

NPST

BOARD EVALUATION POLICY

Version	Date of Board Approval	Effective Date
1.0.1	20 th October, 2023	20 th October, 2023
1.0.2	11 th February, 2026	11 th February, 2026

Name: NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED

CIN: L74110MH2013PLC248874

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1. Introduction

The Board of Directors of Network People Services Technologies Limited (“Company”) has, based on the recommendation of the Nomination and Remuneration Committee (‘NRC’), adopted this Board Evaluation Policy (“Policy”) to comply with the provisions of Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the Guidance Note on Board Evaluation issued by the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 which provides a guidance on evaluation of performance, on an annual basis of a) Individual Directors (including independent Directors and Chairperson); b) The Board as a whole; and c) Various committees of the Board.

The Company recognizes and embraces that an evaluation procedure will provide a fine system of checks and balances on the performance of the Directors and will ensure that they exercise their powers in a rational manner. This Policy aims at establishing a procedure for the Board to conduct evaluation of its own performance and of its committees and individual directors. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

2. Objective

The objectives to undertake evaluation are as under:

- i. To enhance good corporate governance.
- ii. To facilitate the identification of the areas of concern and the areas to be focused upon for enhancing the functioning of the Board.
- iii. To create awareness about the role of Directors individually, and collectively as a Board.
- iv. To steer the Board in direction of achieving the Company’s Mission and Vision.

3. Frequency of evaluation

In accordance with the provisions of LODR and Companies Act, 2013 the Board Evaluation will be done once a year.

4. Process For Performance Evaluation

Rating Scale:

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance.

Unacceptable	Needs Improvement	Satisfactory	Good	Exceptionally Good
1	2	3	4	5

Individual directors, the Board, and its committees shall be evaluated in accordance with the criteria outlined in the prescribed formats in **Annexure A, Annexure B, and Annexure C respectively.**

Role of NRC:

- i. NRC shall formulate criteria for evaluation of performance of independent directors and the board of directors.
- ii. NRC shall determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Role of Independent Directors:

In the meeting of independent directors of the company (without the attendance of non-independent directors and management), such directors shall:

- i. review the performance of non-independent directors and the Board as a whole.
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Role of Board of Directors:

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

5. Disclosure

The Company will disclose a statement indicating the manner in which Board Evaluation processes have been conducted in its Board's Report and the key features of this Policy would also be included in the corporate governance report contained in the annual report of the Company. The Policy will be available on the website of the Company.

6. Policy Review and Amendment

Subject to the approval of the Board, the NRC reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company.

Annexure A

PERFORMANCE EVALUATION OF THE INDIVIDUAL DIRECTORS

Rating Scale:

Unacceptable	Needs Improvement	Satisfactory	Good	Exceptionally Good
1	2	3	4	5

Name of the Individual director being evaluated: _____

Sr. No.	CRITERIA FOR EVALUATION	RATING	REMARKS (IF ANY)
A	General		
1	Possesses appropriate skills, knowledge, and experience.	Choose an item.	
2	Understands the Company's vision, mission, values, and applicable laws and regulations.	Choose an item.	
3	Has adequate understanding of the industry and the Company's core business.	Choose an item.	
4	Understands roles, duties, and responsibilities as a Board Member.	Choose an item.	
5	Discharges duties with due care, skill, and diligence.	Choose an item.	
6	Actively takes initiative with respect to various areas.	Choose an item.	
7	Available for meetings of the Board and attends the meeting regularly and timely, without delay.	Choose an item.	
8	Contributes effectively to the Company and in the Board meetings.	Choose an item.	
9	Adequately committed to the Board and the Company.	Choose an item.	
10	Demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	Choose an item.	
B	Additional Criteria for Independent Director		
1	Independent from the entity and the other directors and there is no conflict of interest.	Choose an item.	
2	Exercises own judgment and voices opinion freely.	Choose an item.	
C	Additional Criteria for Chairperson		
1	Demonstrates effective leadership; is open-minded, decisive, courteous, displays	Choose an item.	

	professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively.		
2	Facilitates impartial discussions, considers viewpoints, and addresses dissent effectively.	Choose an item.	
3	Exhibits active engagement and commitment in attending and contributing to Board meetings.	Choose an item.	
4	Keeps shareholders' interest in mind during discussions and decisions.	Choose an item.	

