



BOARD EVALUATION POLICY

INTRODUCTION:

This policy is framed to encourage open and effective evaluation of performance of the Board of Directors (“**Board**”) of BlueStone Jewellery and Lifestyle Limited (the “**Company**”) and to lay down the guidelines and mechanism for undertaking the programme of evaluation. The Policy has been framed with an objective to ensure individual directors of the Company (“**Directors**”) and the Board as a whole, work efficiently and effectively in achieving their functions, for the benefit of the Company and its stakeholders. Accordingly, the evaluation clearly sets out the opinion of the Board and helps to create better scope for improvement on the Board level. The purpose of the board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony.

The Board acknowledges its intention to establish and follow “best practices” in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes that the evaluation of the Board will lead to a closer working relationship amongst the Board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

This policy has been framed in compliance with the provisions of Section 178 (2), 134(3)(p) and other applicable provisions, if any, the Companies Act, 2013, by the Nomination and Remuneration Committee (“**NRC**”) and approved by the Board.

OBJECTIVES OF EVALUATION:

The objective to undertake evaluation of Board and the individual directors are as under:

- a. To ensure commitment of the Directors towards performance management;
- b. To review the challenges in the dynamics of the Board or amongst the Board and the management;
- c. To enhance good corporate governance in the Company;
- d. To develop appropriate skills, competencies and motivation for the Board.
- e. To conduct knowledge management training sessions, if recommended by the Board.

SCOPE OF EVALUATION:

The scope of the evaluation extends to Directors including Independent Directors, the Executive Chairman, the Managing Director / Whole Time Directors on the basis of the criteria set forth by the NRC.

METHOD OF EVALUATION OF BOARD:

Depending on the objectives of the evaluation, and the resources available, the evaluation process will involve a range of qualitative and quantitative techniques. The NRC shall analyse the data and prepare a final report which shall be placed before the chairman of the ensuing board meeting wherein the annual accounts of the Company are to be discussed and approved.



The Board evaluation shall either done internally or by external agency on an individual basis with each director separately, as may be decided from time to time.

Evaluation of Individual Directors

- Performance of individual Directors of the Company (including the Chairperson and Independent Directors) shall be evaluated, on an annual basis, by: (i) the Board as a whole (excluding the Director being evaluated); and (ii) the Nomination and Remuneration Committee.
- In carrying out its evaluation, the Board and/ or the Nomination and Remuneration Committee, shall keep in mind the evaluation parameters set out: (i) with respect to the Independent Directors (Annexure I); (ii) with respect to the Chairperson of the Company (Annexure II); (iii) an overall Board evaluation (Annexure-III) along with the Committee Evaluation (Annexure III A).
- While evaluating the performance of individual Directors, the NRC shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual Director, the performance of the Company and the role of the individual Director within the Company. Further, the NRC shall determine whether to extend or continue the term of appointment of each Independent Director, based on the report of performance evaluation of Independent Directors.
- 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: (i) such Non-Independent Directors in accordance with the evaluation parameters; and (ii) the Chairperson of the Company, taking into account the views of executive directors and non-executive directors, and the evaluation parameters. All Independent Directors shall strive to attend such meeting.

Evaluation of the Board

- The Board shall, on an annual basis, evaluate its own performance keeping in mind the evaluation parameters.
- In addition, the Independent Directors, in the meeting referred to in paragraph above, without the presence of the Non-Independent Directors of the Company, shall (i) review the performance of the board as a whole in accordance with the evaluation parameters; and (ii) assess the quality, quantity and timelines of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Evaluation of the Board Committees

- The Board shall, on an annual basis, evaluate the performance of each Board Committee.
- In addition, the Independent Directors, in the meeting referred to in paragraph above, without the presence of the Non-Independent Directors of the Company, shall (i) review the performance of the Committees as a whole; and (ii) assess the quality, quantity and timelines of flow of information between the management of the Company and the Board Committees that is necessary for the Board to effectively and reasonably perform its duties.



REVIEW OF POLICY:

The process of evaluation will be initiated each year by the Chairman of the Board and the evaluation will be completed before the end of the financial year. At the Board's discretion, the company secretary or any other person designated by the Board, will coordinate with the Board in relation to their self-evaluation, either internally or through an external consultant, as may be decided from time to time, to keep the evaluation process independent, so that the Directors are comfortable to share their opinions and thoughts.

