

## **POLICY ON DETAILS OF FAMILIARIZATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS**

### **1. INTRODUCTION**

Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") inter-alia stipulates that the Company shall familiarize its Independent Directors with the Company, their roles, rights, responsibilities in the Company, business model of the Company, nature of the industry in which the Company operates etc., through periodical programmes.

This Policy for familiarization programme ("Policy") for Independent Directors of EFC (I) Limited (hereinafter referred to as "Company") is accordingly formulated in pursuance of the aforesaid requirements of Listing Regulations.

### **2. PURPOSE AND OBJECTIVE OF THE POLICY**

To provide Independent Directors an insight into the affairs of Company and to familiarize them about the Company including the nature of the industry in which the Company operates, business model of the Company, and make them accustomed to their roles, rights and responsibilities that would facilitate their active participation in contributing to the Company.

### **3. FAMILIARIZATION AND CONTINUING EDUCATION PROCESS**

- The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such programmes / presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The familiarization programmes shall also provide information relating to the financial performance of the Company and budget and control process of the Company.
- The independent directors are made aware of their responsibilities and liabilities at the time of their appointment through a formal letter of appointment, which also stipulates their roles and responsibilities and various terms and conditions of their appointment.
- Relevant statutory and regulatory changes are updated to the independent directors of the company from time to time.
- The newly appointed Independent Directors of the Company shall be familiarized with the various aspects of the Company like constitution, vision & mission statement, the activities, business model geographies in which the Company operates, band procedures, strategic direction, etc.

- Information material like code of conduct, the code of internal procedures and conduct for prohibition of insider trading and other applicable policies of the Company, performance highlights, etc., will also be provided to create awareness to the Independent Director of their roles, rights, responsibilities towards the Company.
- The Independent Directors may also be recommended to attend various seminars, conferences training programmes from time to time.

#### 4. ROLE OF INDEPENDENT DIRECTORS

The role of the independent directors is:

- To help in bringing an independent judgment to bear on Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- To bring an objective view in evaluation of the performance of Board and management.
- To scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- To safeguard the interest of all the shareholders of the Company.
- To balance the conflicting interest of the shareholders and management, if and when such a situation arises.
- To play important role in appointment, removal and determination of appropriate remuneration of executive/whole-time/managing directors, key managerial personnel and senior management personnel.
- To ensure the effectiveness of the Board as the oversight body to oversee what the management does.
- To identify the most critical issues for the Board to deal with.
- To play the role of a facilitator outside the board room especially on contentious issues.
- To work with CEO/CFO/Managing Director/Whole-time Director to prioritize issues, set the agenda and enable it to focus on substantive issues.
- To report about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- To satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.

#### 5. DISCLOSURE

As and when the familiarization programmes is conducted by the Company, the same will be disclosed on the website of the Company. The details of the familiarization programmes shall be disclosed 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. As required under Regulation 46 of the Listing Regulations the details of familiarization programmes imparted to independent director shall include the following details:

- (a) number of programmes attended by independent directors during the year and on cumulative basis till date;
- (b) number of hours spent by independent directors in such programmes during the year and on Cumulative basis till date; and
- (c) other relevant details.

## 6. POLICY REVIEW

The Board may subject to applicable laws is entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this policy and of the applicable law, such applicable law in force from time to time shall prevail over this policy.