



ITALIAN EDIBLES LIMITED

(Formerly known as
"ITALIAN EDIBLES PRIVATE LIMITED")

POLICY ON EVALUATION OF BOARD OF DIRECTORS

Approved by Board: 25th September 2023



Contents

1. Introduction	3
2. Objectives	3
3. Definitions	3
4. Responsibility	3
5. Evaluation of Performance	5
6. Board Performance Evaluation Process	6
7. Review and Amendment	10
8. Disclosure	10



INTRODUCTION

The Board of Directors (the "Board") of Italian Edibles Limited (the "Company") has adopted the Policy for evaluation of the performance of the Board at its Meeting held on 25th March 2024, based on the recommendation of the Nomination and Remuneration Committee, to comply with the provisions under Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 (the "Act").

OBJECTIVES

This Policy aims at establishing a procedure for conducting periodical evaluation of Directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every Director of the Company in order to effectively determine issues relating to remuneration of every Director, Key Managerial Personnel and other Employees of the Company.

This Policy further aims at ensuring that the Committees to which the Board of Directors has delegated specific responsibilities are performing efficiently in conformity with the prescribed functions and duties. In addition, the Nomination and Remuneration Committee shall carry out the evaluation of performance of every Director, Key Managerial Personnel in accordance with the criteria laid down.

DEFINITIONS

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

"**Company**" means Italian Edibles Limited.

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

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

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

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

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

RESPONSIBILITY

a. Responsibilities of the Board



It shall be the duty of the Chairman of the Board, who shall be supported by Company Secretary to organise the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the Directors' and Committees' effectiveness, to maximise their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

- i. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.
- ii. Review performance evaluation reports of various Committees along with their suggestions on improving the effectiveness of the Committees. Also, the requirement of establishing any new Committees shall be reviewed by the Board on an annual basis.
- iii. Review the various strategies of the Company and accordingly set the performance objectives for Directors.
- iv. Ensure that adequate disclosure is made with regard to performance evaluation in the Board's Report.

While evaluating the performance of the Directors, the following parameters shall be considered:

- i. Attendance at meetings of the Board and Committees thereof,
- ii. Participation in Board Meetings or Committee thereof,
- iii. Contribution to strategic decision making and risk assessment and risk mitigation,
- iv. Support on review of financial statements, business performance.
- v. Contribution to the enhancement of brand image of the Company.

While evaluating the performance of the Chairman and Managing Director, the Nomination and Remuneration Committee shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company.

b. Responsibility of the Nomination & Remuneration Committee

It shall evaluate the performance of individual Directors of the Company as per its terms, its role as prescribed under Part D of Schedule II of the Listing Regulations, and the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of Section 178 of the Act.

c. Responsibility of Independent Directors

Independent Directors are duty bound to evaluate the performance of Non-Independent Directors and the Board as a whole. The Independent Directors of the Company shall hold at least one meeting in a year to review the performance of Non-Independent Directors, performance of the Chairman of the Company and Board as a whole, taking into account the views of Executive Directors and Non- Executive Directors.



The Independent Directors at their separate meetings shall:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Evaluation of the Independent Director shall be carried on by the entire Board of Directors of the Company except the Director getting evaluated.

EVALUATION OF PERFORMANCE

The Committee shall carry out the evaluation of the performance of every Director. The evaluation of performance of the Independent Directors shall also be carried out by the entire Board of Directors excluding the Director being evaluated. Evaluation performance should be carried out at least once a year.

While evaluating the performance of the non-executive Directors (including the Independent Director), the following parameters shall be considered:

- i. Attendance at meetings of the Board and Committees thereof,
- ii. Participation in Board Meetings or Committee thereof,
- iii. Contribution to strategic decision making,
- iv. Review of risk assessment and risk mitigation,
- v. Review of financial statements, business performance.
- vi. Contribution to the enhancement of brand image of the Company.

While evaluating the performance of the Chairman, the Nomination and Remuneration Committee shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company.

