committee, the Director possesses the requisite qualifications for the practice of that profession.

IV. Sitting Fees

The Independent Director may receive compensation by way of sitting fees for attending meetings of Board or Committees thereof as may be decided by the Board. Presently the amount of sitting fees fixed for attending meetings of the Board is Rs 30,000/- (Thirty Thousand Only and Committees is Rs. 25000/- (Twenty Five Thousand Only) per meeting.

V. Commission.

The Company has a policy of paying Commission to Non-Executive Independent Directors and the amount is determined in the following manner;

- (i) If the attendance in the Board Meeting is 80% or more -
No. of Meeting HELD X Rs 50,000
- (ii) If the attendance in the Board Meeting is less than 80% -
No. meeting ATTENDED X Rs 50,000
- (iv) Additional payment of Rs 10,000/- payable for chairing Committee meetings.
- (v) The Commission shall not exceed 1% of the net profit of the Company in any financial year.

8. IMPLEMENTATION :

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Company shall disclose the composition of NRC committees of Board on its website in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Committee may delegate any of its power to one or more of its members. This policy shall be reviewed by the Committee as and when any notification or amendments are notified by the regulatory authorities affecting the policy formed hereunder. Any changes or modifications in the policy as recommended by the Committee would be submitted for approval of the Board of Directors. The Policy shall be effective from the date of approval by the Board, unless specified otherwise.

Annexure - 1

MAHANAGAR GAS LIMITED

**GUIDELINES & PROCEDURE FOR MONITORING AND REVIEWING PERFORMANCE
EVALUATION**

M. G. L.

GUIDELINES & PROCEDURE FOR MONITORING AND REVIEWING PERFORMANCE EVALUATION

Pursuant to section 134(3) (p) and other applicable provisions of the Companies Act, 2013 read with Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015), the company has to formulate the procedures for monitoring, reviewing and laying down the criteria to evaluate the performance of the Board, Committees of the Board and Individual Directors of the Company.

The purpose of evaluation or performance rating is to create and maintain an energized, proactive, effective and powerful top level management of the company for its future growth, expansion, and diversification and also to maximize the returns on investment to the stakeholders of the company.

EFFECTIVENESS OF THE BOARD:

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained from each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

REQUIREMENTS AND RESPONSIBILITY AS ENTRUSTED AS PER COMPANIES ACT, 2013 AND LISTING REGULATIONS:-

The requirement and the responsibility entrusted on the Board of Directors, Nomination and Remuneration Committee and Independent Directors with regard to performance evaluation emanates from Section 134(3)(p) & Part VII & VIII of Schedule IV (Code for Independent Directors) of Companies Act 2013 and Regulation 17(10), 19 & 25(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESPONSIBILITY:

It shall be the duty of the Board, who shall be supported by the Management to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the Directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

a) Responsibility of the Board:

It shall be the duty of the chairperson of the Board, who shall be supported by a Company Secretary to organise the evaluation process and accordingly conclude the steps required to be taken. The Board of Directors shall undertake the following activities on an annual basis

- The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.
- The Board shall evaluate the performance of various Board committees and provide the suggestions on improving the effectiveness of the committee. Also, the requirement of establishing any new committees shall be reviewed by the Board on an annual basis.

- The Board shall evaluate the performance of all the Individual Directors.
- Ensure that adequate disclosure is made with regard to performance evaluation in the Board's Report.

b) Responsibility of Independent Directors:

Independent Directors are duty bound to evaluate the performance of non-independent Directors and Board as a whole. The independent Directors of the Company shall hold at least one meeting (without the presence of non-independent Directors) in a year to review the performance of non-independent Directors, performance of the Chairperson of the Company and Board as a whole, taking into account the views of executive Directors and non-executive Directors.

The Independent Directors at their separate meeting shall:

- Review the performance of the Board as a whole.
- Review the performance of non-independent Directors.
- Review the performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Evaluation of Independent Director shall be carried on by the entire Board of Directors of the Company except the Director getting evaluated.

c) Responsibility of the Nomination & Remuneration Committee:

It shall evaluate the performance of individual Directors of the Company as per its terms and the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 (2) of the Companies Act, 2013. In accordance with the Listing Regulations, the NRC shall formulate the criteria for performance evaluation of independent Directors and the Board of Directors.