Name of the Evaluating Director:

DIN:

Date:

Signature:

Annexure B

PERFORMANCE EVALUATION OF BOARD

Rating Scale:

Unacceptable	Needs Improvement	Satisfactory	Good	Exceptionally Good
1	2	3	4	5

Sr. No.	CRITERIA FOR EVALUATION	RATING	REMARKS (IF ANY)
A	Structure of the Board		
	Competency of directors: The Board as a whole has directors with a proper mix of competencies to conduct its affairs effectively.	Choose an item.	
	Experience of directors: The Board as a whole has directors with enough experience to conduct its affairs effectively.	Choose an item.	
	Mix of qualifications: The Board as a whole has directors with a proper mix of qualifications to conduct its affairs effectively.	Choose an item.	
	Diversity in Board under various parameters: There is sufficient diversity in the Board on gender/ background/ competence/ experience, etc.	Choose an item.	
	Appointment to the Board: The process of appointment to the Board of directors is clear and transparent and includes provisions to consider diversity of thought, experience, knowledge, perspective and gender in the Board of directors.	Choose an item.	
B	Meetings of the Board		
	Regularity of meetings: The meetings are being held on a regular basis.	Choose an item.	
	Frequency: 1 The Board meets frequently.	Choose an item.	
	2. The frequency of such meetings is enough for the Board to undertake its duties properly.	Choose an item.	
	Logistics: The logistics for the meeting is being handled properly- venue, format, timing, etc.	Choose an item.	
	Agenda:		
1	The agenda is circulated well before the meeting.	Choose an item.	

2	The agenda has all relevant information to take decision on the matter	Choose an item.	
3	The agenda is up to date, regularly reviewed and involves major substantial decisions.	Choose an item.	
4	The quality of agenda and Board papers is up to the mark (explains issues properly, not overly lengthy, etc.).	Choose an item.	
5	The outstanding items of previous meetings are followed-up and taken up in subsequent agendas.	Choose an item.	
6	The time allotted for every item (especially substantive items) in the agenda of the meeting is sufficient for adequate discussions on the subject.	Choose an item.	
7	The Board is able to finish discussion and decision on all agenda items in the meetings.	Choose an item.	
8	The agenda includes adequate information on committee activities.	Choose an item.	
Discussions and dissent:			
1	The Board discusses every issue comprehensively and depending on the importance of the subject.	Choose an item.	
2	The environment of the meeting induces free-flowing discussions, healthy debate and contribution by everyone without any fear or fervor.	Choose an item.	
3	The discussions generally add value to the decision making.	Choose an item.	
4	The Board does not tend towards groupthink and critical and dissenting suggestions are welcomed.	Choose an item.	
5	All members actively participate in the discussions.	Choose an item.	
6	Overall, the Board functions constructively as a team.	Choose an item.	
Recording of minutes:			
1	The minutes are being recorded properly-clearly, completely, accurately and consistently.	Choose an item.	
2	Minutes are approved properly in accordance with set procedures.	Choose an item.	
3	Minutes are timely circulated to all the Board members.	Choose an item.	
4	Dissenting views are recorded in the minutes.	Choose an item.	
Dissemination of information:			

1	All the information pertaining to the meeting are disseminated to the members timely, frequently, accurately, regularly.	Choose an item.	
2	The Board is adequately informed of material matters in between meetings.	Choose an item.	
C	Functions of the Board		
	The role and responsibilities of the Board are clearly documented E.g. difference in roles of Chairman and CEO, matters reserved for the Board, etc.	Choose an item.	
	Strategy and performance evaluation:		
1	Significant time of the Board is being devoted to management of current and potential strategic issues.	Choose an item.	
2	Various scenario planning is used to evaluate strategic risks.	Choose an item.	
3	The Board overall reviews and guides corporate strategy, major plans of action, risk policy, annual budgets and business plans, sets performance objectives, monitors implementation and corporate performance, and oversees major capital expenditures, acquisitions and divestments.	Choose an item.	
	Governance and compliance:		
1	Adequate time of the Board is being devoted to analyse and examine governance and compliance issues.	Choose an item.	
2	The Board monitors the effectiveness of its governance practices and makes changes as needed.	Choose an item.	
3	The Board ensures the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.	Choose an item.	
4	The Board oversees the process of disclosure and communications.	Choose an item.	
5	The Board evaluates and analyses the compliance certificate from the auditors/ practicing company secretaries regarding compliance of conditions of corporate governance.	Choose an item.	

