

Performance Evaluation Policy

SHREE GLOBAL TRADEFIN LIMITED

POLICIES AND PROCESSES:

Board Diversity Policy:

- ✓ Framework for performance evaluation of Independent Directors and the Board (Annexure A)
- ✓ Framework for Separate Meeting of Independent Directors (Annexure B)
- ✓ Familiarisation Programme for Independent Directors (Annexure C)

POLICY ON BOARD DIVERSITY

1. Purpose of this Policy:

This Policy on Board Diversity (the “Policy”) sets out the Company’s approach to ensuring adequate diversity in its Board of Directors (the “Board”) and is devised in consultation with the Nomination and Remuneration Committee (the “Committee”) of the Board.

2. Scope of Application:

The Policy applies to the Board of Shree Global Tradefin Limited (the “Company”).

3. Policy Statement:

The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognized that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

4. Review of the Policy:

The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with revised Clause 49 of the Equity Listing Agreement (the “Clause 49”).

Annexure A

Framework for performance evaluation of Independent Directors and the Board

As per the provisions of Clause 49, the Nomination and Remuneration Committee (the “Committee”) shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, in terms of Clause 49, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board’s self-evaluation framework (including all Committees of the Board and individual directors).

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organize the evaluation process and act on its outcome;
2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
 - 2.1 Knowledge to perform the role;
 - 2.2 Time and level of participation;
 - 2.3 Performance of duties and level of oversight; and
 - 2.4 Professional conduct and independence.
3. The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
4. In terms of Section 134 of the Act, the Directors’ Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

Annexure B

Framework for Separate Meeting of Independent Directors

As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.

The meeting shall:

- a) Review the performance of Non-independent Directors and the Board as a whole;
- b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
- c) Assess the quality, quantity and timeliness of flow of information between the Company
- d) Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

Annexure C

Familiarisation Programme for Independent Directors

As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Company is required to develop a Familiarization Programme for the Independent Directors of the Company.

The Company will impart Familiarization Programmes for new Independent Directors inducted on the Board of the Company.

The Familiarization Programme of the Company will provide information relating to the Company, business model of the Company, geographies in which Company operates, etc. The programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarization Programme should also provide information relating to the financial performance of the Company and budget and control process of the Company.

The Managing Director or such other authorized officer(s) of the Company shall lead the Familiarization Programme on aspects relating to business / industry. The Chief Financial Officer or such other authorized officer(s) of the Company may participate in the programme for providing inputs on financial performance of the Company and budget, control process, etc.

Performance Evaluation of Independent Directors

Background

Clause 49 of the Listing Agreement entered into by the Company with the BSE Limited ("BSE") requires the Nomination and Remuneration Committee of the Board to lay down evaluation criteria for performance evaluation of Independent Directors.

S. No	Criteria of Evaluation	Rating				Comments
		Poor	Good	Excellent	NA	
I. Knowledge to perform the role						
1.	Demonstrates knowledge of the sector in which the company operates					
2.	Has knowledge and familiarity with the business of the Company, its subsidiaries, plants etc.					
3.	Has an understanding of the key risks facing the Company					
4.	Has kept himself / herself abreast through Familiarisation Programme / module					
5.	Has an understanding of the key policies of the Company					
6.	Is aware of key information furnished by the Company to the Stock exchange.					
II. Time and Level of Participation						
1.	Has attended meetings of the Board or Board committees where he is a member					
2.	Has attended general meetings of the Company including the Annual General Meeting					
3.	Has participated as part of the Board / Committee meeting on performance of the Company v/s Budgets					
4.	Has participated at Audit Committee meetings and discussed with Internal Auditors to understand various concerns					
5.	Has participated at Audit Committee meetings and discussed with Statutory Auditors to understand various concerns					
6.	Has participated at Board Meetings to understand litigations, etc.					
7.	Have had discussions with the management at various meetings to understand the following: ✓ Key performance drivers and reason for key variations in financial numbers					

