

# JBM AUTO LIMITED

## FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

### (I) Preface

Clause 49 of the Listing Agreement with the Stock Exchanges inter-alia stipulates that the Company shall familiarize the independent directors with the Company, their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

### (II) Familiarization Process at a glance

All Independent Directors are aware and constantly updated about their roles, rights, responsibilities in the Company. A kit containing information about the Company, Memorandum and Articles of Association, Annual Reports for previous 3 years, Sustainability Reports etc is handed over to a new director. The appointment letter issued to Independent Directors, inter-alia sets out the expectation of the Board from the appointed director, their fiduciary duties and the accompanying liabilities that come with the appointment as a director of the Company.

Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Each director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom at all times 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 information with respect to the automobile industry. 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.

### (III) Continuous flow of information

Detailed presentations are made on matters which inter-alia, cover:

- Company strategy and its business model;
- Operations of the Company including safety measures etc.;
- Financials of the Company;
- Risk Management Framework – Risks faced by the Company & mitigation plans thereof;
- Loans, Corporate Guarantees, Investments made by the Company;
- Contingent Liabilities;
- Related party transactions;

- Internal Controls, identification of weakness, if any, and improvisation in such controls;
- Performance Evaluation;
- Financials, Operations and investments made by Subsidiary Companies;
- Formulations of various policies viz. – Related Party Transactions, Vigil Mechanism, Corporate Social Responsibility, etc.;
- Roles, Responsibilities, duties, etc of directors as Board and Committee members;
- Issues and findings during Internal Audit.

#### **(IV) Access to Information & Opportunity to Interact**

- They have complete access to the information within the Company.
- They have freedom to interact with the Company's Management which happens generally prior to/during Board/Committee Meetings.
- They also have interaction with the Statutory Auditors, Internal Auditors and Cost Auditors, Secretarial Auditors and Internal Auditors, appointed by the Company.
- They also have the opportunity to meet without the presence of any management personnel where they can informally discuss the matters pertaining to the Company and put forward their combined views to the Chairman.

#### **(V) Compliances & Disclosures**

The Directors are explained in detail the compliances required from them under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations.

The Company provides regular updates on relevant provisions including changes in Company Law, Securities Law, Listing Agreement with Stock Exchanges and applicable laws to ensure that its Independent Directors are kept abreast on these regulations.

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