A summarised table of requirements as per the provisions of Companies Act, 2013 and Listing Regulations:-

Requirements as per Companies Act, 2013 and Listing Regulations.		
NRC	Shall lay down the evaluation criteria for performance evaluation of independent Directors and the Board of Directors.	Part D of Schedule II of Listing Regulations
	Shall carry out evaluation of every Director's performance.	u/s 178 (2) of the Companies Act
Board of Directors	Annual evaluation of its own performance.	u/s 134(3)(p) of the Companies Act
	Annual evaluation of all Board committees.	u/s 134(3)(p) of the Companies Act
	Annual evaluation of all the individual Directors including independent Directors.	u/s 134(3)(p) of the Companies Act
	Annual evaluation of all the independent Directors.	Regulation 17(10) of the Listing Regulations
(Evaluation to be done by entire Board - excluding the Directors being evaluated)		
Independent Directors (in a separate meeting)	Review the performance of the Board as a whole.	Regulation 25 (4) the Listing Regulations and Schedule IV of the Companies Act.
	Review the performance of Non-Independent Directors.	Regulation 25 (4) the Listing Regulations and Schedule IV of the Companies Act.
	Review the performance of the Chairperson of the company, taking into account the views of executive Director's and non executive Directors.	Regulation 25 (4) the Listing Regulations and Schedule IV of the Companies Act.

EVALUATION MECHANISM:-

Periodicity:-

There will be annual evaluation of the performance of the Board including the committees and all the individual Directors.

Questionnaire

Nomination and Remuneration Committee has laid down the indicative questionnaire as a tool for conducting the evaluation of the Board and the following key aspects have been considered in formulation of the questionnaire:-

- A. Board Composition & Performance
- B. Company's Business Issues
- C. Financial Reporting & Internal Controls.
- D. Ethics.

NRC has also laid down the indicative questionnaire as a tool for conducting the evaluation of the Committees and the Independent Directors, which is designed on the basis of Board dynamics & relationship, performance of duties & level of oversight, professional conduct & independence, information flow, relationship with stakeholders, core competencies, company performance, company strategy, effectiveness of Board & Committees, etc.

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, its committees and individual Directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Appraisal of the performance of Board as a whole, all Board Committees, and for all the individual Directors shall be based on the questionnaire form. To complete the form, the evaluators need to give score for each item in the questionnaire based on the following parameters:-

Sr. No	Rating Scale	Score
1	Strongly Agree	4
2	Partially Agree	3
3	Neither Agree nor Disagree	2
4	Not Agree	1

Procedure to be followed for performance evaluation:-

- The NRC shall lay down the criteria for performance evaluation of Independent Directors and the Board of Directors.
- The NRC shall carry out evaluation of every Director's performance.
- A list of the questionnaire as mentioned in the guidelines may be given either to each Individual Directors or to a Lead Director (appointed in this regard) for the evaluation of followings:-
 - Board of Directors as a whole,
 - Committees of the Board,
 - Independent Directors
 - Non-Independent Directors
- The NRC can adopt any procedure either average score of all the individual directors or collective views of all the directors summarised by the Lead Director (appointed in this regard) for the purpose of performance evaluation of Board, Committees and all the individual directors.
- The Independent Directors in a separate meeting shall review the performance of the Board as a whole and Non-Independent Director.
- The Independent Directors in a separate meeting shall review the performance of the Chairperson of the Board taking into account the views of executive and non-executive Directors.
- The final report / documents of the performance evaluation shall be placed before the Chairman.
- The Chairman shall keep the final performance evaluation report / documents in a sealed envelope and shall handover the said sealed envelope to the Company Secretary for custody and future reference.

Questionnaire for evaluation of Board of Directors:-

A list of specific issues and questions that to be considered in performance evaluation of the Board is set out below:-

S. No.	Assessment Criteria	Collective Score
A.	<u>Board Composition & Performance</u>	
1	Board has directors with a proper mix of competencies and with enough qualification & experience to conduct its affairs effectively.	
2	Frequency, attendance and participation by the Board members at the Board meetings are adequate and the Board has the proper number of committees as required by legislation and guidelines, with well-defined terms of reference and reporting requirements.	
3	The Board members demonstrate highest level of integrity (including maintaining confidentiality and identifying, disclosing and managing conflicts of interests) and the actions arising from board meetings are properly followed up and reviewed in subsequent Board meetings.	
4	The Board understands the legal requirements and obligations under which they act as a Board; i.e. bylaws, corporate governance manual etc. and discharge their functions accordingly.	
B.	<u>Company's Business Issues</u>	
1	Significant time of the Board is being devoted to management of current and potential strategic issues and Board overall reviews and guides corporate strategy, major plans of action, risk policy, annual budgets, business plans, corporate performance and oversees major capital expenditures.	
2	The Board reviews and approves the process adopted by management to effectively identify, assess and respond to key organization risks.	
3	The Board reviews the organization performance in conjunction with the performance of its peers and competitors.	
C.	<u>Financial Reporting and Internal Controls and others</u>	
1	The Board members spend sufficient time in understanding the vision, mission of the company and strategic and business plans, financial reporting risks and related internal controls and provides critical oversight on the same.	
2	The Board considers Internal Audit Reports, Management's responses and steps towards implementation and the Board periodically reviews the actual result of the Company vis-à-vis the plan/ policies devised earlier, Statutory Audit Reports, Cost Audit Reports, and Secretarial Audit Reports.	
3	The Board ensures the quality and appropriateness of financial accounting and reporting, transparency of disclosures and ensures that all significant observations of the auditors are attended to by the management.	

