

**Board Performance Evaluation Framework**

**1. Introduction**

S Chand And Company Limited (hereinafter referred to as “**the Company**”) believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior, in consonance with the Company’s Code of Conduct for its employees and also for the Board of Directors. In furtherance of the same and in compliance of applicable provisions of the Companies Act, 2013 (“**Act**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“**SEBI Listing Regulations**”), the Company has formulated this Board Performance Evaluation Framework (“**Framework**”).

**2. Objective**

The object of this Framework is to formulate criteria to evaluate the performance of each director and the entire Board of the Company.

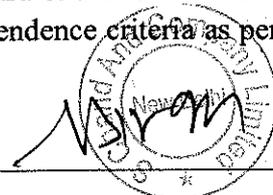
**3. Responsibility of Board**

As per sub section (2) of section 178 of the Companies Act 2013, the Nomination and Remuneration Committee (“**Committee**”) shall carry out the evaluation of the Board, its committees and individual directors. Pursuant to Regulation 17(10) of the SEBI Listing Regulations the evaluation of the Independent Directors will be done by the entire Board of Directors. Further, the Company in compliance of clause (p) of sub-section (3) of section 134 of the Companies Act, 2013, shall make a statement in its Board’s report indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.

**4. Evaluation of Performance**

Evaluation of performance of Board, its Committees and Individual Directors (Executive Director, Non-Executive, Non-Independent Director and Non-Executive, Independent Director) shall be done by entire Board (excluding the director being evaluated).

Evaluation of the Independent Directors will be done by the entire Board of Directors which shall include performance of the directors and fulfillment of the independence criteria as per the Listing Regulations and their independence from the management.



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#### 5. Evaluation Criteria

A. Evaluation of performance of Non-Executive, Non-Independent Directors of the Company shall be done as per the criteria given below:

- a) Attendance and participation in the Board Meetings;
- b) Timely inputs on minutes of meetings of Board and committees;
- c) Timely disclosure of interest and any change therein;
- d) Adherence of Code of Conduct of the Company;
- e) Adherence of corporate governance practices of the Company;
- f) Safeguard of confidential information provided by the Company and its representatives.

B. Evaluation of performance of Non-Executive, Independent Directors of the Company shall be done as per the criteria given below.

- a) Attendance and participation in the Board Meetings;
- b) Timely inputs on minutes of meetings of Board and committees;
- c) Timely disclosure of interest and any change therein;
- d) Adherence of Code of Conduct of the Company;
- e) Contribution in the Board and committee meetings such as raising valid concerns and providing his/her inputs for resolutions of such issues;
- f) Promoting the good corporate governance practices in the Company;
- g) Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information provided by the Company and its representatives;
- h) Performance of the Independent Directors;
- i) Fulfillment of the independence criteria as per the SEBI Listing Regulations and their independence from the management.

C. Evaluation of performance of Executive Directors shall be done as per the criteria given below

- a) Attendance and participation in the Board Meetings;
- b) Timely inputs on minutes of meetings of Board and committees;
- c) Timely disclosure of interest and any change therein;
- d) Adherence of Code of Conduct of the Company;
- e) Role in formulating strategy for business and operations of the Company;
- f) Providing leadership to the Company;
- g) Adherence of corporate governance practices of the Company;
- h) Role in overall growth of the Company;
- i) Compliance of policies, reporting of frauds, violation etc.;



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- j) Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information provided by the Company and its representatives.

D. Evaluation of performance of entire Board shall be done as per the criteria given below:

- a) Whether composition of the Board is appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy;
- b) Whether members of the Board meet all applicable independence requirements;
- c) Whether the Board of Directors are effective in developing a corporate governance structure;
- d) Whether Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis;
- e) Whether board meetings are convened as per the Act and prescribed timelines; The information provided to directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest;
- f) Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues;
- g) Whether the Company has necessary committees which are required as per the Act and SEBI Listing Regulations and these committees are working effectively.

#### **6. Effectiveness of Board**

Effectiveness of Board as a whole shall be measured on the basis of rating of each director and accordingly Board shall recommend the appointment, reappointment and removal of non-performing directors of the Company.

#### **7. Amendments and Disclosures**

The Committee or Board shall review the Framework periodically and if required will amend the evaluation process and make necessary changes in the Framework. The Company shall make necessary disclosures in its Board's report with respect to Framework and evaluation process adopted by the Committee and Board of Directors of the Company.

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**Last amended on 28-May-2019**

