

PERFORMANCE EVALUATION POLICY
FOR
D.S. KULKARNI DEVELOPERS LTD.

PREAMBLE:

1. This Performance Evaluation Policy (“the Policy”) is for D. S. Kulkarni Developers Ltd. (“the Company”) for undertaking evaluation of every director’s performance.
2. Section 178 of the Companies Act, 2013 has obligated on the Nomination and Remuneration Committee (“NRC”) to carry out evaluation of every director’s performance.
3. NRC shall formulate the criteria for determining qualifications, positive attributes and independence of the director, and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
4. NRC shall, while formulating the policy, ensure that—
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
5. Further under Clause VIII of Schedule IV of the Companies Act, 2013 duty has been cast on the Board to evaluate performance of independent directors. Accordingly, a report of performance evaluation of each independent director shall be prepared, which would determine whether or not to extend or continue the term of appointment of the concerned independent director.
6. As such this Board evaluation process aims to ensure that the individual independent directors and the Board of directors of the Company as a whole work efficiently and effectively to fulfil the Company’s objectives. This Policy aims at establishing a procedure for the Board to conduct evaluation of its performance and individual directors.

RESPONSIBILITY:

It shall be duty of the Company to arrange the evaluation process and accordingly take the steps. It shall be duty of each director to evaluate the performance of every other director whether independent or otherwise and the Board as a whole. The Independent directors shall hold at least one meeting in a year to review the performance of non-independent directors, Chairperson and the Board as a whole.

FACTORS FOR EVALUATION:

The Board shall take into account the following parameters to be factored on each criteria as mentioned below.

Evaluation	Rating
Very Satisfactory	5
More Satisfactory	4
Average Satisfactory	3
Below Satisfactory	2
Not Satisfactory	1

EVALUATION CRITERIA

Independent Directors

1. Attendance in the Meetings of the Board and its Committees, wherever necessary
2. Timely inputs on the minutes of meetings
3. Adherence to the ethical standards and code of conduct of the Company
4. Disclosure of interest /non-independence, whenever it exists
5. Asking for elaborative inputs on the subject
6. Raising valid concerns to the Board through constructive contribution
7. Interpersonal relations with other members of the Board and management
8. Understanding the Company and industry in which it operates
9. Assisting the Company in implementing best corporate governance practices

Non-Independent Directors/CMD/other WTD

1. Attendance in the Meetings of the Board and its Committees, wherever necessary
2. Timely inputs on the minutes of meetings
3. Adherence to the ethical standards and code of conduct of the Company
4. Disclosure of interest /non-independence, whenever it exists
5. Leadership and team work attributes
6. Contribution towards growth of the Company
7. Compliance with polices, reporting of frauds, violations, etc. or any suspicion thereof
8. Safeguarding interest of whistle blowers
9. Regularly updates and refreshes skills, knowledge about the external environment and familiarity with the company

Board of Directors

1. Is composition of the Board is appropriate with the right mix of expertise and skills?
2. The Company has necessary and adequate Committees for the effective functioning and proper reports are given to the Board
3. Independence requirements are properly adhered to

4. Effectiveness in developing a corporate governance structure
5. There is an effective internal control system for identifying and reporting risk, violation of policies and legal compliances
6. The Board receives regular financial updates as and when required
7. Are sufficient number of Board meetings held?
8. Are Board meetings conducted so effectively that encourages open discussions, meaningful participation and timely resolution of issues?
9. The Chairman of the Board conducts meeting effectively

FORM OF PERFORMANCE EVALUATION

The performance evaluation form with the above stated criteria is attached as Annex 1 which will be distributed to each director, who shall evaluate the performance of the individual director and Board.

RATINGS

Based on the above criteria the Board has to be evaluated by giving ratings as stated above from lower to higher whichever is felt proper. The total number of ratings awarded shall be averaged over the number of persons who have given ratings.

The Board may authorise any person to provide assistance to the directors who shall report to the Board for this purpose.

REVIEW

The performance evaluation process and criteria shall be reviewed by the NRC as and when it deem fit and may take external advice if required.

DISCLOSURE

The process of performance evaluation shall be disclosed in the Board's report along with key features of this policy in the Report on Corporate Governance of the Company.



D. S. Kulkarni Developers Ltd.
Performance evaluation form for Independent Directors for FY _____

Name of Director:

Date of Appointment:

Category:

Date of Re-appointment:

Following are the Factors for Evaluation under the Performance Evaluation Policy of the Board of Directors

Evaluation	Rating
Very Satisfactory	5
More Satisfactory	4
Average Satisfactory	3
Below Satisfactory	2
Not Satisfactory	1

* Please tick at the appropriate column under the Rating Scale

Sr. No.	Particulars	Rating Scale*				
		1	2	3	4	5
A	Evaluation Criteria for Independent Directors					
1	Attendance at the Meetings of the Board and its Committees.					
2	Inputs on the minutes of meetings					
3	Adherence to the ethical standards and various codes of conduct of the Company					
4	(i) Timely disclosure of interest (ii) Conflict of interest					
5	Participation at the Board Meetings					
6	Quality of participation					
7	Co-ordination with other members of the Board and management					
8	Knowledge of the Company's business and industry in which it operates					
9	Contribution to formulating and implementing best corporate governance practices					
	Total A					
B	Evaluation Criteria for Non-Independent Directors/CMD/other WTD					
1	Attendance at the Meetings of the Board and its Committees					
2	Inputs on the minutes of meetings					
3	Adherence to the ethical standards and various codes of conduct					
4	Timely disclosure of interest and conflict of interest					
5	Visionary attributes					
6	Leadership and team work attributes					
7	Contribution towards growth of the Company					
8	Compliance with polices, reporting of frauds, violations, etc. or any suspicion thereof					
9	Safeguarding interest of whistle blowers					
10	Regularly updates and refreshes skills, knowledge about the external environment and familiarity with the company					
	Total B					

C	Evaluation Criteria for Board of Directors					
1	Is composition of the Board is appropriate with the right mix of expertise and skills?					
2	Has the Company necessary and adequate Committees for the effective functioning and are proper reports given to the Board?					
3	Whether independence requirements are properly adhered to?					
4	Effectiveness in developing a corporate governance structure					
5	Is there an effective internal control system for identifying and reporting risk, violation of policies and legal compliances?					
6	Does the Board receive regular financial updates as and when required?					
7	Are sufficient number of Board meetings held?					
8	Are Board meetings conducted so that open discussions, meaningful participation and timely resolution of issues are encouraged?					
9	Does the Chairman of the Board conduct meetings effectively?					
	Total C					
	Total (A=B=C)					

Signature:

Name of Director :

Date :

Place :