The Company shall provide suitable training to the Non-Executive Directors including Independent Directors. Any other need-based training shall also be provided.

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of the performance of Board itself, and of its committees and Individual Directors as, such evaluation factors may vary in accordance with their respective functions and duties. Appraisal of each Director of the Company shall be based on the criteria as mentioned below.



Rating Scale

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

BOARD PERFORMANCE EVALUATION PROCESS

The Company has chosen to adopt the following Board Performance Evaluation Process

- a. Independent Director:** Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the Director concerned being evaluated shall not be included, are set out below:

Sr. No.	Assessment Criteria	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	Attendance and participations in the meetings						
2.	Raising of concerns to the Board						
3.	Safeguard of confidential information						
4.	Rendering independent, unbiased opinion and resolution of issues at meetings						
5.	Initiative in terms of new ideas and planning for the Company						
6.	Safeguarding interest of whistle-blowers under vigil mechanism						
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any						
8.	Contribution to strategic decision making,						
9.	Review of risk assessment and risk mitigation						
10.	Review of financial statements, business performance.						
11.	Contribution to the enhancement of brand image of the Company						



b. Non-Independent/Executive Director: Some of the specific issues and questions that should be considered in a performance evaluation of non-Independent Director/Executive Director by Independent Directors, in which the concerned Director being evaluated shall not be included, are set out below:

Sr. No.	Assessment Criteria	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	Leadership initiative						
2.	Initiative in terms of new ideas and planning for the Company						
3.	Professional skills, problem solving, and decision making						
4.	Compliance with policies of the Company, ethics, code of conduct, etc.						
5.	Reporting of frauds, violation etc.						
6.	Safeguarding of interest of whistle blowers under vigil mechanism						
7.	Timely inputs on the minutes of the meetings of the Board and Committee, if any						

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

Sr. No.	Assessment Criteria	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	The Board of Directors of the Company is effective in decision making.						
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfil its responsibilities.						
3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.						



4.	The Board reviews the Company's performance in carrying out the stated mission on a regular basis.						
5.	The Board of Directors is effective in providing necessary advice and suggestions to the Company's management.						
6.	Is the Board as a whole up to date with latest developments in the regulatory environment and the market?						
7.	The information provided to Directors prior to Board Meetings meets your expectations in terms of length and level of detail.						
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.						
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the Policy and governance work of the Board.						
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.						
11.	The Board oversees the role of the Independent Auditor from selection to termination and has an effective process to evaluate the Independent Auditor's qualifications and performance.						
12.	The Board considers the Independent Audit plan and provide recommendations.						



d. Committees of Board: The Board has constituted the following committees:

- (i) Audit Committee;
- (ii) Nomination and Remuneration Committee;
- (iii) Stakeholders Relationship Committee
- (iv) Corporate Social Responsibility Committee; and
- (v) Investment Committee

For evaluating the performance of each Committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

Sr. No.	Audit Committee (for Audit Committee members only)	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	Committee Meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues						
2.	Timely inputs on the Minutes of the Meetings						

Sr. No.	Nomination and Remuneration Committee (For and Remuneration Committee members only)	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	Committee Meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues						
2.	Timely inputs on the Minutes of the Meetings						

Sr. No.	Stakeholders Relationship Committee (For Stakeholders Relationship Committee members only)	Ratings					Remarks/ Comments
		1	2	3	4	5	
1.	Committee Meetings are conducted in a manner that encourages open communication,						



	meaningful participation and timely resolution of issues						
2.	Timely inputs on the Minutes of the Meetings						

REVIEW AND AMENDMENT

Subject to the approval of the Board of Directors, the Nomination and Remuneration Committee reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.

DISCLOSURE

In accordance with the requirement under the Act and the Listing Regulations (as amended or re-enacted from time to time), disclosure 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' performance will be made by the Board of Directors in the Board's Report. Further, the Board's Report containing such a statement will be made available for the review of Shareholders at the General Meeting of the Company.