



**POLYSIL**  
SHAPING WATER

## **POLYSIL IRRIGATION SYSTEMS LIMITED**

**Registered Office:** Survey No- 340/1, Beside Hystuff Steel At Post Raniya, Taluka Savli, District Vadodara Raniya Taluka Savli Vadodara - 391780, Gujarat

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## **BOARD EVALUATION POLICY /** **PERFORMANCE REVIEW POLICY**

|                            |                                      |
|----------------------------|--------------------------------------|
| <b>Approving Authority</b> | Board of Directors of the Company    |
| <b>Review Cycle</b>        | As may be required from time to time |

## **BOARD EVALUATION POLICY / PERFORMANCE REVIEW POLICY**

### **1. BACKGROUND**

The Board of Directors ( "Board") of Polysil Irrigation Systems Limited ( "Company") has, based on the recommendation of the Nomination and Remuneration Committee (NRC), adopted this Board Evaluation Policy / Performance Review Policy ("Policy") to comply with the various provisions prescribed under Regulation 19 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), Section 178 of the Companies Act, 2013 ("Companies Act") and the guidelines issued thereunder from time to time.

This Policy is based on the following circular issued by SEBI:

| <b>Sr. No.</b> | <b>Circular details</b>   | <b>Applicability</b>              |
|----------------|---|-----------------------------------|
| 1.             | SEBI No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 (hereafter referred to as 'SEBI 2017 circular') | Applicable to all listed Entities |

The Policy shall come into effect from the date of its adoption by the Board of Directors of the Company.

### **2. OBJECT**

The Policy has been framed with an objective to ensure individual Directors of the Company ("Directors") and various committees of the Board (committees constituted under Companies Act, LODR and such other committees as may be prescribed to be constituted by the Company as per directions received from SEBI or any other regulatory body, from time to time) as a whole, work efficiently and effectively in achieving their functions, for the benefit of the Company and its stakeholders.

The Policy enables assessing the quality, quantity, and timelines of flow of information to the Board which would enable effective and reasonable performance of duties by the Directors. The Policy includes manner for performance evaluation, methodology adopted for such evaluation and analysing the results, amongst others. Accordingly, the Policy provides guidance on internal evaluation of the performance, on an annual basis, of: (i) Individual Directors [including the Chairperson] and (ii) various committees of the Board ("Board Committees").

### **3. MANNER OF EVALUATION OF INDIVIDUAL DIRECTORS AS PER COMPANIES ACT AND SEBI 2019 CIRCULAR**

All the Directors of the Company shall be subjected to an annual evaluation process.

#### **Internal Evaluation**

The Board of the Company in its meeting held on May 30, 2025, had approved the following criteria for internal evaluation of the members of the Board and Chairperson of the Company:

- Performance of individual Directors of the Company shall be evaluated, on an annual basis, by the NRC.
- In carrying out its evaluation, the NRC, shall keep in mind the evaluation parameters set out in **Annexure 1** with respect to Directors, including Chairperson.
- 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.

#### 4. MANNER OF EVALUATION OF THE BOARD COMMITTEES AS PER COMPANIES ACT, 2013

The Board shall, on an annual basis, evaluate the performance of each Board Committee as per the evaluation parameters set out in **Annexure 2**.

#### 5. METHODOLOGY FOR EVALUATION

The Board of the Company in its meeting held on May 30, 2025, had approved the following methodology for evaluation: -

The methodology for evaluation is laid out in the relevant Annexures. These include quantitative questions along with an option to provide qualitative comments. Each of the questions have the following five options:

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

#### 6. ANALYZING THE RESULT AND ACTION PLAN

The Board of the Company in its meeting held on May 30, 2025, had approved the following methodology for analyzing the performance evaluation result and action plan thereof: -

- a) Once responses from all the Directors have been received, a summary of results of the Board evaluation may be placed before the NRC in consultation with NRC Chairman. Based on the feedback from each member, an average rating for each question will be obtained. All questions with average rating of 3.5 or less can be identified as areas for reflection and action planning. These are not necessarily the problem areas but definitely the areas where processes/ practices can be improved to meet the best governance standards and the Board may devise a plan to address such identified areas ("Action Plan"). While identifying the areas for reflections, proposed actions should be suggested for consideration of the evaluation panel. In some areas, suggestions from the evaluation panel are required to be provided.
- b) The Action Plan should carry in detail the following:
  - (i) The nature of actions, including training and skill building, required to be undertaken to address the identified areas.
  - (ii) Timeline within which the actions detailed in the Action Plan shall be completed.
  - (iii) Persons responsible for the implementation of the Action Plan.
  - (iv) Resources required to achieve the objectives set out in the Action Plan.
- c) The Board must review the actions set out in the Action Plan within a specific time period.

#### 7. FEEDBACK

The Board of the Company in its meeting held on May 30, 2025, had approved the following methodology with respect to feedback of the performance evaluation: -

The NRC Chairman may give a written / an oral feedback to:

- (i) each Director separately;
- (ii) the entire Board; and
- (iii) each Board Committee.

Provided in case the members are not comfortable with open individual assessment, provision for confidentiality may be made where possible.

