

METALYST

METALYSTFORGINGS LIMITED
(FORMERLY KNOWN AS AHMEDNAGAR FORGINGS LIMITED)
(Company under Corporate Insolvency Resolution Process)

POLICY ON FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS
(Updated on 26.09.2022)



FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

1. BACKGROUND

• In compliance with **Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**, the Company has a structured programme for orientation and training of Directors at the time of their joining so as to enable them to understand the nature of the industry in which the Company operates, business model of the Company and roles, rights and responsibilities of independent directors.

• The Company also seeks to update the Directors on a continuing basis on any significant changes so as to place them in a position to take well informed and timely decisions.

2. OBJECTIVE AND DETAILS OF FAMILIARIZATION POLICY

- i. The Company has designed familiarization programme for the Independent Directors to appraise them with the business operations of the Company as also to know their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member.
- ii. Familiarization Program for Independent Directors includes:

Secretarial & Legal:

Covering details of the Company, its history, shareholding pattern, the Board structure, the Board Committees and their functions, policies applicable to the director, their roles, responsibilities, duties, rights as a director, etc.

Finance:

Covering details of the business, operations & business model and financial performance of the Company

3. INITIAL FAMILIARIZATION MODULE:

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Company conducts an introductory familiarization program / presentation, when a new Independent Director comes on the Board of the Company.

At the outset, all the independent directors are provided an overview of;

- Time allocation by the Independent Directors on financial controls, overseeing systems of risk management, financial management compliance, Corporate Social Responsibility, Stakeholders conflicts, Board effectiveness, strategic direction, Meetings and performance assessment;
- Roles, functions, Duties, Responsibilities and liabilities of Independent Directors;
- Directors Responsibility Statement forming part of Boards' Report; 6) Vigil Mechanism including policy formulation, disclosures, code for Independent
- Directors, Fraud response plan, obtaining Audit Committee approval, wherever required;
- Risk Management Systems & framework;
- Board Evaluation Process and Procedures;

With a view to familiarize him with the Company's operations, the Director is also given detailed presentations giving the organizational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant

information pertaining to the Company's business.

The above initiatives help the Director to understand the Company, its business and the framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company.

4. CONTINUAL FAMILIARISATION MODULES:

The Company will follow a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis. The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when Business Heads are asked to make presentations about performance of their Business Division to the Board. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time.

Further, they meet regularly without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Programs / presentations provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, facilities and risk management and such other areas. Presentations are made regularly to the Board of Directors / Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board), where Directors get an opportunity to interact with Executive Committee members and Business Heads.

5. DISCLOSURE OF THE POLICY:

This Policy shall be uploaded 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.

6. REVIEW OF THE PROGRAM

The Board will review this program and make revisions as may be required.

NOTE- The Corporate Governance compliances relating to board of directors, constitution of various committees like Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. LODR Regulations have been amended to exclude such companies from above compliance obligations. Roles and responsibilities of the Board of the Board of Director and such Committees are now shifted to the Insolvency Resolution Professional.