

**FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS OF  
ELIN ELECTRONICS LIMITED**

**PREAMBLE**

The enactment of the Companies Act, 2013 (the Act, 2013) has brought to the fore a number of provisions which will help the directors and the companies to ensure better corporate governance. In terms of Regulation 25(7) of SEBI (Listing Obligations Disclosure Requirements) Regulations 2015 (LODR), Companies should familiarize the Independent Directors through various programmes so as to provide insights about the background of the company, their roles, responsibilities etc. In order to increase the Board's effectiveness, training needs are identified as being a mandatory requirement to enhance the skills and competencies. This programme aims to provide the Independent Directors insights into the Company to enable them to understand the Company's business and operations so that they are able to play a meaningful role in the overall governance processes of the Company.

**APPLICABILITY OF REQUIREMENT TO TRAINING OF DIRECTORS OR FAMILIARIZATION PROGRAM**

**Provisions under the Act, 2013**

**Schedule IV**

Part III under Schedule IV requires the independent directors to regularly undertake induction for updating and refreshing their skills and knowledge and familiarity with the company. The said Schedule also lays down the roles, responsibilities and the duties to be performed by independent directors.

**SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015**

Regulation 25(7) of SEBI (LODR) Regulations, 2015 requires the company to familiarize the independent directors with the nature of the industry in which the listed entity operates, business model of the listed entity, roles, rights, responsibilities of independent directors amongst others. The same does not lay down specific requirements that the same is to be for new director inducted on the board or that there should be a regular familiarization program for the directors. There is no prescribed periodicity under the Act regarding induction/training of the directors except that it should be regular. Further, as per Regulation 46(2)(i) of the LODR, the company is required to disclose the details of such familiarization programs on the company's website.

**EXTERNAL FACILITATOR**

The Company may hire an external facilitator and its role may consist of one or more of the following:

- i. To provide regular training on changes in dynamics of law so as to keep the directors updated with all necessary provisions to be fresh with legal provisions at all times.
- ii. To provide legal opinion and advisory as and when the need may arise in relation to corporate and allied laws as applicable to the Company.
- iii. Provide advisory on manner of disclosures required under the various provisions of corporate laws.
- iv. Facilitate in making comments on the draft policies of the company to ensure adherence to law.
- v. To keep abreast with the regulatory changes and the implications thereof.
- vi. Provide brief presentation as and when needed on the regulatory changes.

- vii. Provide training on any specific law requirements.
- viii. Provide insight on regulatory requirements in comparison to laws in other countries as well.

### CONTENTS OF FAMILIARIZATION PROGRAM

In this regard, we have enlisted an outline for the familiarization program which is not exhaustive, yet it is intended to give an idea about the correct mix of criteria which should be made a part of the program.

| TOPICS   |   | TO BE UNDERTAKEN BY                               |
|--|---|---|
| Background of the Company  | Nature of the business/ Industry company is engaged in  | Executive Director(s)                             |
|  | Different Products of the Company   | Senior Management Personnel                       |
|  | Business Segment of the Company   | Senior Management Personnel/Executive Director(s) |
|  | Annual Operating plan /Performance of the Company   | Chief Financial Officer                           |
|  | Details of other group Companies  | Chief Financial Officer                           |
|  | Strategic Investment of the Company   | Chief Financial Officer                           |
|  | Downstream Investments of the Company   | Chief Financial Officer                           |
|  | Major Customers of the Company  | Senior Management Personnel                       |
| Background of the Board of Directors of the Company and the various roles and responsibilities entrusted on them | Background of the other directors of the Company  | Company Secretary                                 |
|  | Orientation of Statutory Compliances  | Company Secretary/Functional Heads                |
|  | Various Board Committees  | Company Secretary                                 |
|  | Roles – i. Role of different committees of Board; ii. Role of Independent Dire  | Company Secretary                                 |
|  | Rights – i. Right to seek legal opinion; ii. Right to information; iii. Right to inspect books of accounts of the Company; iv. Right to participate in board meetings; v. Right to receive the notice for attending general meetings of the Company; vi. Right to call board meetings, subject to the Articles of the Company | Company Secretary                                 |
|  | Responsibilities –<br>i. Duties of Directors under Section 166 of the Companies Act, 2013; ii. Duties of the  | Company Secretary                                 |

|  |  |                       |
|--|--|-----------------------|
|  | Independent Directors under Schedule IV Part 3 of the Companies Act, 2013; iii. Duties and responsibilities arising from the LODR; iv. General responsibilities of the Directors. v. Penal provisions for non-compliance of the above under various laws applicable to the Company |                       |
| Expectations of the Company from the Independent Directors |  | Executive Director(s) |

**REVIEW**

This Familiarization Process shall be reviewed and revised by the Board as and when required.

By order of the Board

For Elin Electronics Limited

For Elin Electronics Limited



Authorised Signatory/Director

Chairman

Date: 09 Oct 2021

Place: New Delhi