

MOHIT PAPER MILLS LIMITED

Reg. Office: 15A/13, Upper Ground Floor, East Patel Nagar,
New Delhi- 110008

Works: 9km stone, Nagina Road, Bijnor, UP- 246701

E-mail: investorsmohitpaper@gmail.com

website: www.mohitpaper.in

Ph: 011-25886798

Policy:

**EVALUATION OF PERFORMANCE OF BOARD OF
DIRECTOR**

Introduction:

We, Mohit Paper Mills Limited (“the Company”) incorporated in the year 1992 and having registered office at 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008 and works (factory) on 9km stone, Nagina Road, Bijnor, UP- 246701. Pursuant to the applicable provisions Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Schedule IV of the Companies Act, 2013 (“Act”) and Regulation 4, 17 and Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI listing regulation”), must to ensure formulate the criteria or policy for the evaluation of performance of the Directors individually and Board as whole, committee and Independent Director.

Definition:

“Act” means the Companies Act, 2013 together with the rules and regulations formulated thereunder, as amended from time to time;

“Board” means the Board of Directors of the Company;

“the Company” means “MOhit Paper Mills Limited”;

“the Independent Director” means an Independent Director as defined under Section 2 (47) to be read with section 149 (5) of the Act.

“the Policy” means the Policy for Evaluation of performance of Board of Directors of the Company.

“the Committee” means the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of SEBI listing regulation.

Objective:

These are objectives of formulation of the policy.

- Improving the performance of Board towards Corporate Goals and Objectives.
- Assessing the balance of skills, knowledge and experience on the Board.
- Identifying the areas of concern and areas to be focused for improvement.
- Identifying and creating awareness about the role of Director individually and collectively as Board.
- Building Teamwork among Board of Directors.
- Effective Co-ordination between Board and management.
- Overall growth of the Company.
- formulate the process of assessing the effective evaluation of performance of the Board of the Company, the Board committees, individual directors and the Chairman of the Company.

Evaluation process:

Evaluation process is a never ending process for good corporate governance and the Company is committed to adopted a fare and transparent policy for equality. The committee of the Company shall carry out the evaluation of performance of every Director, Independent Director(s) (IDs), Board and other

mandatory committee (i.e. Audit committee/ stakeholder committee/CSR committee and other committee, if applicable) and performance of this evaluation of performance should be carried out at least once in a year. The Committee evaluates the performance under this process such as,

- Define criteria for evaluation of performance and amend time to time as required;
- Evolution questionnaires provides directors feedback;
- coordinate and collate the feedback received for each Director;
- analyze of the feedback received from each Director and prepare summary thereof;
- provides one to one directors discussion;
- closed session discussion of Board and committee lead by senior director and with one independent director;
- The above process will be implemented and controlled from the Chairman's office and the summary will be prepared without attributing any comment to the person who made it.
- Such summary of observations will be shared with the individual directors in confidence.

Important steps for evaluation process:

These are important steps for evaluation process by the Committee as required time to time and the Committee can adopt new or advance steps for better and accurate evaluation process, these are;

- To develop a methodology for evaluation. It may be different for different companies based on their types of management and constitution of Board.
- As a good practice, the company may also develop a Policy on Board Evaluation. Ideally, evaluation process could commence each year (during last quarter) to evaluate the performance of concerned Board, Independent Director and committee.
- It is a good practice that each director is given a copy of the form for assessing the overall performance Board/Committees/Directors/Chairperson/Managing Director/Whole Time Director/Executive Director/Independent Director, as the case may be sufficiently in advance, so that he become aware the evaluation process and well as the parameters on which performance will be evaluated;
- The forms which include a set of questions, should have a rating mechanism or subjective questions, which may be analysis by the Committee.
- Ideally NRC should compile the feedback and comments in the evaluation forms and appropriately review the same. Thereafter the consolidated feedback and comments along with its recommendation be placed before the Board.

Evaluation Mechanism:

Performance Evaluation of Board:

The performance evaluation of the individual Directors, the Chairman of the Board, the Managing Director and the Board as a whole, shall be carried out on the basis of the feedback received from the Directors in the questionnaires circulated amongst them on an annual basis.

Performance Evaluation of Independent Directors:

The performance evaluation of independent directors shall be done by the entire Board of Directors which shall include:

- Performance of the Directors;
- fulfillment of the independence criteria as specified in the Companies Act, 2013 and their independence from the management.

Performance Evaluation of the Board Committees

The performance evaluation of the Board Committees shall be conducted on an annual basis. The separate set of questionnaire for each of the Committees as mentioned above, shall be sent to the directors for their feedback. In the above evaluation, the directors who are subject to evaluation shall not participate. The summary of the feedback received shall be prepared and the same shall be given to the Chairman of the Nomination and Remuneration Committee for discussion

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.
