



**POLICY FOR EVALUATION OF THE PERFORMANCE OF THE
BOARD OF DIRECTORS OF
PARAMATRIX TECHNOLOGIES LIMITED**

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POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

1. INTRODUCTION

In terms of the provisions of Section 178, Schedule IV and other applicable provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board of Directors of Paramatrix Technologies Limited (“the Company”) has formulated criteria and adopted this policy to evaluate the performance of the Independent Directors, Non-Independent Directors, Committees of the Board of Directors and the Board as a whole based on the recommendation of Nomination & Remuneration Committee (“the Committee”).

2. DEFINITIONS

- a. **“the Act”** means The Companies Act, 2013 and the rules made thereunder.
- b. **“the Company”** The Company means Paramatrix Technologies 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.
- d. **“the Independent Director”** The Independent Director shall mean an Independent Director as defined under Section 2(47) to be read with Section 149 (6) of the Act.
- e. **“the Policy”** or **“this Policy”** The Policy or This Policy shall mean the Policy for Evaluation of the performance of the 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 Act.

3. OBJECTIVE

The objective of this policy is to formulate the procedures and also to prescribe and lay down the criteria to evaluate the performance of the Independent Directors, Non-Independent Directors, Committees of Board and the Board pursuant to the above legal provisions.

4. EVALUATION PROCESS AND CRITERIA

The Committee shall evaluate the performance of Independent Directors, Non-Independent Directors, Committees and the Board based on the criteria stated in the form as per Annexure-I. The performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the director being evaluated as per Schedule IV of the Companies Act, 2013. The Independent Directors shall evaluate the performance of Non-Independent Directors and the Board as a whole as per Schedule IV of the Companies Act, 2013. The evaluation process will be conducted on annual basis.

Based on the criteria stated in the form, each and every Director and the Board has to be evaluated by giving ratings whichever is felt proper. The Committee shall review and carry out evaluation of every director's performance under Section 178 of the Companies Act, 2013 upon completion of evaluation as stated above.

Based on the above rating, the Board can decide the strategy to extend or continue the term of appointment or to introduce new candidate as a Member of the Board or Retirement of the Board Member based on his/her performance rating as to create and maintain the most effective and powerful top-level management of the Company for its future growth, expansion, diversification and also to maximize the returns on investments to the stakeholders of the Company.

5. DISCLOSURE

The process of performance evaluation shall be disclosed in the Board's Report.

6. AMENDMENT

The Board may, subject to applicable provisions of the Listing Regulations and the Companies Act, 2013 & the Rules made thereunder review and amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Nomination & Remuneration Committee.

7. DISSEMINATION OF THE POLICY

The policy shall be hosted on the website of the Company i.e. www.paramatrix.com.

Note:

1. This Policy shall come into effect from December 27, 2023.

ANNEXURE -I

PERFORMANCE EVALUATION FORM

Name of the Director:

Category:

Following are the ratings for evaluation under the Performance Evaluation Policy:

Evaluation	Rating
Excellent	3
Average	2
Below Average	1

* Please tick at the appropriate column under the Rating Scale

Sr. No	Particulars	Rating Scale		
		1	2	3
A	Evaluation Criteria for Independent Directors			
1.	Attendance at the Meetings of the Board and its Committees			
2.	Inputs on the minutes of meetings			
3.	Adherence to the ethical standards and various codes of conduct of the Company			
4.	Timely disclosure of interest and conflict of interest			
5.	Participation at the Board Meetings			
6.	Knowledge of the Company's business and industry in which it operates			
7.	Contribution to formulating and implementing best corporate governance practices			
8.	Safeguard of stakeholders' interest			
9.	Rendering independent, unbiased opinion			
	Total A			
B	Evaluation Criteria for Chairman/Managing Director/Executive Director/Non-Independent Director			
1.	Attendance at the Meetings of the Board and its Committees			
2.	Inputs on the minutes of meetings			
3.	Adherence to the ethical standards and various codes of conduct of the Company			
4.	Strategic Planning-financial and business			
5.	Timely disclosure of interest and conflict of interest			
6.	Leadership and team work attributes			
7.	Contribution towards growth of the Company			
8.	Compliances with policies, reporting of frauds, violations, etc. or any suspicion thereof			
9.	Safeguarding interest of whistle blowers			
10.	Regularly updates and knowledge about external environment and familiarity with the Company			
11.	Knowledge of the Company's business and industry in which it operates			
12.	Devoted sufficient time and attention to			

	professional obligations for informed and balanced decision making			
	Total B			
C	Evaluation Criteria for Board of Directors and Committees			
1.	Is composition of the Board and Committees appropriate with the right mix of expertise and skills?			
2.	Has the Company necessary and adequate Committees for the effective functioning and are proper reports given to the Board?			
3.	Whether independence requirements are properly adhered to?			
4.	Effectiveness in developing a corporate governance structure			
5.	Is there an effective internal control system for identifying and reporting risk, violation of policies and legal compliances?			
6.	Do the Board and committees receive regular financial updates as and when required			
7.	Are sufficient number of Board and committee meetings held?			
8.	Are Board meetings conducted so that open discussions, meaningful participation and timely resolution of issues are encouraged?			
9.	Does the Chairman of the Board and Committees conduct meetings effectively?			
10.	Are Board and Committees aware of their role and have a clear understanding of goals?			
11.	Do the Board Members and Committee members follow the Code of Conduct?			
	Total C			
	Total (A+B+C)			

Signature:

Name of the Director:

Date:

Place: