

NANAVATI VENTURES LIMITED

**POLICY FOR EVALUATION OF PERFORMANCE
OF BOARD OF DIRECTORS OF THE COMPANY**

Constituted Date: 26th October, 2020

Last Amendment Date: 26th October, 2020

RECOMMENDED BY: Nomination and Remuneration Committee

APPROVED BY: Board of Directors

Policy for Evaluation of Performance of Board of Directors of the Company

**POLICY FOR EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS OF
THE COMPANY AS ADOPTED BY THE BOARD OF DIRECTORS**

1. PREAMBLE:

The Company conducts its operation under the overall direction of the Board of Directors within the framework laid down by various statutes, more particularly the Companies Act, 2013 ("Act"), the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company's Board of Directors are dedicated to act in good faith, exercise their judgment on an informed basis and in the best interest of the Company and its stakeholders. This Policy is made to comply with the provisions of formal annual evaluation made by the Board of Directors of its own performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. Further, Section 178 of the Act provides that the Nomination and Remuneration Committee ("NRC") shall inter-alia carry out evaluation of every director's performance.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates the Nomination and Remuneration Committee to lay down the criteria for performance evaluation of independent directors on the Board. In order to comply with the above requirement this policy on performance evaluation is put into place. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

2. DEFINITIONS:

"**Act**" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.

"**The Company**" shall mean Nanavati Ventures Limited.

"The Director" or "the Board" in relation to the Company shall mean and deemed to include the collective body of the Board of Directors of the Company including the Chairman of the Company.

"**The Independent Director**" shall mean an Independent Director as defined under section 2 (47) read with section 149 (5) of the Act.

"**The Policy**" or "**This Policy**" shall mean the Policy for Evaluation of performance of Board of Directors of the Company.

"**The Committee**" or "**This Committee**" shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013.

3. RATING EVALUATION:

The performance evaluation of the Non-Executive/ Independent directors, Whole time/ Managing Director(s), Director (s) shall be done on the basis of the criteria mentioned below.

4. RATING SCALE

Scale	Performance
1	Unsatisfactory
2	Satisfactory
3	Good
4	Very Good

5. EVALUATION PROCESS FOR THE BOARD:

The Board of Directors of the Company will carry out an evaluation of its own performance on an annual basis. The Board evaluation process is designed to

- i. Review the pre-determined role of the Board Collectively and individual directors in discharging duties as set by the Company from time to time.
- ii. Annually assess how well directors are discharging their responsibilities, collectively by assessing the Board's effectiveness and individually by assessing the quality of a Directors' contribution to general discussion, business proposals and governance responsibilities.
- iii. Annually assess the performance of directors in discharging their responsibilities.

6. EVALUATION PROCESS FOR THE NON-EXECUTIVE / INDEPENDENT DIRECTORS:

The performance evaluation of Non-Executive/ Independent Directors shall be done based on the following criteria:-

Sr. No.	Assessment Criteria
1	Adherence to the Code of conduct of the Company as well as the Code for independent Directors as applicable.
2	Understanding the environment in which the company operate and contribution to strategic decision.
3	Contribution for resolving the issues at the meeting and raising valid concerns at the Board.
4	Interpersonal relations with other directors and management.
5	Objective evaluation of Board's performance, rendering independent unbiased opinion.
6	Safeguarding of confidential information.

Based on the criteria each of the independent directors has to be assessed by the other directors (including other independent directors) by giving a rating mentioned above. The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

7. EVALUATION PROCESS FOR WHOLE - TIME DIRECTOR / MANAGING DIRECTOR (S) AND DIRECTOR (S):

The performance evaluation of Whole-time/ Managing Directors and Director (s) shall b done based on the following criteria:-

Sr. No.	Assessment Criteria
1	Attendance and participation in the discussion at the Meetings.
2	Adherence to the Code of conduct and Business ethics of the Company.
3	Contribution to the growth of the Company.
4	Leadership Initiative like new ideas and planning towards the growth of the Company.
5	Initiating Steps for development of business.
6	Compliance with policies, Reporting of frauds, violation etc. and disclosing disclosure of interest.
7	Team work attributes and supervising and training of staff members.
8	Safeguarding the interest of whistle blowers under vigil mechanism and Safeguarding of confidential information.

Based on the criteria each of the Whole-time/ Managing Directors and Director (s) has to be assessed by giving a rating mentioned above. The performance evaluation of such directors shall be done by the Nomination and Remuneration Committee (excluding the director being evaluated). This process of evaluation will also be done by the Independent Directors separately at their meetings.

8. EXTERNAL CONSULTANTS:

The Board or Committee thereof may engage independent external consultants periodically to provide strategic advices and assistance in the evaluation process.

9. DISCLOSURE:

As required under the Listing Regulations and Companies Act, 2013, the Company will disclose the criteria for performance evaluation as laid down by the Nomination and Remuneration Committee in the Annual Report. A statement indicating the manner in which the performance evaluation has been made by the Board of Directors of its own performance and that of its Committees and individual directors will be disclosed in the Directors' Report.

10. REVIEW:

The Board of Directors reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the requirements of the Company.
