

**FABTECH TECHNOLOGIES LIMITED**  
**(FORMERLY KNOWN AS FABTECH TECHNOLOGIES PRIVATE LIMITED)**

**POLICY ON EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD OF  
DIRECTORS**

## 1. Preamble

Based on the recommendation of the Nomination and Remuneration Committee (“Committee”), the board of directors (the “Board”) of Fabtech Technologies Limited (formerly known as Fabtech Technologies Private Limited (“Company”) has adopted this policy on evaluation of independent directors and the board of directors (“Policy”) to comply with the various provisions under Regulation 19 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Companies Act, 2013 and rules framed thereunder (“Act”)

The Company believes in ensuring sound governance by establishing and following best practices. As top management of the Company oversees the performance of every department, the Board of the Company manages the functioning of top management to meet business, customers and market needs. Practice of Board evaluation on annual basis is an opportunity to benchmark and progress and complies with the provisions of the Act and SEBI Listing Regulations.

This Policy shall be applicable to the Company with effect from the listing of the equity shares of the Company on one or more recognized stock exchanges.

## 2. Frequency & Timing

Pursuant to Section I34 (3) (p) of the Act, it can be inferred that there has to be a formal annual evaluation of Board of its own performance and that of its committees and individual directors. The Company may undertake annual evaluation either in accordance with the financial year.

## 3. Responsibility on evaluation by the Independent Directors, Nomination & Remuneration Committee and Board of Directors

1. Independent Directors are duty bound to evaluate the performance of non-independent directors, chairperson of the Company and the Board. The Act empowers the Independent Directors to hold separate meeting without the presence of other directors to assess the performance of Board.
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3. The Committee shall evaluate the performance of each director of the Company under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Act.
4. Evaluation of Independent Directors 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.

#### **4. BOARD PERFORMANCE EVALUATION PROCESS**

Annually, the chairperson of the Board shall initiate the process of evaluation. The evaluation shall consist of four parts:

##### **1. 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.

Based on the criteria the Board has to be assessed by giving a rating as mentioned above. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings. The process of evaluation shall be done by Independent Directors only. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

The performance of Committees of Board shall also be reviewed from time to time

##### **2. Board Committees**

The Board and the Independent Directors in its meeting, without the presence of the non-independent directors of the Company, shall carry out the evaluation of the performance of each Board Committee based on the questionnaire and feedback form.

The Board shall evaluate and ensure that the Committees, to whom the Board has delegated responsibilities, are performing efficiently and effectively.

##### **3. Individual Director:**

The Committee and the entire Board (excluding the director being evaluated) shall carry out the evaluation of performance of individual director of the Company.

In addition, the Independent Directors shall hold a meeting at least once in any given year, without the presence of the non-Independent Directors of the Company, to review the performance of such non-Independent Directors

The evaluation of the independent director shall be carried out based on the questionnaire.

The evaluation of the non-independent director shall be carried out based on the questionnaire.

#### **4. Confidentiality**

The discussions held during the Committee meeting/ Meeting of Independent Directors are to be kept confidential among those who attend the meeting. The written evaluation results are not public records. They will be kept in the confidential personnel file of the Independent Director and the Board of Directors.

## **5. Review and modification of evaluation**

1. The evaluation process, criteria and tools used shall be reviewed by the Committee on need basis.
2. The Committee may amend the Policy, if required, by passing a resolution at a Committee meeting, after ascertaining its relevance on the basis of the Company's needs.
3. If and when changes are brought into, it is the Committee's responsibility to assure that this Policy document is updated.

## **6. Disclosure**

1. The Company shall disclose details of its Board Evaluation process in its Board's Report.
2. The key features of this Policy would be included in the corporate governance statement contained in the Annual Report of the Company
3. The Board's report containing such statement shall be made available to shareholders at the general meeting of the Company
4. The Policy shall be available for public information on the website of the Company – [www.fabtechnologies.com](http://www.fabtechnologies.com)

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