

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Preamble

In terms of Regulation 25 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), the Company is required to familiarize the Independent Directors with the

- Business and operations of the Company,
- Their Roles, Rights, Responsibilities in the Company,
- Nature of the industry in which the Company operates,
- Business Model of the Company and the on- going events relating to the Company.

The Board of the Company consists of independent directors having diverse background with rich experience and expertise in their respective domains. They have an aptitude to keep themselves abreast with changes in the industry and applicable regulations. They are well conversant with business and finance as also with various requirements applicable to listed entities.

This program 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.

Familiarization Program & Board Meetings

1. Induction Program & Presentation

The Company conducts induction program/presentation when a new Independent Director joins the Board of the Company, on various aspects including

a. Corporate View :-

- i. Overall Corporate updates & Business Performance,
- ii. Strategic Direction, Purpose, Vision, Mission, Goal & Philosophy of the Company,
- iii. Core Business Values including Ethics & Code of Conducts,
- iv. Organogram of theTechindia Nirman Limited and its Shareholding Pattern

b. Board & Management Over-view :-

- i. Constitution of the Board of Directors and various committees of the Board along with names of members;
- ii. Profile of Directors;
- iii. Names and contact details of members of core management team.

c. Corporate Policies :-

- i. Code of Conduct for the Board of Directors and Senior Management;
- ii. Corporate policies of the Company approved by the Board which inter-alia includes Whistle Blower Policy, Corporate Social Responsibility Policy, Health, Safety and Environment Policy, Risk Management Policy; Anti Bribery & Anti-Corruption Policy etc.

- iii. Powers of the Board, liabilities of Directors', their duties and responsibilities, etc. as enumerated in the Companies Act, 2014 and the Listing Regulations.

d. Others :-

- i. Manufacturing and R&D facilities,
- ii. Topics Covering Agricultural Seeds Industries,
- iii. Investor Relations and Human Resources.
- iv. The Chairman of the Board depending on the business needs may also nominate Independent Directors for relevant external training programs.

2. Interaction with Management

A new Independent Director meets individually with each Board member and senior management personnel. Each director of the Company has complete access to Company's information and freedom to interact with the Senior Management.

3. To Familiarize at Operational Level :

To familiarize a new Independent Director with the Company Functions at Operational Levels, visit organized at various plant locations including -

1. Processing Plants,
2. Field & Vegetable Crops and research locations of the Company.

4. Update on Relevant Statutory Changes :

Updates on relevant statutory changes and judicial pronouncements, important industry related laws etc. are regularly circulated to the Directors also a kit containing informative documents about the Company like Annual Reports, Business Responsibility Reports, Investor Presentations, Recent Press Releases, Memorandum and Articles of Association, Company Profile etc. is handed over to him/her.

5. Updates at Board Meetings

The Company shares business presentations periodically at the meetings of the Board of Directors and the Committees to inform the Independent Directors about the strategy, operations and functions of the Company. At various Board meetings, presentations are also made on Various Company policies and changes in the regulatory environment.

- a. Quarterly presentations on operations are made to the Board informing about business performance, operations, market share, working capital management, changes in the senior management, major litigation, compliances, etc.
- b. On an annual basis, presentations are made on annual business plans which provide Independent Directors an opportunity to understand the strategic roadmap and also contribute to strategy development with their experience.
- c. Above presentations help the Independent Directors to understand the Company's strategy, competitive landscape, business model, operations, product & services offerings, markets, organization structure, finance, human resources, technology, quality, risk management and such other areas as may be relevant from time to time.

6. Roles, Rights and Responsibilities

The Independent Directors are also made aware of their Roles, Rights and Responsibilities, Remuneration and Performance evaluation process, etc.

Guidelines of Professional Conduct

An Independent Director shall:

1. Uphold ethical standards of integrity and probity;
2. Act objectively and constructively while exercising his/her duties;
3. Exercise his/her responsibilities in a bona fide manner in the interest of the Company;
4. Devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
5. Not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. Not abuse his/her position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. Refrain from any action that would lead to loss of his/her independence;
8. Where circumstances arise which make an Independent Director lose his/her independence, the Independent Director must immediately inform the Board accordingly;
9. Assist the Company in implementing the best Corporate Governance practices.

Role and Functions

The Independent Directors shall:

1. Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. Bring an objective view in the evaluation of the performance of board and management;

3. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. Safeguard the interests of all stakeholders, particularly the minority shareholders;
6. Balance the conflicting interest of the stakeholders;
7. Determine appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and Senior Management and have a prime role in appointing and where necessary recommend removal of Executive Directors, Key Managerial Personnel and Senior Management;
8. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

Duties

The Independent Directors shall—

1. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. Strive to attend all meetings of the Board of Directors and of the Board Committees of which he/she is a member;
4. Participate constructively and actively in the Committees of the Board in which they are Chairpersons or Members;
5. Strive to attend the General Meetings of the Company;
6. Where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the Minutes of the Board Meeting;
7. Keep themselves well informed about the Company and the external environment in which it operates;
8. Not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
9. Pay sufficient attention and ensure that adequate deliberations are held before approving Related Party Transactions and assure themselves that the same are in the interest of the Company;

10. Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy;
12. Acting within his/her authority, assist in protecting the legitimate interests of the Company, Shareholders and its Employees;
13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

❖ **Manner of Appointment**

1. Appointment process of Independent Directors shall be independent of the Company management; while selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
2. The appointment of Independent Director(s) of the Company shall be approved at the meeting of the Shareholders.
3. The explanatory statement attached to the Notice of the Meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed Director is independent of the management.
4. The appointment of Independent Directors shall be formalized through a letter of appointment, which shall set out :
 - The term of appointment;
 - The expectation of the Board from the appointed Director; the Board- level Committee(s) in which the director is expected to serve and its tasks;
 - The fiduciary duties that come with such an appointment along with accompanying liabilities;
 - Provision for Directors and Officers (D and O) insurance, if any;
 - The Code of Business Ethics that the Company expects its Directors and Employees to follow;
 - The list of actions that a Director should not do while functioning as such in the Company; and
 - The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

5. The terms and conditions of appointment of Independent Directors shall be open for inspection at the Registered Office of the Company by any member during normal business hours.
6. The terms and conditions of appointment of Independent Directors shall also be posted on the Company's website.

❖ **Manner of Re-Appointment**

1. The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

❖ **Resignation or Removal**

1. The resignation or removal of an Independent Director shall be in the same manner as is provided in Sections 168 and 169 of the Act.
2. An Independent Director who resigns or is removed from the Board of the Company shall be replaced by a new Independent Director within a period of not more than One Hundred and Eighty days from the date of such resignation or removal, as the case may be.
3. Where the Company fulfills the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

❖ **Separate Meetings**

1. The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management;
2. All the Independent Directors of the Company shall strive to be present at such meeting;
3. The Meeting shall:
 - Review the performance of Non-Independent Directors and the Board as a whole;
 - Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
 - Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

❖ **Evaluation Mechanism**

1. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

❖ **Amendments**

The Board of Directors of the Company shall review the Familiarization Process and Code for Independent Directors and amend or modify this code as required at any time.

❖ **Disclosures**

Pursuant to Regulation 46(2) of Listing Regulations, the Familiarization Program shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report.