In case there is any amendment to be done in the Board Evaluation Policy, the Nomination and Remuneration Committee reserves the right to review and recommend the change to the Board for their approval.



ANNEXURE I

PERFORMANCE EVALUATION FOR INDEPENDENT DIRECTORS TO BE EVALUATED BY THE BOARD ON BELOW PARAMETERS

Name of the Director being evaluated: _____

Rating scale shall be 1 to 10 (1 being least effective and 10 being most effective)

SR. NO.	EVALUATION CRITERIA	RATING
1.	Helps in bringing an independent judgment to bear on the Board's deliberations	
2.	Brings an objective view in the evaluation of the performance of Board and management	
3.	Undertakes to regularly update and refresh his skills, knowledge, and familiarity with the Company	
4.	Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company	
5.	Strives to attend all meetings of the Board of Directors / Board committees of which he is a member/general Meetings	
6.	Communicates governance and ethical problems to the Chairman of the Board.	
7.	Pays sufficient attention and ensure that adequate deliberations are held before approving related party transactions.	
8.	Ensures that the Company has an adequate and functional vigil mechanism.	
9.	Satisfies himself/herslef on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.	
10.	Assists in determining appropriate Policy of remuneration of executive directors, key managerial personnel, and other employees.	
11.	Refrains from any action that may lead to loss of his independence and immediately informs the Board where circumstances arise which makes him lose his independence.	
12.	Adheres to all other standards of the Code for Independent Directors as per the Schedule IV to the Companies Act, 2013	
13.	Assists the Company in implementing the best corporate governance practices	
14.	Prepares for the Board meeting by reading the materials distributed before the Board meeting.	

Signature with Date:

Name of Director: _____



ANNEXURE II

PERFORMANCE EVALUATION FOR CHAIRPERSON TO BE EVALUATED BY THE INDEPENDENT DIRECTORS ON BELOW PARAMETERS

Name of the Chairperson being evaluated: _____

Rating scale shall be 1 to 10 (1 being least effective and 10 being most effective)

SR. NO.	EVALUATION CRITERIA	RATING
1.	The Chairperson conducts the Board meetings in a respectful and efficient manner facilitating open and productive discussion.	
2.	The Chairperson is available accessible to Directors. He communicates and consults with Directors between Board Meetings, if required	
3.	The Board Chairperson acts as an effective bridge between the Board and Committee Chairpersons	
4.	The Chairperson of the Board guides the Board in meeting as per the Board Charter and requirements under the Companies Act 2013 and SEBI Listing Regulations.	
5.	The Chairperson provides confidential and constructive feedback to Directors to help them enhance their contribution and effectiveness.	
6.	The Chairperson is open to receive feedback and suggestions from Directors to enhance Board's and his/her own effectiveness.	

Signature with Date:

Name of Director: _____



ANNEXURE III

OVERALL BOARD EVALUATION

Evaluate the following statements in relation to overall Board performance and provide a rating mechanism:

Rating scale shall be 1 to 10 (1 being least effective and 10 being most effective)

SR. NO.	EVALUATION CRITERIA	RATING
1.	The Board knows and understands the Company's mission and engages in long range strategic thinking and planning.	
2.	The Board ensures that new Board members receive a prompt, thorough orientation.	
3.	Board meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.	
4.	The Board meeting agendas are well-balanced, allowing appropriate time for the most critical issues and the Board receives timely, accurate, and useful information upon which to make decisions.	
5.	The Board reviews and adopts an operating budget / business plan that is followed and monitored throughout the year.	
6.	The Board brings discussions to a conclusion with clear direction to Management for implementation.	

Signature with Date:

Name of Director: _____



ANNEXURE IIIA

Rating scale shall be 1 to 10 (1 being least effective and 10 being most effective)

SR. NO.	EVALUATION CRITERIA	RATING
1.	The Committees are comprised of the right number and type of members and are effective.	
2.	The composition, terms of reference, roles and responsibilities of the committees are in line with the applicable laws and are actively adhered to by the members.	
3.	The Committee meeting agendas are well- balanced, allowing appropriate time for the most critical issues and the Board receives timely, accurate, and useful information upon which to make decisions.	
4.	Committee meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.	

Signature with Date:

Name of Director: _____