

MUMBAI URJA MARG LIMITED

POLICY FOR EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS AND INDEPENDENT DIRECTORS

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1. PREFACE

This **POLICY FOR EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS AND INDEPENDENT DIRECTORS, (“THE POLICY”)**, has been adopted by the Board of Directors and shall be effective from August 11th, 2025.

This policy is framed to encourage open and effective evaluation of performance of Directors of **Mumbai Urja Marg Limited** (“the Company”) and to lay down the guidelines and mechanism for undertaking programme of evaluation. The Company strongly believes that evaluation of the Board is a strategic shifter, to understand the Board and their thought process. Accordingly, the evaluation clearly louds out the opinion of the Board and helps to create better scope for improvement on the Board level.

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 the Board of Directors (“Policy”)**.

Therefore, the Company has formulated this Policy to comply with various provisions under the Companies Act, 2013 (“Act”) and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and also the formal annual evaluation made by the Board of its own performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134(3) of the Act. The 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. OBJECTIVE

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 objective to undertake evaluation of Board and individual Directors is as under:

- a. To ensure commitment to performance management;
- b. To review challenges in the dynamics of the Board or among the Board and management;
- c. To enhance good corporate governance;
- d. To develop appropriate skills, competencies and motivation on the Board.

- e. To conduct knowledge management training sessions, if recommended by the Board.
- f. To enhance a closer working relationship among Board members,
- g. To achieve greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.
- h. To formulate procedures and prescribe criteria for evaluating the performance of the Board as a whole, its Committees, and individual Directors.
- i. To establish a robust mechanism for conducting periodic evaluations of Directors' performance.
- j. To formulate criteria for determining the qualifications, positive attributes, and independence of Directors, in alignment with statutory requirements.

The framework and the tool that needs to be used for Board evaluation would be recommended by the Nomination and Remuneration Committee of the Board.

3. DEFINITIONS

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

“Company” means **Mumbai Urja Marg Limited or MUMML**.

“Committee” means the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of the Act.

“Director” means all the members of the Board of Directors of the Company, including the Independent Directors;

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

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

4. RESPONSIBILITY

A. Responsibility of the Board

The Chairman, with support from the Company Secretary, shall organize and oversee the evaluation process.

The Board shall annually:

- Discuss and analyze its own performance.
- Review Committee performance evaluation reports.
- Review strategies and set performance objectives for Directors.
- Ensure disclosures regarding evaluation are made in the Board's Report.

Parameters for evaluating Directors shall include:

- Attendance at meetings.
- Participation and contribution in deliberations.
- Strategic inputs and risk assessment.
- Review of financials and business performance.
- Enhancing the brand image of the Company.

Evaluation of the Chairman and Managing Director shall consider:

- Industry benchmarks.
- Individual and Company performance.

B. Responsibility of the Nomination and Remuneration Committee ("NRC")

Nomination and Remuneration Committee shall:

- Formulate criteria for performance evaluation of the Board and Independent Directors.
- Carry out evaluation of every Director.
- Recommend continuation or extension of tenure of Independent Directors based on evaluation outcomes.

C. Responsibility of Independent Directors

Independent Directors shall evaluate:

- Performance of Non-Independent Directors.
- Overall performance of the Board and the Chairperson.
- Quality, quantity, and timeliness of information flow from management to the Board.

Independent Directors shall meet at least once annually without management and non-independent directors to conduct such evaluations.

5. EVALUATION OF PERFORMANCE

A. Subject of Evaluation

The evaluation of performance shall include multiple levels, including:

- The overall performance of the Board of Directors as a whole.
- The effectiveness and functioning of the Committees of the Board.
- The individual performance of Individual Directors (including chairperson, CEO, Independent Directors, Non-independent directors, etc.)

B. Criteria for Evaluation

Criteria for Evaluation of the Board

The performance of the Board shall be evaluated based on the following criteria:

- The level of attendance and active participation of members in Board and Committee meetings.
- The diversity of skills, experience, and strategic insights that Directors bring to the Board.
- The collective knowledge and understanding of key functional areas, including finance, accounts, legal, risk management, corporate governance, and business operations.
- The Board's ability to cultivate a high-performance culture and facilitate effective, informed decision-making.
- The degree of integrity, transparency, and effectiveness in communication and engagement with the management team and other stakeholders.
- The Board's overall contribution towards enhancing the Company's brand image and reputation in the industry and among stakeholders.

C. Action Plan

Based on the outcomes of the performance evaluations, the Board shall develop and implement a structured action plan aimed at addressing identified gaps. This may include initiatives such as training and capacity-building programs, skill enhancement workshops, and improvements in Board processes and governance practices.

D. Frequency of Evaluation

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 for the Board self-evaluation through an external

consultant, to keep the evaluation process independent, so that the Directors are comfortable to share their opinions and thoughts.

6. REVIEW OF POLICY

The performance evaluation process and related tools will be reviewed by the Committee on need basis, and the Committee may periodically seek independent external advice in relation to the process.

The, Committee may amend the 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.

7. DISCLOSURE

The Company will disclose details of its Board Performance Evaluation processes in its Board's Report and the key features of this Policy would also be included in the corporate governance statement contained in the annual report of the Company.

Further, the Policy will be available in the public domain i.e. on the website of the Company.

Effective & Adopted with effect from - August 11th, 2025