



ANNUAL EVALUATION POLICY FOR
BOARD OF DIRECTORS

T.C. TERRYTEX LIMITED



1. INTRODUCTION

Policy for Evaluation of the Performance of the Board of Directors

1. Introduction:

TC Terrytex Limited (hereinafter referred to as “the Company”) has formulated a Policy for the evaluation of the performance of the Board of Directors of the Company (“Policy”). The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. This is in consonance with the Company’s Code of Conduct policy for its employees and Board of Directors. The honesty, integrity, sound judgment, and performance of the Directors and Senior Management are key factors for the success and reputation of the Company.

This Policy is designed to facilitate the formal annual evaluation of the Board of Directors, including self-appraisal, as required under the provisions of Section 134(3)(p) of the Companies Act, 2013. The Nomination and Remuneration Committee shall evaluate the performance of each Board Director in accordance with Section 178(2) and the functions of the Board as outlined in Schedule IV (under Section 149) of the Companies Act, 2013 and the Rules made thereunder.

Evaluation of Independent Directors and Executive Directors will be carried out by the entire Board, excluding the Director being evaluated. Additionally, the Board will evaluate the performance of each Committee annually, based on the terms of reference assigned to each Committee.

2. Definitions:

- **“Act”** shall refer to the Companies Act, 2013, and the rules framed thereunder, including any modifications, amendments, clarifications, circulars, or re-enactments thereof.
- **“The Company”** refers to TC Terrytex Limited.
- **“The Director” or “The Board”** refers to the collective body of the Board of Directors of the Company, including the Chairman of the Company.
- **“Independent Director”** refers to an Independent Director as defined under Section 2(47) read with Section 149(5) of the Companies Act, 2013.
- **“The Policy” or “This Policy”** refers to the Policy for the evaluation of the performance of the Board of Directors of the Company.

3. Objective:

The Board is ultimately responsible for the sound and prudent management of the Company.

Performance evaluation is the process of both formally and informally providing feedback about an individual’s fulfillment of their responsibilities. The objective of this policy is to establish procedures and criteria for evaluating the performance of the Board of Directors as well as to ensure good corporate governance and long-term value creation for the stakeholders.

4. Criteria for Evaluation of Performance:

The Nomination and Remuneration Committee has outlined the criteria for evaluating the performance of Independent Directors and the Board of Directors. The criteria for evaluation include, but are not limited to:

1. Attendance and contribution at Board and Committee meetings.
2. The director's stature, mix of expertise, skills, behavior, experience, leadership qualities, and understanding of business and strategic direction to align with the Company's values and standards.
3. Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/hedging, internal controls, risk management, and business operations.
4. Ability to foster a performance-driven culture that encourages value creation and high-quality debate, with robust and probing discussions.
5. Effective decision-making and ability to respond positively and constructively to implement decisions, promoting transparency.
6. Understanding of the role they are expected to play, maintaining internal board relationships, and making objective decisions for the best interest of the Company to achieve organizational success and harmonize the Board.
7. Global presence, rational thinking, physical and mental fitness, broader vision on corporate social responsibility, and related matters.
8. Quality of decision-making related to project execution, financial understanding, business performance, raising finance, working capital requirements, and human resources.
9. Ability to monitor management performance and ensure the integrity of financial controls and systems in place by maintaining adequate contact with external stakeholders.
10. Contribution to enhancing the overall brand image of the Company.
11. Active contribution to the positive growth and success of the Company.
12. Conduct that is ethical and in alignment with the laws and regulations of the country.

5. Review:

The Nomination and Remuneration Committee may amend the Policy as necessary to ensure its appropriateness in line with the needs of the Company. Any amendments to the Policy may be made by passing a resolution in a meeting of the Committee.

6. Disclosure:

In accordance with the requirements of the Companies Act, 2013, the Rules framed thereunder, and SEBI (LODR) Regulations, 2015, disclosures will be made in the Board's report regarding the manner in which the performance evaluation has been conducted for the Board's own performance, the performance of various Committees of the Board, and individual Directors. The Company will also disclose the evaluation criteria in its Annual Report. This Policy will be made available to the public via the Company's website.


