

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

(Pursuant to Clause 49 of Listing Agreement)

Preamble:

In terms of Clause 49 of the Listing Agreement, the Company is required to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Also, in terms of Schedule IV of the Companies Act, 2013, the Independent Directors are required to keep themselves abreast of the regulatory provisions and the knowledge, skill and expertise required to be an Independent Directors.

Initial Familiarization Programme

Independent Directors of the Company are made aware of their roles, rights and responsibilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

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

- Criteria of independence applicable to Independent Directors as per clause 49 of the Listing Agreement on Corporate Governance and the Companies Act, 2013;
- Compliances required from Independent Directors under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations;
- Directors' Responsibility Statement forming part of Directors' Report;
- Fraud response plan, obtaining Audit Committee approval, wherever required;
- 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;
- Board Evaluation Process and Procedures;

In May 2014, a presentation was arranged for the Board of Directors on the provisions of the new Companies Act, 2013 which, inter alia, covered the major changes in new Companies Act.

Quarterly presentations on operations are regularly made to the Board including information on business performance, operations, market share, financial parameters, working capital management, fund flows, major litigation, quarterly compliances etc.

KEI INDUSTRIES LIMITED

The Independent Directors have the opportunity to visit Company's Plant, to enable themselves to have full understanding of manufacturing operations & processes and the Industry in which it operates. Further, they have the freedom to interact with the Company's Management Team. Interactions happen during Board/ Committee meetings. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time.

Continual Familiarization Programme

The Company may through its Executive Directors, Company Secretary and Senior Managerial Personnel conduct programs/ presentations periodically at the Board Meeting held to familiarize the Independent Directors with the strategy, operations and functions of the Company, whenever required. Such programs/presentations will 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, organisation structure, facilities and risk management and such other areas.

The Directors are encouraged to visit the Company's Website which include the latest press release and data.

Programme and Disclosure

- a) Familiarization programme will be conducted on "as needed" basis during the year.
- b) As and when familiarization programme is conducted, the same will be disclosed on the website of the Company.

The document relating to familiarisation programme shall be disclosed on the Company's Website and a web link thereto shall be provided in the Annual Report. The Familiarisation programme for Independent Directors will be administered and monitored by the Board and reviewed if required.
