

MIVEN MACHINE TOOLS LIMITED
POLICY FOR ANNUAL EVALUATION OF
PERFORMANCE OF THE BOARD OF DIRECTORS

1. INTRODUCTION:

MIVEN MACHINE TOOLS LIMITED (hereinafter referred to as “**the Company**”) believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior for the Board of Directors. The honesty, integrity and sound judgment and performance of the Directors for the success and for building a good reputation of the Company. Each Director is expected to comply with the letter and spirit of this Policy.

Therefore, this policy aims to 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 re-enacted from time to time) relating to the evaluation of performance of the Directors and the Board, adopt best practices to manage the affairs of the Company in seamless manner and to achieve good corporate governance as well as sustained long-term value creation for stakeholders.

2. DEFINITIONS:

A. “the Act”:

The Act shall mean The Companies Act, 2013;

B. “the Company”:

The Company shall mean **MIVEN MACHINE TOOLS LIMITED**

C. “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.

D. “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.

E. “the Policy” or “this Policy”:

The policy or This Policy shall mean the Policy for Evaluation of performance of Board of Directors of the Company.

F. “the Committee” or “this Committee”:

The Committee or This Committee shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013.

3. OBJECTIVE:

The Objective 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.

4. VARIOUS KINDS OF PERFORMANCE EVALUATION:

A. APPRAISAL SYSTEM:

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below. This appraisal is mandatory and will be done under the provision of the clause (p) of sub section (3) of Section 134.

B. EVALUATION OF THE PERFORMANCE:

The Committee shall evaluate the performance of Board of Directors of the Company in accordance with the provisions of section 178 of the Companies Act, 2013 and the criteria for the evaluation of the performance as prescribed in the clause 5 of this policy. 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 getting evaluated. Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based on each criteria and sub-criteria. The detail process of evaluation and ratings thereon are mentioned in the clause 5 and 6 of this policy respectively.

C. EFFECTIVENESS OF THE BOARD:

Based on the ratings given by the Nomination & Remuneration Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

5. CRITERIA FOR EVALUATION OF PERFORMANCE:

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

1. Attendance and contribution at Board and Committee meetings
2. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
3. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
4. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
5. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
6. Open channels of communication with executive management and other colleague on Board.
7. Maintain high standards of integrity and probity.

8. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
9. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
10. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, human resources etc.
11. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
12. His/her contribution to enhance overall brand image of the Company.

MIVEN MACHINE TOOLS LIMITED (MRTL) – BOARD MEMBER FEEDBACK:

MRTL believes in value for its stakeholders through ethical processes and integrity. The Board plays a very important role in ensuring the Company’s performance is monitor and timely inputs are given to enhance its performance and set the right direction for growth. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

Name of the Director: _____

Rating scale shall be 1 to 10 (1 being least effective and 10 being most effective)

Performance criteria	Rating	Remark
1. Participation and attendance in Board and Committee Meetings actively and consistently		
2. Prepares adequately for Board and Committee Meetings		
3. Contributes to strategy and other areas impacting Company’s performance		
4. Brings his/her experience and credibility to bear on the critical areas of performance of the organization.		
5. Keeps updated knowledge of his/her areas of expertise and other important issues.		
6. Communicates in open and constructive manner		
7. Gives fair chance to other members to contribute, participates actively in the discussions consensus oriented		
8. Helps to create brand image of the Company and helps the Company wherever possible to resolve issues; if any		
9. Actively contributes toward positive growth of the Company		
10. Conduct himself/herself in a manner that is ethical and consistent with the laws of the land.		

Note: Rating 90 and above - excellent, between 75 to 89 – Very good, between 60 to 74 – Good, between 35 to 59 – Satisfactory and Less than 35 – Unsatisfactory.
