

POLICY ON EVALUATION OF PERFORMANCE OF DIRECTORS AND THE BOARD

BANSAL WIRE INDUSTRIES LIMITED

INTRODUCTION:

The Board of Directors of Bansal Wire Industries Limited on the recommendation of the Nomination and Remuneration Committee, adopted this Board Performance Evaluation Policy (“Policy”) to comply with the various provisions under Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the Companies Act, 2013 (“Companies Act”). The Policy is based on the SEBI circular dated January 5, 2017 which provides further clarity on the process of board evaluation (“SEBI Guidance Note”).

OBJECTIVE:

Identifying the objectives of the evaluation is the first and a crucial step in the Board Evaluation process. Clear identification of objectives is key to streamlining the process of evaluation, analyzing the results and taking appropriate and corrective action.

The objectives may be:

- a) **General objectives-** Standard Objectives for all Board evaluations of the entity
- b) **Specific objectives-** Objectives specific to the current Board evaluation based on recent events, new issues of concern, etc.

This Policy aims to:

- Ensure compliance of the applicable provisions of the Act and SEBI LODR (as amended or reenacted from time to time) relating to the evaluation of performance of the Individual Directors, Committees and the Board.
- Adopt best practices to manage the affairs of the Company in seamless manner.
- Achieve good corporate governance as well as sustained long-term value creation for stakeholders.

PERFORMANCE EVALUATION OF THE BOARD

The Company shall evaluate the performance of the Board and its functioning on annual basis (1st April to 31st March, i.e. the financial year). While conducting the performance evaluation, following process shall be followed:

- The Chairman of the Company shall send a self-evaluation form (see Annexure 1) to all Directors in the month of March of relevant financial year, every year.

- The self-evaluation shall be completed by the month of April (not later than Board meeting fixed for adoption of March Results) every year and will be for the financial year i.e. from 1st April till 31st March.
- All Board Members shall complete the self-evaluation form and submit the same to Company Secretary at least prior to Board meeting fixed for adoption of March Results.
- The Company shall facilitate a meeting of Independent Directors to discuss the performance of the Board and submit their assessment to the Chairman of the Company.
- The Chairman will discuss the outcome of performance appraisal and the actions points arising from the evaluations to the Board in the next Board Meeting.

PERFORMANCE EVALUATION OF THE COMMITTEES OF THE BOARD

The Company shall evaluate the performance and functioning of the Committees of its Board on annual basis (1st April to 31st March, i.e. the financial year). While conducting the performance evaluation, the following process shall be followed:

- The Chairman of the Company shall send a self-evaluation form (see Annexure 2) to the Members of all Committees in the month of March of relevant financial year, every year.
- The self-evaluation shall be completed by the month of April (not later than Board meeting fixed for adoption of March Results) every year and will be for the financial year i.e. from 1st April till 31st March.
- All Committee Members will complete the self-evaluation form and submit the same to the Company Secretary at least prior to Board meeting fixed for adoption of March Results.
- On behalf of the Chairman, the Company Secretary shall compile the self-evaluation questionnaires submitted.
- The evaluations will be completed before the date of the Board Meeting wherein the Quarter 4 Results are to be adopted by the Board

PERFORMANCE EVALUATION OF THE INDEPENDENT DIRECTORS

The Company shall evaluate the performance and functioning of its Independent Directors on annual basis (1st April to 31st March, i.e. the financial year). While conducting the performance evaluation, the following process shall be followed:

- The Chairman of the Company shall send a peer-evaluation form (see Annexure 3) to all Directors in the month of March of relevant financial year, every year.

- The peer-evaluation shall be completed by the month of April (not later than Board meeting fixed for adoption of March Results) every year and will be for the financial year i.e. from 1st April till 31st March.
- All Independent Directors will complete the peer-evaluation form for all other Directors and submit the same to the Company Secretary at least prior to Board meeting fixed for adoption of March Results.
- On behalf of the Chairman, the Company Secretary shall compile the self-evaluation questionnaires submitted.
- The evaluations will be completed before the date of the Board Meeting wherein the Quarter 4 Results are to be adopted by the Board.
- The Chairman may discuss the evaluations with the concerned Independent Directors individually.

