R & B DENIMS LIMITED

CIN No: L17120GJ2010PLC062949

POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

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The Company R & B Denims Limited is required to adhere to the regulations made both by the Companies Act, 2013 and Securities and Exchange Board of India (Listing obligations and Disclosure requirement) Regulations, 2015.

1. Introduction:

As one of the most important functions of the Board of Directors is to oversee the functioning of company's top management, this policy aims at establishing a procedure for conducting periodical evaluation of director's performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the company. This policy further aims at ensuring that the committees to which the Board of Directors has delegated specific responsibilities are performing efficiently in conformity with the prescribed functions and duties. In addition, the Nomination and Remuneration Committee shall carry out the evaluation of performance of every director in accordance with the criteria laid down.

2. Objective

The object of this policy is to formulate the procedures and also to prescribe and lay down the criteria to evaluate the performance of the entire Board of the Company.

3. Responsibility

It shall be the duty of the chairperson of the board, who shall be supported by a Company Secretary to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the director's and committee's effectiveness, to maximize their strength and to tackle their shortcomings

The Board of Directors shall undertake the following activities on an annual basis

- The board as a whole shall discuss and analyse its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.
- Review performance evaluation reports of various committees along with their suggestions on improving the effectiveness of the committee. Also, the requirement of establishing any new committees shall be reviewed by the Board on an annual basis.
- Review the various strategies of the company and accordingly set the performance objectives for directors.
- Ensure that adequate disclosure is made with regard to performance evaluation in the Board's Report.

Responsibility of the Nomination & Remuneration Committee

It shall evaluate the performance of individual Directors of the Company as per its terms of the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Companies Act, 2013

Responsibility of Independent Directors

Independent Directors are duty bound to evaluate the performance of non-independent directors and Board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of non-independent directors, performance of the chairperson of the Company and Board as a whole, taking into account the views of executive directors and non-executive directors.

The independent directors at their separate 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 management and the Board that I necessary for the Board to effectively and reasonably perform their duties

Evaluation of Independent Director shall be carried on by the entire Board of Directors of the Company except the Director getting evaluated

4. Evaluation Criteria

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 individual directors. Such evaluation factors may vary in accordance with their respective functions and duties. Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director beingevaluated.

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

Rating Scale:

Performance	Rating
Excellent	4
Very Good	3
Good	2
Satisfactory	1
Not Satisfactory	0

Evaluation of Independent Directors

While evaluating the performance of Independent Directors following points needs to be considered.

Name of Director being assessed:_____

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
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		

Evaluation of Non-Independent Directors/ Executive Directors

While evaluating the performance of Non-Independent Directors/ Executive Directors following points needs to be considered:

Name of Director being assessed:_____

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
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		

Evaluation of Board of Directors

While evaluating the Performance of the Board of Directors as a whole, following points needs to be considered:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
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 Auditor's qualifications and performance.		
12.	The Board considers the Independent Audit plan and provides recommendations.		

Evaluation of Key Management Personnel and Senior Executives

While evaluating the performance of Key Management Personnel and Senior Executives following points shall be kept in mind:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Abidance and behaviour in accordance with ethical standards & code of conduct of Company.		

2.	Interpersonal and communication skills		
3.	Team work attributes		
4.	Safeguard of confidential information		
5.	Compliance with policies of the Company, ethics, code of conduct, etc.		

Evaluation of Committees of Board

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee;

For evaluating the performance of each Committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

Sr. No	Audit Committee (for Audit Committee members only)	Rating	Remarks/ Comments
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		

Sr. No	Nomination and Remuneration Committee (NRC) (For NRC members only)	Rating	Remarks/ Comments
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		

Sr. No.	Stakeholders Relationship Committee (SRC) (For SRC members only)	Rating	Remarks/ Comments
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		

Sr. No.	Corporate Social Responsibility Committee (CSR) (For CSR Committee members only)	Rating	Remarks/ Comments
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		

5. Policy

Subject to the approval of Board of Directors, the "Nomination and Remuneration Committee" reserves the right to review and amend this policy, if required, to ascertain its appropriateness as per the needs of the company. The Nomination and Remuneration Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

6. Disclosure

In accordance with the requirement under the Act, disclosure regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, individual director's performance will be made by the Board of Directors in the Board's Report. Further, the Board's Report containing such statement will be made available for the review of shareholders at the general meeting of the Company.

The Policy has been made available on Company's official website and the key features of this Policy have also in the annual report of the Company

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