Evaluation of Risks:			
1	The Board undertakes a review of the high-risk issues impacting the organization regularly.	Choose an item.	
2	In assessment of risks, it is ensured that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the company to excessive risk.	Choose an item.	
	Grievance redressal for Investors: The Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved.	Choose an item.	
Conflict of interest:			
1	The Board monitors and manages potential conflicts of interest of management, members of the Board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.	Choose an item.	
2	A sufficient number of non-executive members of the Board of directors capable of exercising independent judgement are assigned to tasks where there is a potential for conflict of interest.	Choose an item.	
Stakeholder value and responsibility:			
1	The decision-making process of the Board is adequate to assess creation of stakeholder value.	Choose an item.	
2	The Board has mechanisms in place to communicate and engage with various stakeholders.	Choose an item.	
3	The Board acts on a fully informed basis, in good faith, with due diligence and care, with high ethical standards and in the best interest of the company and the stakeholders.	Choose an item.	
4	The Board treats shareholders and stakeholders fairly where decisions of the Board of directors may affect different shareholder/ stakeholder groups differently	Choose an item.	
5	The Board regularly reviews the Business Responsibility Reporting / related corporate social responsibility initiatives of the company and contribution to society, environment etc.	Choose an item.	

	Corporate culture and values: The Board sets a corporate culture and the values by which executives throughout a group shall behave.	Choose an item.	
	Review of Board evaluation: The Board monitors and reviews the Board evaluation framework.	Choose an item.	
	Facilitation of independent directors: The Board facilitates the independent directors to perform their role effectively as a member of the Board of directors and also a member of a committee of Board of directors and any criticism by such directors is taken constructively.	Choose an item.	
D	Board & Management		
	Evaluation of performance of the management and feedback:		
1	The Board evaluates and monitors management, especially the CEO regularly and fairly and provides constructive feedback and strategic guidance.	Choose an item.	
2	The measures used are broad enough to monitor performance of the management.	Choose an item.	
3	The management's performance is benchmarked against industry peers.	Choose an item.	
4	Remuneration of the management is in line with its performance and with industry peers.	Choose an item.	
5	Remuneration of the Board and the management is aligned with the longer-term interests of the company and its shareholders.	Choose an item.	
6	The Board selects, compensates, monitors and, when necessary, replaces key managerial personnel based on such evaluation.	Choose an item.	
7	The Board 'steps back' to assist executive management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the company's focus.	Choose an item.	
	Independence of the management from the Board: The level of independence of the management from the Board is adequate.	Choose an item.	
	Access of the management to the Board and Board access to the management: The Board and the management are able to actively access each other and exchange information.	Choose an item.	

	Secretarial support: Adequate secretarial and logistical support is available for conducting Board meetings.	Choose an item.	
	Fund availability: Sufficient funds are made available to the Board for conducting its meeting effectively, seeking expert advice e.g. Legal, accounting, etc	Choose an item.	
	Succession plan: An appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board.	Choose an item.	
Professional development:			
1	Adequate induction and professional development programmes are made available to new and old directors.	Choose an item.	
2	Continuous directors training is provided to ensure that the members of Board of directors are kept up to date.	Choose an item.	

Name of the Evaluating Director:

DIN:

Date:

Signature:

Annexure C

PERFORMANCE EVALUATION OF BOARD COMMITTEES

Rating Scale:

Unacceptable	Needs Improvement	Satisfactory	Good	Exceptionally Good
1	2	3	4	5

Name of the committee:

Sr. No.	CRITERIA FOR EVALUATION	RATING	REMARKS (IF ANY)
A	Mandate and Composition		
1	The Mandate, composition and working procedures of the committee is clearly defined and discussed.	Choose an item.	
B	Effectiveness of the Committee		
1	The committee has fulfilled its functions as assigned by the Board and laws as may be applicable.	Choose an item.	
C	Structure of the Committee and meetings		
1	The committee has been structured properly.	Choose an item.	
2	The meetings are being held on a regular basis.	Choose an item.	
3	All members actively participate in the discussions.	Choose an item.	
4	The agenda is up to date, regularly reviewed and involves major substantial decisions.	Choose an item.	
5	The minutes are being recorded properly- clearly, completely, accurately and consistently.	Choose an item.	
D	Independence of the Committee from the Board		
1	The independence of the committee is ensured from the Board.	Choose an item.	
E	Contribution to decisions of the Board		
1	The committee's recommendations contribute effectively to decisions of the Board.	Choose an item.	

Name of the Evaluating Director:

Signature:

DIN:

Date: