

CHANDRA PRABHU INTERNATIONAL LIMITED



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**POLICY ON FAMILIARISATION PROGRAMME FOR INDEPENDENT
DIRECTORS**

PREAMBLE

The enactment of the Companies Act, 2013 (the Act, 2013) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has brought to the fore a number of provisions which will help the directors and the companies to ensure better corporate governance. In order to increase the Board's effectiveness, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Training needs are identified as being a mandatory requirement now so as to enhance the skills and competencies.

PURPOSE

The program formulated with the objective of making the Independent Directors of the Company accustomed to their roles and responsibilities is divided into various modules with emphasis on:

Roles, Rights and Responsibilities - Board dynamics & functions
Strategy, Operations and functions of the Company

The Program has been designed considering the specific needs of contemporary Corporate Governance and the expected obligations of Independent Directors in view of the onerous responsibility conferred by the Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

DEFINITIONS

“**Act**” means Companies Act, 2013 and rules framed thereunder as amended from time to time.

“**Board of Directors**” or “**Board**”, in relation to the company, means the collective body of the Directors of the Company.

“**Company**” means “Chandra Prabhu International Limited”.

“**Policy**” or “**This policy**” means Familiarization Programme for Independent Directors.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” (**KMP**) means :

- a. the Chief Executive Officer or the Managing Director or the Manager
- b. the Whole-time Director;
- c. the Company Secretary
- d. the Chief Financial Officer
- e. such other officer, not more than one level below the directors who is in whole-time employment, designated as Key managerial personnel by the Board: and
- f. such other officer as may be prescribed

“Senior Management” mean personnel of the company who are members of its core management team excluding Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations ,2015 as may be amended from time to time, shall have the meaning respectively assigned to them therein.

DETERMINATION OF INDEPENDENCE OF A DIRECTOR

An Independent Director should meet the requirements of Section 149 of the Companies Act, 2013 (‘Act’) and rules made thereunder read with Schedule IV of the Act and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 concerning independence of directors. Further, the provisions of the Act state that the criteria for determining qualifications, positive attributes and Independence of a Director must be disclosed in the Directors’ Report.

ORIENTATION PROGRAMME UPON INDUCTION OF INDEPENDENT DIRECTORS:

a) When an Independent Director joins the Board of the Company, a meeting with the director is led by the Chairperson of the Company and joined by the Whole-time Director, Company Secretary and Chief Financial Officer to discuss the functioning of the Board and to give an overview of the Company’s business activities and that of its subsidiary(ies).

On joining the Board of Directors of the Company, the Independent Directors are familiarized with the business of the Company including its subsidiary(ies) by Senior Management. Detailed presentations with regard to the business of the Company and its Subsidiary(ies) are made to Independent Directors for enabling them to understand the strategy, business model, operations, services, product offerings, markets, organization structure, technology, risk management, etc. of the Company and its subsidiary(ies).

c) The programmes/presentations also familiarize the Independent Director with their roles, rights and responsibilities.

d) After joining on the Board, an Independent director is familiarized with the Company’s Corporate Profile, its Mission, Vision and Values Statement, Organizational Structure, and Code of Conduct applicable to Directors and Policy on Fit and Proper criteria for Directors.

f) Independent Directors get an opportunity to interact with senior management during Board / Committee meetings, off sites and through normal communication channels and also informed of the various developments in the Company through appropriate channels of communication.

CONTINUAL FAMILIARIZATION PROGRAM

At various Board meetings during the year, Presentations are made regularly to the Board / various committees of the Board, where Independent Directors get an opportunity to interact with Senior Management Personnel. The presentations, inter alia, cover updates on regulatory, business environment, risk management, Company policies, business strategies, management structure, key policies, management development and succession planning, quarterly and annual results, budgets, review of Internal Audit, operations of subsidiaries and other relevant issues, etc.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws and results / press release are regularly circulated to the Directors.

Each director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part. Further, they meet without the presence of the Company's Management Personnel to discuss matters pertaining to the Company's affairs and put forth their combined views to the Chairman and Managing Director of the Company.

REVIEW OF THIS POLICY

The Board will review this Program and make revisions as may be required.

DISCLOSURES

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.