PERFORMANCE EVALUATION OF THE EXECUTIVE DIRECTORS

The Company shall evaluate the performance and functioning of its Non- Independent Directors on annual basis (1st April to 31st March, i.e. the financial year). While conducting the performance evaluation, the following process shall be followed:

- The Chairman of the Company shall send a peer-evaluation form (see Annexure 4) to all Executive Directors in the month of March or relevant financial year, every year.
- The peer-evaluation shall be completed by the month of April (not later than Board meeting fixed for adoption of March Results) every year and will be for the financial year i.e. from 1st April till 31st March.
- The Company shall also facilitate a meeting of Independent Directors to discuss the performance of the Board and submit their assessment to the Chairman of the Company at least prior to Board meeting fixed for adoption of March Results.
- The evaluations will be completed before the date of the Board Meeting wherein the Quarter 4 Results are to be adopted by the Board.
- The Chairman may discuss the evaluations with the Executive Directors individually.

PERFORMANCE EVALUATION OF THE NON-EXECUTIVE DIRECTORS

The Company shall evaluate the performance and functioning of its Non Executive Directors on annual basis (1st April to 31st March, i.e. the financial year). While conducting the performance evaluation, the following process shall be followed:

- The Chairman of the Company shall send a peer-evaluation form (see Annexure 5) to all Non-Executive Directors in the month of March or relevant financial year, every year.

- The peer-evaluation shall be completed by the month of April (not later than Board meeting fixed for adoption of March Results) every year and will be for the financial year i.e. from 1st April till 31st March.
- The Company shall also facilitate a meeting of Independent Directors to discuss the performance of Non Executive Directors and submit their assessment to the Chairman of the Company at least prior to Board meeting fixed for adoption of March Results.
- The evaluations will be completed before the date of the Board Meeting wherein the Quarter 4 Results are to be adopted by the Board.
- The Chairman may discuss the evaluations with the Non-Executive Directors individually.

ANNEXURE - 1**FORM FOR EVALUATING THE BOARD OF DIRECTORS**

Name of the Director: _____

Assessment Period: Financial Year [1st April, ____ to 31st March, ____]

Date of Assessment : _____

Please rate the functioning of the Board on the following scale:

1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree

S.No.	Criteria	Assessment Rating				
		1	2	3	4	5
1.	The Board as a whole has proper mix of competencies to conduct its affairs effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	There is sufficient diversity in the Board viz., Gender/Background/Experience etc.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	Frequency of the meetings are sufficient for the Board to undertake the duties effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	The Board Members receive agenda and relevant background documentation in advance to prepare for the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	The agenda contains sufficient details to understand the business to be conducted at the Board meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6.	Board meetings are conducted effectively, with sufficient time spent on significant or emerging issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7.	The presentations/discussions at the meetings give sufficient details to understand the business being conducted at the meeting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8.	The Board reviews Company's business financial performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
9.	The Board reviews governance, compliance issues and other controls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10.	The Board sufficiently reviews external environment and its impact on the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11.	Any critical / dissenting suggestions made by the Director are taken constructively and recorded in the minutes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12.	Minutes of each meeting are prepared and discussions at the meeting are captured appropriately	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13.	Follow up points identified during the meetings are discussed at the later meetings with relevant details	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14.	The Board has freedom to communicate and engage with internal stakeholders	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15.	The Board regularly reviews Corporate Social Responsibility initiatives of the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16.	There is adequate level of independence of the management from the Board	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ANNEXURE 2**FORM FOR EVALUATING AUDIT/NRC/SRC/CSR COMMITTEE**

Name of the Member: _____

Name of the Committee: **Audit/NRC/SRC/CSR Committee**

Assessment period: Financial Year (1st April, _____ to 31st March, _____)

Date of Assessment: _____

Please rate the functioning of the Committee on the following scale:

1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree

S.No.	Criteria	Assessment Rating				
		1	2	3	4	5
1.	The Committee is sufficiently formed and the roles of the Committees are clearly defined	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	The meetings of the Committee are well scheduled and planned in advance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	Frequency of the meetings are sufficient for the Committee to undertake the duties effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	The Members receive the agenda and relevant background documentation in advance to prepare for the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	The agenda contains sufficient details to understand the business to be conducted at the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6.	Committee meetings are conducted effectively, with sufficient time spent on significant or emerging issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7.	The Chairperson of the Committee display efficient leadership and is able to steer the meeting effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8.	Any suggestions made by the Members on the change in process /further details / information is attended to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
9.	Minutes of each meeting are prepared and discussions at the meetings are captured appropriately	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10.	Any critical / dissenting suggestions made by the Director are taken constructively and recorded in the minutes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11.	Follow up points identified during the meetings are discussed at the later meetings with relevant details	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ANNEXURE 3

