



## Automotive Axles Limited

Registered Office: Hootagalli Industrial Area, Off Hunsur Road, Mysore - 570 018

CIN : L51909KA1981PLC004198

Ph : 0821 7197500

[www.autoaxle.com](http://www.autoaxle.com)

[sec@autoaxle.com](mailto:sec@autoaxle.com)

### **FAMILARISATION PROGRAMME FOR INDEPENDENT DIRECTORS OF AUTOMOTIVE AXLES LIMITED**

#### **Preamble**

Regulation 25(7) and 46 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 with Stock Exchanges requires listed companies to conduct familiarisation programme to the Independent Directors with the Company, detail them about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various such programmes.

#### **Induction Programme Process**

As a step towards the familiarisation process, all Independent Directors of the Company are made aware of their roles, responsibilities, duties towards the Company. A detailed kit containing the Company's Corporate Profile, Memorandum and Articles of Association of the Company, latest Annual Report, code of conduct applicable to the Directors and Senior Management of the Company and the code for Prevention of Insider Trading is handed over to the new Director on the board.

The appointment letter issued to the Independent Director inter alia sets out the expectation of the Board from such appointment, their fiduciary duties and roles that comes with the appointment, along with the details of the fees/commission, code of conduct and other compliances, confidentiality clause, performance review process.

During their tenure the Independent Directors may also be requested to serve on one or more committees of the Board.

The Independent Directors who are part of Audit Committee are explained about roles and responsibility of an Audit Committee and the details of Information which are discussed in the Audit Committee meetings along with an overview on the Whistle Blower Policy and Vigil Mechanism followed in the Company for reporting of such issues and concerns.

The Independent Directors who are a part of the Nomination & Remuneration Committee are briefed about their responsibility in determining the criteria for qualification, remuneration, performance evaluation of Directors and Senior Management.

The Independent Directors who are a part of the Stakeholder Relationship Committee are briefed about their responsibility which involves safeguarding the interests of the Shareholders of the Company.

The Independent Directors who are a part of the Corporate Social Responsibility (CSR) Committee are given a presentation on the Corporate Social Responsibility concept which is newly introduced in the Companies Act, 2013 along with the list of activities which qualify as CSR activities. They are also briefed on the method of calculation of amount to be spent for these activities and are given the responsibility in selection of right set of activities which are beneficial for the society at large.



The Independent Directors are required to actively participate in all the Board and Committee meeting and help in bringing an Independent judgement to Board deliberations on the various aspects and help in taking decision which helps in safeguarding the interest of various Stakeholders of the Company.

Representation from the Independent Directors who are part of Committee is required in General meetings in order to clarify the concerns raised by the shareholders in the relevant areas.

### **Ongoing Familiarisation Programme**

At the time of Board Meeting of the Company held at the Registered Office, usually twice in a year, in the beginning of the meeting various presentations are made by the business heads of the Company to provide a detailed view about the different functional areas in order to enable the Independent Director to have a better understanding about the business and operations of the Company which would take minimum 30 minutes at every visit of the Independent Directors to the Registered Office at Mysore.

Presentations are made at the Board and Committee Meetings, on Business and performance updates of the Company, global business environment, business strategy and risks involved, market share, financial parameters, senior management changes, litigations, compliances and fund flows. The Presentations at Board meetings include update on major developments in legal & regulatory areas, like Companies Act, Listing Agreement, and various Tax and financial reporting changes.

Each Independent Director of the Company shall have full access to information relating to the Company's Policies, Board Presentation and Financials and they have the freedom to interact with the Company's Management. They are given all documents sought by them for enabling them to have a proper understanding of the Company, its various operations and the industry segment of which it forms a part.