



## Board of Directors and Senior Management

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# **Policy For Evaluation of the Performance of the Board of Directors**

**Version: 2.0**

**Document No: BACL**-Policy For Evaluation of the Performance of the Board of  
Directors\_V2.0

**27 January 2025**

**Internal**

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**Internal**

**Background:**

Pursuant to Section 178(2) of the Companies Act, 2013, the Board has fixed with recommendation of Nomination and Remuneration Committee (NRC) the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out by the company.

As part of the process of review of its implementation and compliance., for FY25, to make the Board evaluation more effective, the updated Criteria for Performance Evaluation was approved in the Board Meeting held on 27 January 2025

**Criteria for Performance Evaluation:**

To carry out performance evaluation of Board, Committees, Chairperson and Directors, criteria to be considered would, inter alia, include the following:

**Part A: For Board & Committees of Board**

**I. BOARD COMPOSITION & COMPETENCE**

1. Composition with requisite number of Independent Directors (and woman director in the case of Board).
2. Competencies, experience and qualifications of the Board as a whole to discharge their duties effectively in the best interest of the Company.

**II. EXECUTION OF MEETINGS**

3. Frequency of the meeting is adequate.
4. Agenda and other relevant materials are circulated sufficiently in advance.
5. Minutes of the meetings contains proper recording of the proceedings.

**III. EXECUTION AND PERFORMANCE OF DUTIES**

6. Discharge of the key functions & other responsibilities prescribed under Law.
7. Monitoring the effectiveness of corporate governance practices.

8. Ensuring the integrity of the company's accounting and financial reporting systems, independent audit, internal audit and risk management systems *(for Board, Audit Committee & Risk Management Committee)*.
9. Reviewing Management's Performance.
10. Working in the interests of all the stakeholders of the company.
11. Review of the High-risk issues impacting the organization regularly and mitigation of the same (for Board and Risk Management Committee).
12. Appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board.

Members to provide their feedback/expectations.

1. One thing that you are contributing towards Board and will do so more of.
2. Any suggestions on required Changes or improvement.
3. Any other feedback or suggestions.

#### **Part B: Individual Director Evaluation**

1. Attendance and Participation.
2. Pro-active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and the steps needed to meet challenges from the competition.
3. Sufficient understanding and knowledge of the company and the sector in which it operates. Staying abreast of issues, trends and risks.
4. Demonstrating highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality etc.)
5. Acting in good faith and in the interests of the company as a whole.
6. Exercising duties with due diligence and reasonable care.
7. Complying with legislations and regulations in letter and spirit.
8. Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.

9. Brings independent judgment in the matters of business, strategy, operational & financial performance, risk management, governance etc.

**Part C: For Independent Directors (Additional Criterion)**

Independence & Independent views and judgement.

**Part D: For Chairperson (Additional Criteria)**

1. Effectiveness of leadership and ability to steer the meetings – Display efficient leadership, open-minded, decisive, courteous, displays professionalism, able to coordinate the discussions, etc. and is overall able to steer the meeting effectively.
2. Impartiality in conducting the discussions, seeking views and dealing with dissent.
3. Commitment to the Board and its meetings.
4. Ability to keep shareholders' interests in mind.

The evaluation shall be done by the Board, by the Nomination & Remuneration Committee and by the Independent Directors in their separate meeting, as prescribed under the applicable laws.

The aforesaid criteria for performance evaluation are subject to review from time to time. The review will be generally done once in 3 years.

Place: Pune

Date: 27 January 2025

RAJIV BAJAJ  
CHAIRMAN