FORM FOR EVALUATING INDEPENDENT DIRECTORS

Name of the Director being evaluated: _____

Assessment period: Financial Year (1st April, ____ to 31st March, ____)

Date of Assessment: _____

Part 1 (to be filled by the Company)

No. of Board meetings held in the tenure of Director	
No. of Board meetings attended by the Director	
No. of Committees in which Director is member	
No. of Committee meetings held in the tenure of Director (add all committee meetings)	
No. of Committee meetings attended by the Director (add all committee meetings)	
Attendance at AGM	
Whether declaration of independence has been received from the Director	

Part 2 (to be filled by the Director evaluating other Director)

Please rate the functioning of the Committee on the following scale:

1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree

S.No.	Criteria	Assessment Rating				
		1	2	3	4	5
1.	Director's background, knowledge and skills are relevant to the Board and business of the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	Director devotes sufficient time for Board matters and actively participates in the matters that are being discussed at the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	Director is available for any discussions / inputs outside of Board /Committee meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	Director helps in bringing an independent judgment to bear on the deliberations especially on strategy, risk management and performance of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	Director works towards safeguarding the interest of all stakeholders in the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6.	Director brings quality and value in Board discussions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7.	Director demonstrates highest level of Integrity (including but not limited to, avoiding conflict of interest, maintaining of confidentiality etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ANNEXURE 4**FORM FOR EVALUATING EXECUTIVE DIRECTORS**

Name of the Director being evaluated: _____

Assessment period: Financial Year (1st April, ____ to 31st March, ____)

Date of Assessment: _____

Part 1 (to be filled by the Company)

No. of Board meetings held in the tenure of Director	
No. of Board meetings attended by the Director	
No. of Committees in which Director is member	
No. of Committee meetings held in the tenure of Director (add all committee meetings)	
No. of Committee meetings attended by the Director (add all committee meetings)	
Attendance at AGM	

Part 2 (to be filled by the Director evaluating other Director)

Please rate the functioning of the Committee on the following scale:

1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree

S.No.	Criteria	Assessment Rating				
		1	2	3	4	5
1.	Director's background, knowledge and skills are relevant to the Board and business of the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	Director devotes sufficient time for Board matters and actively participates in the matters that are being discussed at the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	Director is available for any discussions / inputs outside of Board /Committee meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	Director helps in bringing an independent judgment to bear on the deliberations especially on strategy, risk management and performance of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	Director works towards safeguarding the interest of all stakeholders in the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6.	Director brings quality and value in Board discussions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7.	Director demonstrates highest level of Integrity (including but not limited to, avoiding conflict of interest, maintaining of confidentiality etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ANNEXURE 5

FORM FOR EVALUATING NON-EXECUTIVE DIRECTOR-NON INDEPENDENT DIRECTOR

Name of the Director being evaluated: _____

Assessment period: Financial Year (1st April, ____ to 31st March, ____)

Date of Assessment: _____

Part 1 (to be filled by the Company)

No. of Board meetings held in the tenure of Director	
No. of Board meetings attended by the Director	
No. of Committees in which Director is member	
No. of Committee meetings held in the tenure of Director (add all committee meetings)	
No. of Committee meetings attended by the Director (add all committee meetings)	
Attendance at AGM	

Part 2 (to be filled by the Director evaluating other Director)

Please rate the functioning of the Committee on the following scale:

1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree

S.No.	Criteria	Assessment Rating				
		1	2	3	4	5
1.	Director's background, knowledge and skills are relevant to the Board and business of the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	Director devotes sufficient time for Board matters and actively participates in the matters that are being discussed at the meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	Director is available for any discussions / inputs outside of Board /Committee meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	Director helps in bringing an independent judgment to bear on the deliberations especially on strategy, risk management and performance of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	Director works towards safeguarding the interest of all stakeholders in the Company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6.	Director brings quality and value in Board discussions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7.	Director demonstrates highest level of Integrity (including but not limited to, avoiding conflict of interest, maintaining of confidentiality etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>