Polynomial-time algorithm means this algorithm runs in polynomial-time in the size of the input. For this problem, the size of input is n, the for loop would run for $\lfloor \sqrt{n} \rfloor - 1$ times. However, the if statement within the for loop tests if i divides n, and this division doesn't run in polynomial time but in exponential time. Hence, IsPrime is not a polynomial-time algorithm.