## **8. POLICY REVIEW**

Subject to the approval of the Board, the NRC reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company. However, as per SEBI 2019 circular, the NRC shall be responsible for reviewing this Policy at least once in every 3 years. This policy may be amended by passing a resolution either at a meeting or by passing a resolution by circulation by the NRC and the Board.

## **9. DISCLOSURE AS PRESCRIBED UNDER APPLICABLE LAWS**

In accordance with the requirements under the LODR, the Companies Act, the Company is required to give disclosure regarding the manner in which the formal annual evaluation has been done by the Board of its own performance, performance of various Board Committees and individual Directors in the Board's report.

The key features of this Policy will be included in the Director Report / Corporate Governance Report contained in the annual report of the Company.

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## Annexure 1 - Directors

This questionnaire has been designed to enable the assessment of Directors by all the Board members, saving the Director who is being evaluated. Each question to be evaluated on a 5-point scale as given below.

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

| Questionnaire  | Name of the Directors |    |    |    |    |    |
|--|-----------------------|----|----|----|----|----|
|  | Chairperson<br>D1     | D2 | D3 | D4 | D5 | D6 |
| The Director possess suitable Knowledge, qualification and experience as required for the effective functioning of the Company and the Board                           |                       |    |    |    |    |    |
| The Director's attendance is satisfactory, he/she is well prepared and informed about the meetings and the contributions made by him/her are of good quality and value |                       |    |    |    |    |    |
| The Director devotes time and efforts to understand the Company, its business, shows readiness to participate and contribute in events outside the boardroom           |                       |    |    |    |    |    |
| The Director has effective and successful relationship, resulting into mutual trust and respect with fellow Board members and the senior management                    |                       |    |    |    |    |    |
| The Director effectively probes to test information and assumptions in meetings and wherever necessary maintains own views and resists peer pressure                   |                       |    |    |    |    |    |

| Questionnaire  | Name of the Directors |    |    |    |    |    |
|--|-----------------------|----|----|----|----|----|
|  | Chairperson<br>D1     | D2 | D3 | D4 | D5 | D6 |
| The Director pays attention to the contributions of other Directors and gives adequate weightage to their views and perceptions along with safeguarding interest of other stakeholders |                       |    |    |    |    |    |
| The Director is up -to date with his/her knowledge, skills and other market conditions impacting the functioning of the Company  |                       |    |    |    |    |    |
| The Director understands and fulfils the functions assigned to him/her by the Board and other applicable regulatory norms etc.   |                       |    |    |    |    |    |
| The Chairperson is impartial in conducting discussions, seeking views, and dealing with dissent, etc.  |                       |    |    |    |    |    |
| The Chairperson demonstrates effective leadership skills   |                       |    |    |    |    |    |

**D-Name of Director being evaluated**

**Additional Comment / Suggestions, if any, to be written below.**

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## Annexure 2 - Board & Committee Evaluation

This Annexure has been designed to enable assessment of the Board and Committees. Every question would need to be evaluated on a 5-point scale as given below.

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

| Questionnaire  | Board | Name of the Committees |    |    |    |    |    |
|--|-------|------------------------|----|----|----|----|----|
|  |       | C1                     | C2 | C3 | C4 | C5 | C6 |
| Composition of the Board/ Committee is appropriate, with the right mix of knowledge and skills required to conduct its affairs effectively |       |                        |    |    |    |    |    |
| The process followed for appointment of Board/Committee members is clear and transparent   |       |                        |    |    |    |    |    |
| Sufficient meetings of appropriate length are held to enable proper consideration of issues/agenda   |       |                        |    |    |    |    |    |
| Agenda is circulated in reasonable time and has all the relevant information necessary for decisions making                                |       |                        |    |    |    |    |    |
| The environment of the meeting induces free flowing discussions, healthy debate, and contribution by everyone without any fear or fervour  |       |                        |    |    |    |    |    |
| All members actively participate in the discussions and overall, the Board/Committee functions constructively as a team                    |       |                        |    |    |    |    |    |
| Minutes of the meetings are recorded properly and are circulated / approved in accordance with set procedures                              |       |                        |    |    |    |    |    |
| The Board/Committee evaluates and monitors management fairly and provides constructive feedback and strategic guidance to them             |       |                        |    |    |    |    |    |

| Questionnaire   | Board | Name of the Committees |    |    |    |    |    |
|---|-------|------------------------|----|----|----|----|----|
|   |       | C1                     | C2 | C3 | C4 | C5 | C6 |
| There is active access between Board/Committee and Management for exchange of information   |       |                        |    |    |    |    |    |
| The Board/Committee has mechanisms in place to communicate and engage with various stakeholders, also its decision-making process is adequate to assess creation of stakeholder value   |       |                        |    |    |    |    |    |
| The Board/Committee facilitates directors to perform their role effectively as a member of the board/committee and any criticism by such directors is taken constructively  |       |                        |    |    |    |    |    |
| The Board/Committee undertakes review of high-risk issues and ensures that encouragement of positive thinking does not result in over- optimism that either leads to significant risks not being recognised or exposes the entity to excessive risk |       |                        |    |    |    |    |    |
| The committee's recommendations contribute effectively to the decisions of the Board  |       |                        |    |    |    |    |    |

**C-Name of Committee being evaluated**

**Additional Comment / Suggestions, if any, to be written below.**

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