



## **Familiarisation Policy of the Company**

**2019-20**

**Board Secretariat & Taxation Department**

**Registered Office  
#29/1, Sir M N Krishna Rao Road  
Basavanagudi  
Bengaluru – 560 004**

## **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

(In terms of SEBI (LODR) Regulations, 2015)

### **1. Preamble:**

The Regulation 25(7) of the SEBI(LODR) Regulations,2015 stipulates that:

The listed entity shall familiarise the independent directors through various programmes about the listed entity, including the following:

- (a) nature of the industry in which the listed entity operates;
- (b) business model of the listed entity;
- (c) roles, rights, responsibilities of independent directors; and
- (d) any other relevant information.

The details of such familiarisation programmes shall be disclosed on the Company's website and a web link thereto shall be given in the Annual Report.

### **2. Initial familiarisation module:**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Company also provides to the Director a copy of the Memorandum of Association and Articles of Association of the Company and the latest Annual Report of the Company. The Company conducts an introductory familiarisation program/presentation, when a new Independent Director comes on the Board of the Company.

At the outset, all the independent directors are provided an overview of;

- Criteria of independence applicable to Independent Directors as per SEBI(LODR) Regulations, 2015 and the Companies Act, 2013;
- Time allocation by the Independent Directors on financial controls, overseeing systems of risk management, financial management compliance, Corporate Social Responsibility, Stakeholders conflicts, Board effectiveness, strategic direction, Meetings and performance assessment;
- Roles, functions, Duties, Responsibilities and liabilities of Independent Directors as per the provisions of the Companies Act, 2013 and rules framed thereunder, the listing regulations, the Memorandum & Articles of Association and the rules/regulations/guidelines issued by regulatory authorities.
- Code of Conduct for the Directors of the Company as approved by the Board of Directors from time to time.
- Directors Responsibility Statement forming part of Boards' Report;
- Vigil Mechanism including policy formulation, disclosures, code for Independent Directors, Fraud response plan, obtaining Audit Committee approval, wherever required;
- Risk Management Systems & framework;
- Board Evaluation Process and Procedures;

The Director is also explained in detail the compliances required from him under the Companies Act, 2013 SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmation taken with respect to the same.

With a view to familiarize him with the Company's operations, the Director is also given detailed presentations giving the organisational set up of the Company, the functioning of various divisions/ departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The Managing Director & CEO also has a personal discussion with the newly appointed Director.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company.

### 3. Continual familiarisation modules:

The Company will follow a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis. The familiarisation module shall be designed by the Company on the following lines:

Functional Area	Responsibility
Overview of Strategy and business model of the Company	CEO
Financial Performance, Budgeting and Planning	Functional heads to organize
Overview of performance of various businesses	
Statutory reporting including Internal Audit Reports, SEBI Audit Reports and compliance related certifications	

On an on-going basis, the Company, through its Managing Director & CEO and the Senior Managerial Personnel, conducts programs/presentations to familiarise the Independent Directors with the strategy, operations and functions of the Company. Such programs/presentations provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organisation structure, facilities and risk management and such other areas.

Presentations are made regularly to the Board of Directors/Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board), where Directors get an opportunity to interact with Executive Committee members and Business Heads.

The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board/Committee meetings, when Business Heads are asked to make presentations about performance of their Business Division to the Board. Apart from this, they also have independent interactions with the Auditors and external advisors, if any, appointed from time to time. Further, they meet regularly without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Training session: The Company may conduct any training programmes to be conducted at periodical intervals by experts in the fields on the certain topics to afford Board members an opportunity to understand and appreciate the complexities of the industry and their role, significant changes in the laws/ Regulations applicable to the Company, etc.

Management mailers are regularly sent to Directors on all significant Sectors, Company news items, Achievement series, monthly Performance updates, share price movements, branch expansion and such other subjects as they evolve from time to time.

Thus, all efforts shall be made to ensure that the Directors stay current on the state of the Company's affairs and the industry in which it operates.

The familiarisation programme for the new and continuing Independent Directors of the Company shall ensure valuable participation and inputs from them which will help in bringing forth the best practices into the Company and help in making informed decisions at the Board Level.

### 4. Disclosure of the Policy:

This Policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company.

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