

KRYPTON INDUSTRIES LIMITED

POLICY ON EVALUATION OF THE BOARD OF DIRECTOR, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

(As Revised and approved by the Board of Directors as on May 07, 2026)

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1. BACKGROUND

Pursuant to the provisions of **Section 134(3)(p)**, **Section 149(8) read with Schedule IV**, and **Section 178 of the Companies Act, 2013**, and **Regulation 17(10) read with Schedule II (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, Krypton Industries Limited (“the Company”) has formulated this Policy on Evaluation of the Board of Directors, its Committees and Individual Directors.

The Policy aims to establish a framework for evaluating the performance of the Board, Committees, and Directors to ensure effective governance and continuous improvement.

2. OBJECTIVE

The objectives of this Policy are:

- To evaluate the performance of the Board, Committees, and individual Directors
- To enhance the effectiveness of the Board and its Committees
- To assess the contribution of Independent Directors
- To ensure compliance with statutory requirements
- To identify areas for improvement and training

3. SCOPE

This Policy applies to:

- **Board of Directors**
- **Committees of the Board**
- **Individual Directors**, including:
 - Independent Directors
 - Non-Executive Directors
 - Executive Directors

4. DEFINITIONS

- **“Board”**: Board of Directors of the Company
- **“Independent Director”**: As defined under the Companies Act, 2013 and SEBI LODR
- **“NRC”**: Nomination and Remuneration Committee
- **“Evaluation”**: Formal annual assessment of performance

5. RESPONSIBILITY FOR EVALUATION

5.1 Nomination & Remuneration Committee (NRC)

The NRC shall:

- Formulate criteria for evaluation

- Carry out evaluation of:
 - Every Director’s performance
 - Board and Committee performance
- Recommend improvements to the Board

5.2 Board of Directors

- Review evaluation results
- Act on recommendations

5.3 Independent Directors

- Evaluate performance of:
 - Non-Independent Directors
 - Chairperson of the Company
 - Board as a whole
 (Separate meeting of Independent Directors without presence of non-independent directors shall be conducted)

6. FREQUENCY OF EVALUATION

- Evaluation shall be conducted **annually**

7. PERFORMANCE EVALUATION CRITERIA

7.1 Evaluation of the Board

The evaluation of the Board shall include:

- Structure and composition
- Diversity and expertise
- Effectiveness of meetings
- Strategic guidance and oversight
- Risk management and internal controls
- Corporate governance practices
- Stakeholder engagement

7.2 Evaluation of Committees

Criteria shall include:

- Composition and independence
- Effectiveness in discharging responsibilities
- Quality and timeliness of recommendations
- Frequency of meetings and attendance

7.3 Evaluation of Individual Directors

(A) Independent Directors

- Independence and objectivity
- Integrity and ethical standards
- Participation and contribution in meetings
- Safeguarding stakeholder interests
- Guidance on strategy and governance

(B) Non-Executive Directors

- Participation in Board deliberations
- Contribution to strategic decisions
- Professional expertise

(C) Executive Directors

- Leadership and management effectiveness
- Achievement of business objectives
- Implementation of Board decisions
- Financial and operational performance

7.4 Evaluation of Chairperson

- Leadership of the Board
- Ability to facilitate effective discussions
- Relationship with management and stakeholders

8. METHODOLOGY OF EVALUATION

The evaluation process may include:

- Structured questionnaires
- Feedback forms
- One-to-one discussions (if required)
- Self-evaluation and peer evaluation

The evaluation shall be:

- Confidential
- Objective
- Constructive

9. SEPARATE MEETING OF INDEPENDENT DIRECTORS

- Independent Directors shall hold at least **one meeting annually** without the presence of non-independent directors and management
- They shall review:
 - Performance of non-independent directors
 - Performance of the Chairperson
 - Quality, quantity, and timeliness of information flow

10. OUTCOME OF EVALUATION

- Identification of strengths and areas of improvement
- Recommendations for:

- Training and development
- Changes in Board composition
- Process improvements

11. DISCLOSURE

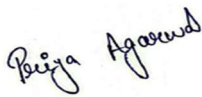
- The manner of evaluation shall be disclosed in the Board's Report
- Details may also be included in the Corporate Governance Report

12. REVIEW AND AMENDMENT

- The NRC shall review this Policy periodically
- The Board may amend the Policy in compliance with applicable laws

13. EFFECTIVE DATE

This Policy shall be effective from the date of approval by the Board.



Priya Agarwal
Company Secretary & Compliance Officer
Reviewed and adopted on: 07/05/2026