

## **Familiarization Programme for Independent Directors**

### **PREAMBLE**

Schedule IV of The Companies Act, 2013 mandates the Company to familiarize the Independent Directors with the Company.

The Listing Agreement mandates the Company to familiarize the Independent Directors in the following areas:

- Familiarization with the Company;
- Roles;
- Rights and Responsibilities;
- Nature of Industry; and
- Business model of the Company.

### **OBJECTIVES**

To adopt a structured programme for orientation and training of the Independent Directors at the time of their joining so as to enable them to understand the Company- its operations, business, industry and environment in which it functions. The Company shall follow a structured orientation and training programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis.

The Program aims to provide insights into the Company to enable the Independent Directors understand their roles, rights and responsibilities and to get updated on the Company' Business & Operations so that they may contribute significantly to the Company.

### **IMPLEMENTATION**

ARCL Organics Limited ("ARCL") proposes to implement the following programmes to familiarize the Independent Directors with the Company:

1. Industry overview, Business model of the Company and a brief introduction about the Company, its subsidiaries and Associates, its Mission, Vision and Values Statement and providing Latest Annual Report.
2. A detailed appointment letter incorporating the role, duties and responsibilities is issued.
3. Providing Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Senior Management.

4. Providing an overview of the Roles, functions, Duties, Responsibilities and liabilities of Independent Directors as provided in the Companies Act, 2013 and Criteria of Independence applicable to the Independent Director as per SEBI LODR and Companies Act, 2013.
5. Providing an overview of Directors Responsibility Statement forming part of Boards' Report.
6. Board evaluation process and procedures.
7. Visits to ARCL's business locations and manufacturing units.
8. Technical sessions by external consultants/ experts outlining the roles, duties and responsibilities of Independent Directors from Companies Act, 2013 and Listing Agreement perspective.

#### OTHER INITIATIVES TO UPDATE THE DIRECTORS ON A CONTINUING BASIS:

1. A Board meeting is held at the Plant location, wherein the Directors are introduced to the Company's product plans and initiatives on safety, quality, CSR, Sustainability, etc.
2. Presentation on Business Excellence by external assessors under the Tata Business Excellence Model are also made to the Board, wherein various measurable and areas of improvement are presented.
3. Meetings with Company Executives are also arranged to better understand the business and operations of the Company.
4. The presentations at Board meetings include updates on regulatory, business environment, risk management, Company policies and other relevant issues. Quarterly Operations Report which includes information on business performance, operations, market share, financial parameters, working capital management, senior management changes, litigations, compliances, fund-flows, subsidiary data is presented to the Board.
5. The Directors are encouraged to visit the Company's website which include the latest press releases and data. Queries posed by them are responded.

#### PROGRAMME AND DISCLOSURE

- Familiarization programme will be conducted for new and continuing Independent Directors on "as needed" basis during the Year.