

BOARD EVALUATION POLICY
Effective June 15, 2021

Introduction:

Performance evaluation of Directors and Board as a whole and its committees to be carried out in the last quarter of every financial year

Background: The Board of Directors (the “Board”) of Vineet Laboratories Limited has, on basis of the recommendation of the Nomination and Remuneration Committee, adopted this Board Evaluation Policy (“Policy”) to comply with the various provisions under Regulation 19 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the Section 178 of the Companies Act, 2013 (“Companies Act”).

Object: The Policy has been framed with an objective to ensure individual directors of the Company (“Directors”) and the Board as a whole, work efficiently and effectively in achieving their functions, for the benefit of the Company and its stakeholders. Accordingly, the Policy provides guidance on evaluation of the performance, on an annual basis, of: (i) individual Directors (including the Chairperson and independent directors of the Company (“Independent Directors”) (ii) the Board as a whole; and (iii) various committees of the Board (“Board Committees”).

Manner of Evaluation: The Nomination and Remuneration Committee (“NRC”) shall carry out the evaluation of performance of every Director. The evaluation of performance of the Independent Directors (IDs) shall also be carried out by the entire Board of Directors excluding the Director being evaluated in the same way as it is for the Executive Directors of the Company except the Director getting evaluated.

Evaluation performance should be carried out at least once in a year.

The Company shall provide suitable training to the Non-Executive Directors including Independent Directors. Any other need-based training shall also be provided.

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular Director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual Directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below:

Rating Scale

Performance	Rating
Very Bad	1
Bad	2
Average	3
Good	4
Excellent	5

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

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:

Name of the Director being assessed:

Assessment Criteria		Performance evaluation
1.	Attendance, participation in the Board / Committee Meetings and timely inputs on the minutes of the meetings.	
2.	Core competencies and expertise.	
3.	Accomplishment of specific responsibilities.	
4.	Contribution towards growth of the Company.	
5.	Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards image building of the Company.	
6.	Adherence to code of conduct of Company.	
7.	Team work attributes and supervising & training of staff members.	
8.	Compliance with policies and disclosure of interest.	
9.	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguarding confidential information.	
10.	Time spent for the effective functioning and growth of the Company.	

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:

Name of the Director being assessed:

Assessment Criteria		Performance evaluation
1.	Attendance, participation in the Board / Committee Meetings and timely inputs on the minutes of the meetings.	
2.	Core competencies and expertise.	
3.	Accomplishment of specific responsibilities.	
4.	Contribution towards growth of the Company.	
5.	Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards image building of the Company.	
6.	Adherence to code of conduct of Company.	
7.	Team work attributes and supervising & training of staff members.	
8.	Compliance with policies and disclosure of interest.	
9.	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguarding confidential information.	
10.	Time spent for the effective functioning and growth of the Company.	

Board of Directors and its Committees:

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:

Assessment Criteria		Performance evaluation
1.	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance to the desired levels?	
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 receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound.	
5.	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?	
6.	The information provided to directors prior to Board meetings meets expectations in terms of length and level of detail to deliberate at meetings and address issues that might cause a conflict of interest.	
7.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of Issues.	
8.	The Board oversees the role of the independent auditor and has an effective process to evaluate the independent auditor's qualifications (through its Audit Committee).	
9.	Company has necessary Committees which are required and these Committees are working effectively.	

Chairman:

Assessment criteria	Performance evaluation
Whether Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board;	
Whether encourages debates and discussions on the agenda items so as to make the deliberations effective;	

Whether prompt and qualitative reporting of proceedings of the meetings and authentication of minutes; and	
Whether reviews action taken reports in regard to implementation of Board/committee decisions.	

Review:

The Nomination and Remuneration Committee 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 thereunder 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