1. Introduction

Amit Securities Limited (the "**Company**") believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour, in consonance with the Company's Code of Conduct for Board and Key Management Personnel ("**KMP"**). The honesty, integrity and sound judgement and performance of the Directors and the senior management are key criteria for success and for building a good reputation of the Company. Each director and executive in the senior management are expected to comply with the letter and spirit of this policy for Evaluation of the Performance of Independent Directors and Board of Directors ("**Policy**"). Any actual or potential violation of the code of conduct for Board and KMP and this Policy by the Directors would be a matter of serious concern for the Company. The Company has formulated this Policy to comply with various provisions under the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the formal annual evaluation made by the Board of its own performance and that of its committees and individual Directors as mentioned under clause (p) of sub-section (3) of Section 134 of the Act. The Nomination and Remuneration Committee shall evaluate the performance of each of the Directors as per sub section (2) of Section 178 of the Act and based on the functions of the Independent Directors as indicated under Schedule IV (as per Section 149) annexed to the Act.

2. Definitions:

Capitalised terms used in the Policy shall have the meanings ascribed to them as below:

i. "**Act**" means the Companies Act, 2013, as amended from time to time and the rules made thereunder.

ii. "**Company**" means Amit Securities Limited.

iii. "**Committee**" means the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of the Act.

iv. "**Director**" or "**Board**" means the Director or the Board, in relation to the Company, and is deemed to include the collective body of the Board of the Company including the Chairman of the Company.

v. "**Independent Director**" shall mean an Independent Director as defined under Section 2 (47) to be read with Section 149 (5) of the Act and Clause 16 of the Listing Regulations.

vi. "**Listing Regulations**" means Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

vii. "**Policy**" shall mean this Policy for Evaluation of performance of the Board of Directors of the Company.

3. Objective:

The object of this Policy is to formulate the procedures and prescribe the criteria to evaluate the performance of the Board of Directors of the Company, various committees of the Board of Directors of the Company and Directors of the Company (both Independent and Non-Independent Directors). Further, to adopt best practices to manage the affairs of the Company in a seamless manner and ensure long term value creation for stakeholders by achieving good corporate governance.

4. Various Kinds of Performance Evaluation:

A. Appraisal System:

Appraisal of each Director of the Company shall be based on the criteria as stipulated by the Company from time to time. This appraisal is mandatory and will be done under the provision of the clause (p) of sub section (3) of Section 134 of the Act.

B. Evaluation of the Performance:

The Committee shall evaluate the performance of each Director as per the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of Section 178 of the Act and the criteria for the evaluation of the performance as prescribed in Paragraph 6 of this Policy.

Evaluation of Independent Director shall be carried on by the entire Board which shall include–

(a) performance of the Directors; and

(b) fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management.

The Directors who are subject to evaluation shall not be allowed to participate. 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 criterion and sub-criteria.

5. Effectiveness of the Board:

Additional guidelines for the company -

i. Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.

ii. It is expected that boards have an appropriate blend of functional and industry expertise.

iii. On an annual basis every holding company will need to provide a report of any changes in Directors in the Board of its subsidiaries, associates and joint ventures (this should also include subsidiaries, associates and joint ventures of such subsidiaries, associates and joint ventures) in a pre- determined format.

5. Separate Meeting for Evaluation of performance of Board Members:

The meeting for the purpose of evaluation of performance of Board members shall be held at least once in a year and the Company shall disclose the criteria laid down by the Committee for performance evaluation on its web site for reference and also in the annual report of the Company.

Annual Independent Directors' (ID) meeting

- The Committee Chairman would convene an Annual ID meeting to review performance of the Board as a whole. (In the same meeting the IDs will also review the performance of the non-independent Non-Executive Directors (NEDs) and Chairman) Classification.
- Report of the ID meeting is to be provided to the Chairman of the Board by the Committee Chairman.

6. General Criteria for Evaluation of Performance:

In addition to the specific criteria enumerated in the Annexures to the Policy, the Committee has laid down the below general criteria for evaluation of performance of executive Directors, Independent Directors and Chairman and the Board:

i. Attendance and contribution at Board and Committee meetings.
ii. His / her stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.

iii. 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.

iv. His / her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.

v. Effective decision-making ability to respond positively and constructively to implement the same to encourage more transparency.

vi. Open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.

vii. 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 organisational successes and harmonising the Board.

viii. His / her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.

ix. Quality of decision making on the company's business, human resources, understanding financial statements and business performance, raising of finance, working capital requirement, forex dealings, geopolitics, etc.

x. His / her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring the right level of contact with external stakeholders.

xi. His / her contribution to enhance overall brand image of the Company.

7. Frequency and Timing:

Pursuant to Section 134(3)(p) of the Act, it can be inferred that there has to be a formal annual evaluation of the performance of the Board and that of its various committees and of individual Directors. Therefore, the Company shall undertake internal annual evaluation every year.

8. Procedure to Rate the Performance:

Based on evaluation criteria, the Committee shall rate the performance of each and every Director. The performance rating shall be given within minimum 1 and maximum 10 categories, the rating 1 being least effective and 10 being most effective. Based on the rating of performance the Board can decide the strategy to extend or continue the term of appointment or to introduce new candidate as a member of the

Board or Retirement of the member based on his/her performance rating as to create and maintain the most effective and powerful top level management of the Company for its future growth, expansion, diversification and also to maximise the returns on investments to the stakeholders of the Company.

