



RATHI STEEL AND POWER LTD.

**FAMILIARIZATION PROGRAMME FOR INDEPENDENT
DIRECTORS**



FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

INTRODUCTION:

Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) mandate the listed entity to familiarize the Independent Directors (“IDs”) through various programmes about the listed entity, including the following: (a) nature of the industry in which the listed entity operates; (b) business model of the listed entity; (c) roles, rights, responsibilities of IDs; and (d) any other relevant information. Further, Schedule IV of the Companies Act, 2013 specifies the duties of the IDs which, inter alia, includes to undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company.

Further, Regulation 46(2) of the Listing Regulations requires the company to disseminate on its website the details of familiarization programmes imparted to IDs including the following details:

- a) number of programmes attended by IDs (during the year and on a cumulative basis till date),
- b) number of hours spent by IDs in such programmes (during the year and on cumulative basis till date) and
- c) other relevant details.

NECESSITY AND OBJECTIVE:

Executive directors are involved in day to day affairs of a company and have functional expertise with in-depth knowledge about its operations and operation of subsidiaries, if any, and or associates, if any. On the other hand, IDs do not have to necessarily possess such detailed knowledge about the operational aspects of the company at the time of their appointment. The first challenge is to familiarise IDs with the operations of the company to bridge the knowledge gap and to facilitate effective discussions and decision making by the Board of Directors. Once familiar, it is equally important for IDs to get updated knowledge on the latest developments and technologies having impact on the business of the company.

It is important for an ID to know about the company in which he is about to be inducted as a Director or he has already been inducted as a Director. Having adequate knowledge about the Company enables ID to play his role / duties and functions as prescribed, effectively. Besides, a director can provide his guidance effectively if he understands the business of the company and the area in which the company needs his guidance.

In order to familiarize the IDs with the business and related activities of Rathi Steel and Power Limited (“Company”) including but not limited to the nature of industry, products, markets, operations, policies, regulatory aspects affecting the Company, etc. the Company has adopted a structured familiarisation plan to help IDs to work in the best interest of the Company, thus taking care of the interest of all stakeholders.

INITIAL FAMILIARISATION PROGRAMME AT THE TIME OF APPOINTMENT OF ID ON THE BOARD

1. At the time of appointing a new ID, a familiarization pack comprising of following, is handed over:
 - a. MOA & AOA;
 - b. Annual reports of the Company of previous three years;
 - c. Code of Conduct of Directors/ Employees of the Company;
 - d. Organizational structure and Company’s history and milestones achieved since incorporation;
 - e. Vision, mission, objectives & value statements of the Company;
 - f. Collaboration agreements, loan agreements etc., if any;
 - g. Risk management policy of the Company and other policies and/or codes adopted by the Company as per applicable laws;
 - h. Presentation on business model of the Company, its subsidiaries and/or associates, if any;
 - i. Composition of various board committees along with their terms of reference etc. including guidance on the regulatory framework.



2. A detailed Appointment Letter incorporating, inter alia, the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover is issued for acceptance.
3. The Director is also explained in detail, the compliances required from him / her under the Companies Act, 2013, Listing Regulations and other relevant regulations, expectation from IDs highlighting key areas which requires their active consideration such as overseeing systems of risk management, financial control and management, RPT, CSR, strategic direction to improve board effectiveness and eliminating conflict of interest, separate meeting of IDs etc., before they attend the first Board/ committee meeting.
4. The chairman/ MD/ WTD shall conduct interactive sessions with the newly appointed IDs on the organizational set up of the Company and / or its subsidiaries/associates, if any, the functioning of different divisions / departments thereto, market share of the Company and/or subsidiaries/ associates, if any, corporate governance and other important aspects including but not limited to:
 - a. Overview of the Company's businesses and/or business of its subsidiary/associate, if any;
 - b. market and business environment;
 - c. growth and performance;
 - d. internal control processes.
5. The presentations may also be made to the newly appointed Non-Executive Directors (including IDs) on above mentioned relevant information.
6. A full day site visit to the Company's manufacturing Plants and shops, is arranged wherein the inductee is introduced to the Plant Heads and various important functional heads. Further, on a separate day, meeting with Business Unit Heads and Corporate functional heads is also arranged each comprising of 30 to 45 minutes' sessions. Relevant Business Strategy presentations are also being made.

FAMILIARISATION PROGRAMME TO UPDATE DIRECTORS ON CONTINUOUS BASIS

1. Familiarisation is achieved through broad-based engagement, under which various business heads and functional heads (including those of key subsidiaries, if any) are invited for group/one-on-one interaction with the IDs to enable them get a better understanding of the business and operations.
2. The Company shall conduct ongoing familiarization for IDs at regular intervals, at least once in a year to provide updated knowledge on business and operations of the Company and/or its subsidiary/ associates, if any, to provide insights into the Company and/or its subsidiary/ associate, if any, and the business environment, to enable all the IDs to be updated of:
 - a. Business strategy and financial model of the Company and or its subsidiary associate, if any.
 - b. Important developments in legal and auditing matters
 - c. Change in government policies having impact on the business of the Company
 - d. Developments in statutory compliances
 - e. Development in businesses undertaken by subsidiary, if any
 - f. Newer challenges
 - g. succession planning, quarterly and annual results, budgets, review of Internal Audit, operations of subsidiaries and/or subsidiary, if any
 - h. Risks and opportunities relevant in the Company's context and
3. Atleast one Board Meeting in a year having a detailed Strategy session with the senior management team of the Company who are responsible for implementation of decisions taken by the Board and its committees. The members of the management team make presentations to the Board members which inter-alia covers the:
 - a. Industry scenario,
 - b. Strategic priorities for the Company and
 - c. Business model of the Company.



