

SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED

Corporate office: F-32/3, Okhla Industrial Area, Phase- II, New Delhi- 110020

Registered Office & Works-A-26 UPSIDC Industrial Area, Sikandrabad, Bulandshahar, U.P.-203205

Sandila Works: - Plot No B-2/6, B-2/7, UPSIDC Industrial Area- Phase IV, Sandila, Distt Hardoi, U.P.

E. id:-secretarial@shrigangindustries.com **website:-**www.shrigangindustries.com Tel No: 011-42524454

Performance Evaluation criteria for Board of Directors

Shri Gang Industries and Allied Products Limited

Objective:

This Policy aims to:

- I. Ensure compliance of the applicable provisions of the Companies Act, 2013 (“the Act”) and the Listing Regulation entered into with the Stock Exchanges (as amended or reenacted from time to time) relating to the evaluation of performance of the Independent Directors.
- II. Adopt best practices to manage the affairs of the Company in seamless manner.
- III. Achieve good corporate governance as well as sustained long-term value creation for stakeholders.

Definitions:

- A. **“the Act”:** The Act shall mean The Companies Act, 2013;
- B. **“the Company”:** The Company shall mean “Shri Gang Industries and Allied Products Limited”.
- C. **“the Independent Director”:** The Independent Director shall mean an Independent Director as defined under Section 2 (47) to be read with section 149 (5) of the Act.
- D. **“the Director” or “the Board”:** 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.
- E. **“the Policy” or “this Policy”:** The policy or this Policy shall mean the Policy for Evaluation of performance Independent Directors of the Company.

Evaluation Factors:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Board adopted Performance Evaluation Policy to evaluate performance of each Director, the Board as a whole, its Committees and the Chairperson.

While evaluating the performance of the Non-Executive Directors, the following parameters shall be considered:

- a. Attendance at meetings of the Board and Committees thereof,
- b. Participation in Board Meetings or Committee thereof,
- c. Contribution to strategic decision making,
- d. Review of risk assessment and risk mitigation
- e. Review of financial statements, business performance.

f. Contribution to the enhancement of brand image of the Company

While evaluating the performance of the Chairman and Managing Director, appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company shall always be considered.

The Company has chosen to adopt the following Board Performance Evaluation Process:

A. Independent Directors:

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned Director being evaluated shall not be included, are set out below:

1. Attendance and participations in the meetings.
2. Raising of concerns to the Board.
3. Safeguard of confidential information.
4. Rendering independent, unbiased opinion and resolution of issues at meetings.
5. Initiative in terms of new ideas and planning for the Company.
6. Safeguarding interest of whistle-blowers under vigil mechanism.
7. Timely inputs on the minutes of the meetings of the Board and Committee's, if any

A. Non – Independent Directors / Executive Directors

Some of the specific issues and questions that should be considered in a performance evaluation of Chairman and Managing Director/Non-Independent Director/Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:

1. Leadership initiative
2. Initiative in terms of new ideas and planning for the Company.
3. Professional skills, problem solving, and decision-making.
4. Compliance with policies of the Company, ethics, code of conduct, etc.
5. Reporting of frauds, violation etc.
6. Safeguarding of interest of whistle blowers under vigil mechanism
7. Timely inputs on the minutes of the meetings of the Board and Committee, if any

B. Board of Directors

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors are set out below:

1. The Board of Directors of the Company is effective in decision making.
2. The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
3. The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.
4. The Board reviews the organization's performance in carrying out the stated mission on a regular basis.
5. The Board of Directors is effective in providing necessary advice and suggestions to the Company's management.

6. Is the Board as a whole up to date with latest developments in the regulatory environment and the market?
7. The information provided to Directors prior to Board Meetings meets your expectations in terms of length and level of detail.
8. Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.
9. The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
10. The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.
11. The Board oversees the role of the Independent Auditor from selection to termination and has an effective process to evaluate the Independent "s Auditor qualifications and performance.
12. The Board considers the Independent Audit plan and provides recommendations.

C. Evaluation of Committees of Board

For evaluating the performance of each Committee, the Board of Directors shall pay regards to the following aspects:

1. Committee Meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.
2. Timely inputs on the Minutes of the Meetings

REVIEW

The Board of Directors may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution in a meeting of the Committee

DISCLOSURE

In accordance with the requirement under the Companies Act, 2013, Rules framed there under and SEBI (LODR) Regulations, 2015, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors. The Company shall disclose the evaluation criteria in its Annual Report. The Policy will be available in the public domain i.e. on the website of the Company.

This Policy is amended and approved by the Board on August 13, 2022.