9. Review and Monitoring:

The Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective performance evaluation.

10. Amendments:

The Board may amend the Policy as and when it deems necessary either pursuant to any change in law or otherwise. The Board shall be free to devise and implement any supplementary or other policies and guidelines in respect thereof for better implementation of this Policy.

11. **Disclosure:**

In accordance with the requirement under the Act and the Listing Regulations, 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.

ANNEXURE A

INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria	Rating	Remark
1.	Helps in bringing an independent judgement to bear on the Board's deliberations.		
2.	Attendance and participations in the Meetings and timely inputs on the minutes of the meetings.		
3.	Brings an objective view in the evaluation of the performance of Board and management.		
4.	Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company.		
5.	Assists in determining appropriate policy of remuneration of executive directors, key managerial personnel, and other employees.		
6.	Pays sufficient attention before approving related party transactions.		
7.	Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest		

8.	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings		
9.	Adheres to all other standards of the Code for Independent Directors as per the Schedule IV to the Companies Act, 2013		
10.	Objective evaluation of Board's performance, rendering independent, unbiased opinion		
11.	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.		
12.	Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information		
13.	Director demonstrates highest level of Integrity (including but not limited to, avoiding conflict of interest, maintaining of confidentiality etc.)		

Based on the above criteria each of the Independent Directors has to be assessed by the other directors (including other Independent Directors). The total of the ratings so awarded will be averaged over the number of persons who have awarded the rating. Assistance in conducting the process of evaluation shall be provided by a person as authorised by the Board and for this purpose, such person shall report to the Board.

NON - INDEPENDENT DIRECTORS / CMD / WTD

Some of the specific issues and questions that should be considered in a performance evaluation of a Non-Independent Director / CMD/WTD are set out below.

S. No.	Assessment Criteria	Rating	Remark
1.	Attendance, participations in the meetings and timely inputs on the minutes of the meetings		
2.	Contribution towards growth of the Company including actual vis-å-vis budgeted performance.		
3.	Director's background, knowledge and skills are relevant to the Board and business of the Company, undertakes leadership initiatives like new ideas and planning towards growth of the Company and steps initiated towards branding of the Company		
4.	Adherence to ethical standards & code of conduct of Company		
5.	Teamwork attributes and supervising & training of staff members		
6.	Compliance with policies, reporting of frauds, violation etc. and disclosure of interest		
7.	Safeguarding of interest of whistleblowers under vigil mechanism and Safeguard of confidential information		
8.	Works towards safeguarding the interest of all stakeholders in the Company.		
9.	Director demonstrates highest level of Integrity (including but not limited to, avoiding conflict of interest, maintaining of confidentiality etc.)		

Based on the above criteria each of the Non - Independent Directors / CMD / WTD has to be assessed by giving a rating. The total number of ratings awarded will be averaged over the number of persons who have awarded the rating.

This process of evaluation shall be done by Independent Directors only. Assistance in handling the process will be provided by a person so authorised by the Board, and for this purpose, the person will report to the Board.

BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set out below:

S. No.	Question	Rating	Remark
1.	The Board knows and understands the Company's mission and reflects this understanding when addressing key issues.		
2.	The Board engages in long-range strategic thinking and planning.		
3.	The Board has achieved what it set out to accomplish during the past year.		
4.	The Board stays abreast of issues and trends affecting the plan, using this information to guide the organisation over the long term.		
5.	Board meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.		
6.	The Board meeting agenda is well balanced, allowing appropriate time for the most critical issues.		
7.	The Board and Committee meetings are of reasonable length.		
8	The composition, terms of reference, roles and responsibilities of the committees are in line with the prevalent regulations and are adhered to by the members.		
9	The Committees are effective, focusing on pertinent topics and allocating reasonable time.		

10	Actively contributes toward positive growth of the Company		
11	The Board recognizes its policy-making role, and reconsiders and revises policies as necessary.		
12	The Board receives timely, accurate, and useful information based upon which to make decisions.		
13	Board expectations, and concerns are promptly, candidly, and effectively communicated to the Chairman of the Board.		
14	The Board anticipates issues and does not often find itself reacting to "crisis" situations.		
Total Ratings			

COMMITTEES OF THE BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the committees of the Board including the Audit Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee or any other committee(s) of Board that may be constituted by Board of Directors of Company are set out below:

S. No.	Assessment Criteria	Rating	Remark
1.	The mandate, composition and working procedures of the committees of the Board are clearly defined and discussed.		
2.	The committee has fulfilled its functions as assigned by the Board and laws as may be applicable.		
3.	The committee has properly structured and conducted regular meetings.		
4.	The independence of the committee is ensured from the Board.		
5.	The committee's recommendations contribute effectively to the decisions of the Board.		
6.	Compliance with policies, reporting of frauds, violation etc and disclosure of interest		

Note Total Rating 9 and above— excellent, between 7.5 to 8.9 — Very good, between 6.0 to 7.4 — Good, between 3.5 to 5.9 Satisfactory and Less than 3.5 — Unsatisfactory.