4. Independent Directors are also informed of the various developments in the Company through appropriate channels of communication.
5. Apart from meeting with the management, IDs shall have access to the Auditors and external advisors of the Company appointed from time to time and may invite them in separate meetings of IDs to discuss matters pertaining to the Company’s affairs.
6. To enable view of practicalities involved in the business operations, visits to plants/ factories / site offices of the Company may be organized for the Directors, where they may be apprised of the operational aspects of the units to enable them to have full understanding and appreciation on the activities of the Company.
7. The Company also highlights to the Board on the changes in the key regulations impacting the Company or the functioning, roles and responsibilities of the Board members.
8. At different Board meetings, the Directors are apprised of the Risk Management Process and its outcome, Company Policies and changes/revisions thereof.
9. Quarterly presentations on operations made to the Board includes information on business performance, operations, market share, financial parameters, working capital management, fund flows, information and performance of the subsidiary/ joint venture / associate companies, if any, major litigations, etc. Periodic presentations are made to the Board/Board Committees on HR strategy, CSR and sustainability initiatives, investors’ complaints and its redressals, etc.
10. Certain programme / activities are merged with the Board/Committee meetings to suit the convenience of Directors. Also, individual programmes are conducted separately, as and when required.

DURING THE FINANCIAL YEAR 2024-25, FOLLOWING MAJOR AREAS / TOPICS WERE COVERED UNDER THE FAMILIARISATION PROGRAMMES/MEETINGS:

Area	Topics	Delivered by	Mode
Environment, Social & Governance	CSR Initiatives and annual action plan- Performance on Health, Safety and Environment matters at the various manufacturing sites	Company Secretary and Compliance Officer	Board / Committee Meeting, periodical updates
Legal & Regulatory Compliance	Regulatory Changes and Impact, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) , IND AS, RPTs,	Company Secretary and Compliance Officer	Board / Committee Meeting, periodical updates



DURING THE FINANCIAL YEAR 2025-26, FOLLOWING MAJOR AREAS / TOPICS WERE COVERED UNDER THE FAMILIARISATION PROGRAMMES/MEETINGS:

Area	Topics	Delivered by	Mode
Environment, Social & Governance (ESG)	CSR Initiatives and annual action plan- Performance on Health, Safety and Environment matters at the various manufacturing sites	Company Secretary and Compliance Officer	Board / Committee Meeting, periodical updates
Legal & Regulatory Compliance	Regulatory Changes and Impact, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) , IND AS, RPTs,	Company Secretary and Compliance Officer	Board / Committee Meeting, periodical updates
Technology and Innovation	Digital Transformation, Cybersecurity Resilience etc.	Company Secretary and Compliance Officer	Board / Committee Meeting, periodical updates

Details of familiarization programmes / Meetings imparted to Independent Directors during FY 2024-25.

[no. of hours]

S. No.	Programme Details	Name of Independent Directors			
		Ms. Sonika Sharma	Ms. Surbhi Pareek	Mr. Arpan Atrey*	Mrs. Sangeeta Pandey*
1	ESG and Legal & Regulatory Compliance	1	1	1	0

Details of familiarization programmes / Meetings imparted to Independent Directors during FY 2025-26.

[no. of hours]

S. No.	Programme Details	Name of Independent Directors		
		Ms. Sonika Sharma	Ms. Surbhi Pareek*	Mr. Arpan Atrey
1	ESG and Legal & Regulatory Compliance and Technology and Innovation	2	1	2

**On cumulative basis from FY 2015-16 to FY 2024-25.**

Name of the Directors	No. of programme (s) / meetings attended		No. of hours spent	
	During FY 2024-25	Cumulative	During FY 2024-25	Cumulative
Ms. Sonika Sharma	1	2	1	2
Ms. Surbhi Pareek	1	2	1	2
Mr. Arpan Atrey*	1	1	1	1
Mrs. Sangeeta Pandey*	0	6	0	6

On cumulative basis from FY 2015-16 to FY 2025-26.

Name of the Directors	No. of programme (s) / meetings attended		No. of hours spent	
	During FY 2025-26	Cumulative	During FY 2025-26	Cumulative
Ms. Sonika Sharma	2	4	2	4
Ms. Surbhi Pareek	1	3	1	3
Mr. Arpan Atrey*	2	3	2	3

* Mr. Arpan Kumar Atrey was appointed as Additional Director in the capacity of Independent Director w.e.f. 29.03.2025 and Ms Surbhi Pareek was reclassified as non independent Director w.e.f. 09-05-2025

A detailed initial familiarization was conducted for Mr. Arpan at time of his appointment on the Board.