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	<p>compared to prior quarters.</p> <ul style="list-style-type: none"> ✓ Key areas of judgment and estimates ✓ Key accounting positions taken by the Company which have a bearing on the financial performance ✓ Understanding if any expert assistance is needed in any of the areas ✓ Adequacy of internal controls on financial reporting 					
8.	Does not unfairly obstruct the functioning of the Board or Committee of the Board where he is a member					
III.	Performance of Duties and Level of Oversight					
1.	Has reviewed levels of remunerations and terms of appointment of executive directors, key management personnel and senior management.					
2.	Has reviewed levels of remunerations and terms of appointment of statutory auditors, including independence compliance of non-audit services rendered by the statutory auditors.					
3.	Has ensured that concerns raised are addressed by the Board. If significant concerns are not addressed, ensures that these are minuted in the minutes of the Board meeting.					
4.	Has reviewed the Related Party transactions and ensured that they are in the interest of the Company.					
5.	Has participated constructively and objectively in all meetings of the Board or committee of the Board where he is a member					
6.	Has evaluated all significant complaints and whistle blower information received by the Company					
7.	Has ensured that the money spent on CSR has been as per the CSR policy approved by the CSR committee.					
8.	Has reviews the Annual Report, especially the MD&A.					
IV.	Professional Conduct and Independence					
1.	Has complied with the Code of Ethics of the Company					
2.	Has complied with the Insider Trading Policy of					

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	the Company					
3.	Has maintained confidentiality of all information obtained in the capacity of an Independent Director.					
4.	Has provided timely declaration to the Company as required by section 149 (6) and 149 (7) of Companies Act 2013.					
5.	Has intimated the Company immediately if there are any issues relating to Independence.					
6.	Has not abused his position for gaining any personal benefit either for himself or any person related.					
7.	Has no litigation pending relating to issues of integrity.					

Performance Evaluation of the Board

Background:

Clause 49 of the Listing Agreement entered into by the Company with the BSE Limited ("BSE") requires the Nomination and Remuneration Committee of the Board to lay down evaluation criteria for performance evaluation of the Board.

S. No	Criteria of Evaluation	Rating				Comments
		Poor	Good	Excellent	NA	
I.	Knowledge to perform the role					
1.	Demonstrates knowledge of the sector in which the company operates					
2.	Has knowledge and familiarity with the business of the Company, its subsidiaries, plants etc.					
3.	Has an understanding of the key risks facing the Company					
4.	Has kept himself / herself abreast through Familiarisation Programme / module					
5.	Has an understanding of the key policies of the Company					
6.	Is aware of key information furnished by the Company to the Stock exchange.					
II.	Time and Level of Participation					
1.	Has attended meetings of the Board or Board committees where he is a member					
2.	Has attended general meetings of the Company including the Annual General Meeting					
3.	Has participated as part of the Board / Committee meeting on performance of the Company v/s Budgets					
4.	Has participated at Audit Committee meetings and discussed with Internal Auditors to understand various concerns					
5.	Has participated at Audit Committee meetings and discussed with Statutory Auditors to understand various concerns					
6.	Has participated at Board Meetings to understand litigations, etc.					
7.	Have had discussions with the management at various meetings to understand the following:					

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	<ul style="list-style-type: none"> ✓ Key performance drivers and reason for key variations in financial numbers compared to prior quarters. ✓ Key areas of judgment and estimates ✓ Key accounting positions taken by the Company which have a bearing on the financial performance ✓ Understanding if any expert assistance is needed in any of the areas ✓ Adequacy of internal controls on financial reporting 					
8.	Does not unfairly obstruct the functioning of the Board or Committee of the Board where he is a member					
III.	Performance of Duties and Level of Oversight					
1.	Has reviewed levels of remunerations and terms of appointment of executive directors, key management personnel and senior management.					
2.	Has reviewed levels of remunerations and terms of appointment of statutory auditors, including independence compliance of non-audit services rendered by the statutory auditors.					
3.	Has ensured that concerns raised are addressed by the Board. If significant concerns are not addressed, ensures that these are minuted in the minutes of the Board meeting.					
4.	Has reviewed the Related Party transactions and ensured that they are in the interest of the Company.					
5.	Has participated constructively and objectively in all meetings of the Board or committee of the Board where he is a member					
6.	Has evaluated all significant complaints and whistle blower information received by the Company					
7.	Has ensured that the money spent on CSR has been as per the CSR policy approved by the CSR committee.					
8.	Has reviews the Annual Report, especially the MD&A.					
IV.	Professional Conduct and Independence					
1.	Has complied with the Code of Ethics of the					

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	Company					
2.	Has complied with the Insider Trading Policy of the Company					
3.	Has maintained confidentiality of all information obtained in the capacity of an Independent Director.					
4.	Has provided timely declaration to the Company as required by section 149 (6) and 149 (7) of Companies Act 2013.					
5.	Has intimated the Company immediately if there are any issues relating to Independence.					
6.	Has not abused his position for gaining any personal benefit either for himself or any person related.					
7.	Has no litigation pending relating to issues of integrity.					