S. No.	Assessment Criteria	Collective Score
D.	Ethics	
1	The Board oversees the process and notified of communications received from governmental or Regulatory agencies related to alleged violations and areas of non-compliance.	
2	The Board monitors compliances with corporate governance regulations and guidelines and oversees the implementation of Company's policies viz. Whistle Blower and Sexual harassment etc.	
3	The Board ensures the assignment of senior-level, competent persons to understand relevant legal and regulatory requirements and also ensure about ongoing development program to enhance skills of its members.	
4	The Board monitors and manages potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.	

Questionnaire for evaluation of Independent Directors:-

A list of specific issues and questions that to be considered in performance evaluation of Independent Directors are set out below:

S. No.	Assessment Criteria	Collective Score
1	Independent from the entity and the other directors and there is no conflict of interest	
	Meets separately with other Independent directors without management representatives to discuss Board & Chairman's performance.	
2	Actively participates most of the Board & General Meetings and come well prepared to discuss and decide on the Board Agenda and exercises .	
3	Have pro-active and cordial relations with other Board / Committees members and contribute in ensuring transparent & effective processes.	
4	Refreshes their knowledge and skills, be up to date with the latest developments in their areas of expertise.	
5	Knowledge about the company and its functions, product, service & operations and safeguard of confidential information.	
6	Contribute positively in strategy formulation & Risk Management.	
7	Review compliance of requisite rules and regulations.	
8	The quality and value of contribution of Independent Directors at Board meetings are adequate.	
	TOTAL	

Questionnaire for evaluation of Non-Independent Directors:-

A list of specific issues and questions that to be considered in performance evaluation of Non-Independent Directors / Executive Directors are set out below:-

S. No.	Assessment Criteria	Collective Score
1	Actively participates most of the Board & General Meetings and come well prepared to discuss & decide on the Board Agenda.	
2	Has adequate knowledge for Financial planning & Performance monitoring.	
3	Is competent in strategy formulation and execution.	
4	Professional skills for problem solving, decision making and establishment of internal control processes is adequate.	
5	Knowledge about the company and its functions, product, service & operations and safeguard of confidential information.	
6	Understands and fulfills the functions assigned by the Board and the law	
7	Actively takes initiative with respect to various areas	
8	Function as an effective team member and capable to build teams and carry the team members along for achieving the goals and objectives and corporate mission.	
9	Relationship with Board / Committee members and other key stake holders are adequate.	
10	Compliant with policies of the Company, ethics, code of conduct, etc.	
11	Available for meetings of the Board and attends the meeting regularly and timely, without delay.	
	TOTAL	

Questionnaire for evaluation of Chairperson:-

A list of specific issues and questions that to be considered in performance evaluation of Chairperson is set out below:-

S. No.	Assessment Criteria	Collective Score
1	Actively participates most of the Board & General Meetings and come well prepared to discuss & decide on the Board Agenda.	
2	Has adequate knowledge for Financial planning & Performance monitoring.	
3	Is competent in strategy formulation and execution.	
4	Professional skills for problem solving, decision making and establishment of internal control processes is adequate.	
5	Knowledge about the company and its functions, product, service & operations and safeguard of confidential information.	
6	Understands and fulfills the functions assigned by the Board and the law	
7	Actively takes initiative with respect to various areas	
8	Function as an effective team member and capable to build teams and carry the team members along for achieving the goals and objectives and corporate mission.	
9	Relationship with Board / Committee members and other key stake holders are adequate.	
10	Compliant with policies of the Company, ethics, code of conduct, etc.	
11	Available for meetings of the Board and attends the meeting regularly and timely, without delay.	
12	Displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively.	
13	Impartial in conducting discussions, seeking views and dealing with dissent, etc.	
14	Sufficiently committed to the Board and its meetings.	
15	Able to keep shareholders' interest in mind during discussions and decisions.	
	TOTAL	

Questionnaire for evaluation of Committees of the Board:

