

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS OF  
Cholamandalam Investment and Finance Company Limited**  
(In terms of Regulation 25 & 46 of the Listing Regulations)

---

### **Purpose & Scope**

This program's purpose is to familiarize the directors with the business operations of the Company. This program's scope is to enable the directors to get a full understanding of the Company and is designed in such a way to support them in playing an effective role on the Board during their tenure as directors. The programme for independent directors also extends to other non-executive directors which aims to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the NBFC industry, business model of the Company, etc.,

### **Formal induction**

Every director is formally inducted into the Board by the Chairman of the Company. At the time of induction of a director on the board of the Company, a formal invitation to join the board of the Company is sent out along with a brief introduction about the Company. A copy of the Company's latest annual report and the schedule of the upcoming board / committee meetings for the calendar year is forwarded to the director. The director is explained in detail the compliances and disclosures required of him under the Companies Act, 2013, RBI guidelines, listing regulations and other relevant regulations and his affirmation is taken with respect to the same.

### **Letter of appointment**

The Company issues a formal letter of appointment to the independent director which incorporates all relevant information about the appointment including their roles, duties and responsibilities. The terms and conditions of appointment of independent directors are also available on the website of the Company.

### **Director's handbook**

A directors' handbook comprising a compendium of the role, powers and duties to be performed by a director as per the various regulatory requirements as well as the internal guidelines is given to every new director. The handbook is updated periodically for regulatory and other policy changes and updated copies of the handbooks are provided to all the directors.

### **Code of conduct**

The Company's code of conduct which *inter alia* explains the values and beliefs of the Company, functions, duties and responsibilities as a director of the Company including the duties of independent directors in terms of Companies Act, 2013 is given to the director at the time of joining and on an annual basis.

### **Familiarisation with operations**

The Board of Directors have complete access to senior management and information about the Company. Presentations are regularly made at the meetings of the Board and other committees constituted by the Board, where the directors get an opportunity to interact with the senior management. Further, there is a detailed quarterly presentation on review of operations of the Company covering the Company business, competition and overall industry.

### **Familiarisation with Regulatory requirements**

Periodical regulatory updates impacting the business which helps the director familiarise himself with the Company, its business and the regulatory framework in which the Company operates is circulated and discussed.

### **In camera discussions with auditors**

The independent directors have in camera interactions with the statutory auditors and the internal auditors appointed from time to time. They meet regularly without the presence of the management and their meetings are conducted informally to enable the independent directors to discuss the matters pertaining to the Company's affairs and put forth their combined views to the board of directors of the Company.

### **Directors E-portal**

The Company has a web based board portal which is accessible to all the directors with security passwords. This portal contains all the board and committee related agenda papers including the minutes of those meetings and other materials circulated to the Board / Committee for ready reference of the directors.

### Cholamandalam Investment and Finance Company Limited

The Company has an on-going familiarisation programme for all its Directors including Independent Directors. The programme includes the following:

1. A comprehensive directors' hand book – This handbook is handed out to all the directors upon appointment and upon every updation of the book. The handbook covers all regulatory aspects including the Companies Act, SEBI – listing requirements and RBI requirements. It covers the duties and responsibilities of directors, the code of conduct of the Company and other important regulatory aspects relevant for directors. A tentative agenda for each quarter is also provided.
2. Quarterly regulatory updates: All the key changes in regulatory environment is updated to the directors and a detailed note/presentation is circulated to the Board members as a part of the regular agenda.
3. Industry/business update: On a quarterly basis along side business review, a detailed presentation on the financial services industry, competitors performance vis-à-vis company performance indicators are shared for the information and knowledge of the directors.

#### Details of the above Familiarisation programme imparted to Independent Directors:

Name of the Director	FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18	
	Number of meetings attended	Total number of hours spent	Number of meetings attended	Total number of hours spent	Number of meetings attended	Total number of hours spent	Number of meetings attended	Total number of hours spent
Mr. M B N Rao	5	5 hrs	6	6 hrs	7	7 hrs	7	7 hrs
Mr. Nalin M Shah*	5	5 hrs	6	6 hrs	7	7 hrs	3	3 hrs
Mr. V Srinivasa Rangan	4	4 hrs	5	5 hrs	6	6 hrs	6	6 hrs
Ms. Bharati Rao	3	3 hrs	6	6 hrs	6	6 hrs	5	5 hrs
Mr. Ashok Kumar Barat	-	-	-	-	-	-	4	4 hrs

\* Resigned effective 27<sup>th</sup> July, 2017

\*\*\*