

# WINRO COMMERCIAL (INDIA) LIMITED

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## BOARD EVALUATION POLICY

<b>Effective from</b>	<b>10.02.2016</b>
<b>1<sup>st</sup> Review</b>	<b>30.01.2019</b>
<b>2<sup>nd</sup> Review</b>	<b>13.02.2024</b>
<b>3<sup>rd</sup> Review</b>	<b>27.05.2026</b>

## **BOARD EVALUATION POLICY**

### **1. INTRODUCTION**

As one of the most important functions of the Board of Directors is to oversee the functioning of company's performance through its' top management, this policy aims to establish a procedure for conducting periodical evaluation of director's performance and formulating criteria for determining qualification, positive attribute and independence of each and every director of the company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the company.

### **2. OBJECTIVE**

The Policy has been framed with an objective to ensure individual directors of the Company and the Board as a whole, work efficiently and effectively in achieving their functions, for the benefit of the Company and its stakeholders. Accordingly, the Policy provides guidance on evaluation of the performance, on an annual basis, of: (i) individual Directors; (ii) the Board as a whole; and (iii) various committees of the Board.

This policy further aims to ensuring that the committees to which the Board of Directors has delegated specific responsibilities are performing efficiently in conformity with the prescribed functions and duties. In addition, the Nomination and Remuneration Committee shall carry out the evaluation of performance of all members of Board of Director.

### **3. RESPONSIBILITY & MANNER OF EVALUATION:**

Evaluation of the performance of the following shall be done on an annual basis, as per the evaluation parameters set out:

a. Evaluation of the Individual Directors:

- Performance of individual Directors of the Company (Non Independent as well as Independent Directors) shall be evaluated, on an annual basis, by: (i) the Board as a whole (excluding the Director being evaluated); and (ii) the Nomination and Remuneration as per the parameters set out in the Questionnaire with respect to all Directors.
- The performance evaluation of Independent directors shall be carried out by the entire Board excluding the Independent director being evaluated.
- In addition, the Independent Directors shall hold a meeting at least once in any given year, without the presence of the non-Independent Directors of the Company, to review the performance of such non-Independent Directors. All Independent Directors shall strive to

attend such meeting.

- Further, the Nomination and Remuneration Committee shall determine whether to extend or continue the term of appointment of each Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Such evaluation shall be done in accordance with the evaluation parameters set out in Annexure 1.

b. Evaluation of the Board:

- The Board shall, on an annual basis, evaluate its own performance keeping in mind the evaluation parameters set out in Annexure 2.
- In addition, the Independent Directors, in the meeting referred above, without the presence of the non-Independent Directors of the Company, shall (i) review the performance of the Board as a whole; and (ii) assess the quality, quantity and timelines of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

c. Evaluation of the Board Committees:

- The Board shall, on an annual basis, evaluate the performance of each Board Committee as per the evaluation parameters set out in Annexure 3.
- In addition, the Independent Directors, in the meeting of Independent Directors, without the presence of the non-Independent Directors of the Company, shall (i) review the performance of the Committees as a whole in accordance with the evaluation parameters set out in Annexure 1; and (ii) assess the quality, quantity and timelines of flow of information between the management of the Company and the Board Committees that is necessary for the Board to effectively and reasonably perform its duties.

#### 4. POLICY REVIEW

Subject to the approval of Board of Directors, The Nomination and Remuneration Committee” reserves its right to review and amend this policy, if required to ascertain its appropriateness as per the needs of the company. The policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.

#### 5. DISCLOSURES

The Company shall disclose this Policy on its website i.e. [www.winrocommercial.com](http://www.winrocommercial.com). The necessary disclosure, if any, about the policy will also be made as per the requirements of Listing Regulations, 2015 and Companies Act 2013.

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## Annexure – 1

**Questionnaire for evaluation of Individual Directors by all the members of the Board. Every question would need to be evaluated on a scale of 1 to 5 as per following parameters.**

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

Individual Director– Assessment	Name of Director:
Qualifications:	
Experience:	
Director is competent, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the entity and the Board	
Director has sufficient understanding and knowledge of the entity and the sector in which it operates	
Director understands and fulfills the functions to him/her as assigned by the Board including his/her duties and responsibilities	
Director has maintained high standards of ethics and integrity.	
Director actively takes initiative with respect to various areas	
Brings relevant experience to the board and uses it effectively.	
Prepares for the Board meeting by reading the materials distributed before the Board meeting.	
Understands, and can evaluate, the risk environment of the organization and proactively contributes in development of strategy for the risks.	
Director is available for meetings of the Board and attends the meeting regularly and timely, without delay.	
Director is adequately committed to the Board and the Company	
Director contributed effectively to the entity and in the Board meetings	
Director demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	
Additional Comments and Suggestions, if any.	

## Annexure -2

**Questionnaire for Board Evaluation. Every question would need to be evaluated on a scale of 1 to 5 as per following parameters.**

<b>Strongly disagree</b>	<b>Disagree</b>	<b>No opinion</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

<b>Board Evaluation</b>	
<b>1. Board Composition</b>	
The Board has appropriate expertise and experience to meet the best interests of the Company and Board Members demonstrate highest level of integrity	
The Board of Directors 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.	
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.	
The Board has appropriate combination of industry knowledge and diversity	
The Board monitors compliances with Corporate Governance regulations and guidelines.	
The Board has the proper number of committees as required by legislation and guidelines, with well-defined terms of reference and reporting requirements.	
An effective succession plan of board in place.	
<b>2. Board Meetings</b>	
The Board Meeting Agenda and related background papers are concise and provide information of appropriate quality and details.	
The processes are in place for ensuring that the board is kept fully informed on all material matters	
Adequacy of the separate meetings of independent directors	
All proceedings and resolutions of the Board are recorded accurately, adequately and on a timely basis.	

Frequency of Board meeting is adequate and there is Adequacy of attendance and participation by the Board members at the board meetings.			
How effectively does the Board works collectively as a team in the best interest of the Company.			
The minutes of Board meetings are clear, accurate, consistent, complete and timely.			
3. Board Management			
The Board sets the overall tone and direction of the Company.			
The Board has approved comprehensive policies and procedures for smooth conduct of all material activities by Company.			
The Board is well informed on all issues {short and long-term} being faced by the Company.			
Overall performance of the Board (tick one)			
Outstanding	Meets expectation	Needs improvement	Poor

## Annexure – 3

**Questionnaire for Evaluation of Committees of the Board. Every question would need to be evaluated on a scale of 1 to 5 as per following parameters.**

<b>Strongly disagree</b>	<b>Disagree</b>	<b>No opinion</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

Evaluation of Committees of the Board			
1. Composition and duties			
The Committee of the Board are appropriately constituted.			
The Composition and terms of reference for the committee are appropriate (legal requirement) with clear defined roles and responsibilities.			
The reporting by each of the Committees to the Board is sufficient.			
The performance of each of the Committees is assessed annually against the set goals of the committee.			
Committee takes effective and proactive measures to perform its functions.			
2. Committee Meetings			
Committee meetings have been organized properly and appropriate procedures were followed in this regard.			
The frequency of the Committee meetings is adequate.			
Committee makes periodically reporting to the Board along with its suggestions and recommendations.			
3. Management of committees			
Committee gives effective suggestion and recommendation.			
Committee meetings are conducted in a manner that encourages open communication and meaningful participation of its members.			
Overall performance of the Board (tick one)			
Outstanding	Meets expectation	Needs improvement	Poor