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee;

A list of specific issues and questions that to be considered in evaluating the performance of Audit Committee is set out below:

1. AUDIT COMMITTEE

S. No	Assessment Criteria	Collective Score
1.	The Audit Committee meets periodically and makes reporting to the Board along with its effective suggestion and recommendation.	
2.	The Audit Committee reviews the action taken report (ATR) / updates on the minutes of the meetings properly before the next meeting and advice for necessary action.	
3.	The Audit Committee review and recommend for approval to the Board - Business plan, Corporate Annual Budget and Revised Estimates.	
4.	The Audit Committee properly discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.	
5.	The Audit Committee properly reviews, statement of significant related party transactions and disclose the details of all material transactions with related parties in every quarter and evaluate the internal financial controls and risk management systems	
6.	The Audit Committee properly reviews, with the management, performance of statutory, cost and internal auditors, adequacy of the internal control systems.	
7.	The Audit Committee properly reviews, with the management, the quarterly and annually financial statements and such other periodical statements including audit report before submission to the board for approval.	
8.	The Audit Committee properly reviews, management discussion and analysis of financial condition and results of operations.	
	TOTAL	

A list of specific issues and questions that to be considered in evaluating the performance of Nomination and Remuneration Committee (NRC) is set out below:-

2. NOMINATION AND REMUNERATION COMMITTEE (“NRC”)

S. No	Assessment Criteria	Collective Score
1.	The NRC meets periodically and makes reporting to the Board along with its effective suggestion and recommendation.	
2.	The NRC reviews the action taken report (ATR) / updates on the minutes of the meetings properly before the next meeting and advice for necessary action.	
3.	To ensure about proper induction program for new Directors, KMP and Senior Management and reviewing its effectiveness.	
4.	The NRC review with the Management, all HR related issues from time to time so as to maintain harmonious employer-employee relations.	
5.	To review and recommend to the Board Manpower Plan / budget, sanction of new senior management positions from time to time in future.	
6.	The NRC, consider and determine the Remuneration policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors.	
7.	The NRC properly Identify the persons who are qualified to become directors and who may be appointed in senior managerial positions in accordance with the criteria laid down and recommend to the Board for their appointment and removal.	
8.	The NRC ensures that the Board has appropriate combination of directors having knowledge and diversity to meet the objective of the Board.	
	TOTAL	

A list of specific issues and questions that to be considered in evaluating the performance of Stakeholder Relationship Committee (SRC) is set out below:-

3. STAKEHOLDER RELATIONSHIP COMMITTEE (“SRC”)

S. No	Assessment Criteria	Collective Score
1.	The frequencies of the SRC meetings are adequate and the SRC regularly reviews its own performance.	
2.	The SRC reviews the action taken report (ATR) / updates on the minutes of the meetings properly before the next meeting and advice for necessary action.	
3.	The SRC has resolved the grievances and complaints of all the stakeholders within the time.	
4.	The SRC is collecting and analysing reports received periodically from Registrar and Share Transfer Agent (RTA) for request relating to transfer, dematerialisation & rematerialisation of shares and complaints for non receipts of securities after transfer, non receipts of notice of AGM, financials etc.	
5.	The SRC is handling other matters related to or arising out of shareholders/investors services including preparation and approval of periodical reports	
6.	The SRC meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues	
7.	The SRC makes decision in accordance with ethical practice and in the interest of the company and shareholders	
8.	The SRC makes periodically reporting to the Board along with its effective suggestion and recommendation.	
	TOTAL	

A list of specific issues and questions that to be considered in evaluating the performance of Corporate Social Responsibility Committee (CSR) is set out below:-

4. CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

S. No	Assessment Criteria	Collective Score
1.	The frequencies of the CSR Committee meetings are adequate.	
2.	The CSR Committee reviews the action taken report (ATR) / updates on the minutes of the meetings properly before the next meeting and advice for necessary action.	
3.	The CSR Committee meetings have been organized properly and appropriate procedures being followed by the committee.	
4.	The CSR Committee has identified & selected the project to the best possible extent and within the ambit of the identified thrust area approved by the committee.	
5.	The CSR programmes identified for implementation, recommended to the Board at the beginning of each financial year.	
6.	The CSR committee makes decision in accordance with ethical practice and in the interest of the company and shareholders.	
7.	The CSR Committee makes periodically reporting and Quarterly progress report to the Board within time and a certificate of utilization of funds as provided to the implementation from partner /firm /NGO /agency be obtained.	
8.	The CSR Committee ensure about effective implementation and a transparent monitoring mechanism and feedback of the CSR projects.	
	TOTAL	
