

MUKESH BABU FINANCIAL SERVICES LIMITED

*Policy on Familiarization programmes Imparted to
Independent Directors*

In terms of Regulation 25 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company is required to familiarize its Independent Directors through various programme regarding the nature of the industry in which the Company operates, its business model and their roles, rights, responsibilities and on other relevant information relating to the finances/ operations of the Company. Further, the details of the familiarization programme is also required to be hosted on the website of the Company, in terms of Regulation 46(2)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of the Company has adopted this updated Policy at the Meeting of the Board held on 10th August, 2018.

The details of the familiarization programme conducted by the Company are as under:

- I. Initial familiarization: The Independent Directors are provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment, the code of conduct and insider trading regulations, disclosure and business interests, nature of the industry and business model of the Company and policies of the Company and other important regulatory aspects as relevant for directors.
 - a. Induction program for new Directors: The Company conducts induction programme for its new directors covering areas such as nature of the industry in which the Company operates, business model of the Company, board governance, finance and accounts, compliance, human resource and operations. They are also briefed on their roles, rights, responsibilities of independent directors; obligations under the various policies/ code and on the terms of reference of the various Committees of the Board of Directors of the Company and any other relevant information.
 - b. Further, the new director also meets the Chairman of the Board, the Managing Director & CEO, the Whole-time Directors and Members of the Senior Management of the Company to get a first-hand account of business and regulatory environment and other issues concerning the operations of the Company.
- II. Ongoing familiarization: The Independent Directors are apprised at Board Meetings on the Company operations, market shares, governance, internal control processes and other relevant matters. They are also updated on important changes in the regulatory framework and business environment having an impact on the Company.
 - a. Briefing at the Board Meeting: The agenda for the meeting of the Board of Directors of the Company covers the financial results of the Company, operations of the Company, review of the risk profile of the Company, issues relating to compliance and governance, findings of internal audit, review of business strategy, organization structure, succession planning, and impact of regulatory changes, in compliance with applicable corporate and securities laws.

- b. Roles, rights and responsibilities of non-executive Directors: The Company's non-executive Directors including Independent Directors are made familiar with the roles, rights and responsibilities of non-executive Directors under the Companies Act, 2013, Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules & regulations.
- c. Others: The Directors of the Company have been briefed on the following matters at the meetings of the Board / Committees thereof:
- Role, duties and responsibilities under applicable corporate, Companying and securities laws.
 - Financial results of the Company and that of its subsidiary companies.
 - Operations of the Company.
 - Update on statutory and regulatory changes and impact thereof.
 - Formulation and review of business strategy of the Company.
 - Initiatives taken by the Company in the areas of risk management, investor services, corporate social responsibility, cyber fraud, general economics, board governance and human resources.
- III. The Company includes elements of familiarization as a part of its regular presentations made at every Board meeting on significant developments affecting the Company's business. It will be the Company's endeavor to keep the Independent Directors suitably informed from time to time of any developments relevant to their position as independent directors.
- IV. The details of the familiarization programmes imparted to the independent directors during each financial year shall be updated on the website timely with the following details:
- i. number of programmes attended by independent directors (during the year and on a cumulative basis till date),
 - ii. number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date), and
 - iii. other relevant details