

**POLICY ON EVALUATION OF BOARD OF DIRECTORS
OF
SUREFLO TECHCON LIMITED**

INTRODUCTION:

The honesty, integrity sound judgment and performance of the Directors are key criteria for the success and for building a good reputation of the Company. Each Director is expected to comply with the letter and spirit of this Policy.

As per Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulation**") every listed Company is required to constitute a Nomination and Remuneration Committee. Therefore, the Company has made this policy to comply with various provisions under Regulation 19 of the Listing Regulation.

Any actual or potential violation of these Codes by the Board of Directors would be a matter of serious concern for the Company.

DEFINITIONS:

- a) "**The Act**" The Act shall mean The Companies Act, 2013.
- b) "**The Company**" The Company shall mean "**SUREFLO TECHCON LIMITED**"
- c) "**The Director**" or "**the Board**" the Director or the Board, in relation to the Company, shall mean and deemed to include the collective body of the Board of Directors of the Company including the Chairman of the Company.
- d) "**The Independent Director**" the Independent Director shall mean an Independent Director as defined under section 2 (47) to be read with section 149 (5) of the Act and regulation 16 (1) (b) of Listing Regulation.
- e) "**The Policy**" or "**this Policy**" The policy or This Policy shall mean the Policy for Evaluation of Performance of Board of Directors of the Company.
- f) "**The Committee**" or "**This Committee**" The Committee or This Committee shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013 and regulation 19 of listing regulation.

OBJECTIVES:

- A. To formulate criteria for determining qualifications, positive attributes and independence of a Director(s).

- B. Criteria for evaluation of Board, Committees, Independent Directors and Individual Director.
- C. Achieve good corporate governance as well as sustained long-term value creation for stakeholders.

QUALIFICATIONS FOR APPOINTMENT OF DIRECTORS:

Subject of the Companies Act, 2013 and all other applicable laws the Company while appointing its Directors shall consider the following:

- i. The person to be appointed as Director should be a Person of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- ii. The person to be appointed as Director of the Company should possess requisite business literacy/skill/experience.
- iii. The person to be appointed as Director should be open to learning.
- iv. The person to be appointed as Director should possess strong ethics and kindness to treat people with respect.

Additional requirements for Independent Directors:

- i. In the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- ii. Is or was not a promoter of the Company or its Holding, Subsidiary or Associate Company.
- iii. Is not related to Promoters or Directors in the Company, its Holding, Subsidiary or Associate Company.
- iv. Apart from receiving director's remuneration, he should not have any material pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
- v. None of his relatives shall have any pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two per cent or more of its gross

turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.

- vi. Neither he nor his relative shall hold the position of key managerial personnel or is or has been an employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
- vii. Neither he nor his relative has been an employee or proprietor or a partner of a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
- viii. He along with his relatives should not hold two per cent or more of the total voting power of the company.
- ix. Neither he nor his relative should be a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the Company.
- x. Neither he nor his relative should be a material supplier, service provider or customer or a lessor or lessee of the Company.
- xi. Who is not less than 21 years of Age.

CRITERIA FOR EVALUATION:

A. BOARD:

No.	Particulars	Remark
i.	Is the Composition of the Board is appropriate	
ii.	How well has the board performed against any objective that was set for the Company	

iii.	Weather the Board of Directors of the Company is effective in decision making	
iv.	Is time used effectively	
v.	Is Board procedure flexible and is the conducive to effective performance	
vi.	Performance of the Company on the Stock Exchanges	
vii.	Review of detailed compliances applicable under the various Laws, Rules& Regulations	
viii.	Reviewing whether the Business is running legally or not	
ix.	Weather the Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.	
x.	Weather the Board of Directors is effective in providing necessary advice and suggestions to the Company's management.	
xi.	Weather the Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues	
xii.	Weather 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.	

B. COMMITTEES:

No.	Particulars	Remark
i.	Is the Composition of the Board Committees is appropriate	
ii.	How effective is its use of the committees	
iii.	How well does committees respond to request from the board or the employees for clarification or additional information	
iv.	Various Directions provided in the best interest of the Company on key issues	

v.	Is time used effectively	
vi.	Avoidance of High Financial Risk while executing the functions and duties	
vii.	Timely inputs on the minutes of the meetings	

C. CHAIRMAN, MANAGING DIRECTOR, NON-EXECUTIVE DIRECTOR AND EXECUTIVE DIRECTOR

No.	Particulars	Remark
i.	Are relationships inside and outside the board working effectively	
ii.	How has he responded to any problems or crises that arose	
iii.	Attendance and participations in the Meetings	
iv.	Compliance with policies of the Company, ethics, code of conduct, etc.	
v.	Knowledge of the Job Profile	
vi.	Professional skills, problem solving, and decision-making	
vii.	Initiative in terms of new ideas and planning for the Company	
viii.	Safeguarding of interest of whistle blowers under vigil mechanism	
ix.	Timely inputs on the minutes of the meetings of the Board and Committee, if any	
x.	Reporting of frauds, violation etc.	

D) INDEPENDENT DIRECTORS:

No.	Particulars	Remark
i.	Is the attendance of Independent Directors at meetings satisfactory	
ii.	Raising of concerns to the Board	
iii.	Safeguard of confidential information	

iv.	Initiative in terms of new ideas and planning for the Company	
v.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any	
vi.	What has been their contribution to the development of (i) Strategy and (ii) risk management	
vii.	Initiative to maintaining Corporate Culture of the Company	
viii.	How good are their relationship with other board members, the company secretary and senior management	
ix.	Can they present their views convincingly, yet diplomatically	
x.	Do they listen to the views of others	
xi.	Are they up-to-date with the latest developments in areas such as the corporate governance framework and financial reporting and in the industry and market conditions	
xii.	Initiative to maintaining Moral Values of the Company	

- The performance evaluation of Board shall be done by the Independent Directors.
- The performance evaluation of Committee shall be done by the Board of Directors (excluding the Committee Members being evaluated).
- The performance evaluation of Chairman, Managing Director, Non-Executive Director and Executive Director shall be done by the Independent Directors (excluding the director being evaluated).
- The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated).

REVIEW OF THIS POLICY:

The Nomination and Remuneration Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy.



A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "SUREFLOTECHCON LIMITED" around the top edge and "MUMBAI" in the center, with a small star at the bottom.