



**JM FINANCIAL ASSET RECONSTRUCTION
COMPANY LIMITED**

**FAMILIARISATION PROGRAMME FOR INDEPENDENT
DIRECTORS**

APRIL 2024

1. Preamble:

Regulation 25(7) read with Regulation 62(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”) and Schedule IV of the Companies Act, 2013 (the “**Act**”) requires that:

- a. The Company shall familiarise its Independent Directors, their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.
- b. The details of such familiarisation programmes shall be disclosed on the Company’s website and a web link thereto shall be given in the Annual Report.

2. Initial familiarisation programme:

JM Financial Asset Reconstruction Company Limited (the “**Company**”) issues a formal letter of appointment to each Independent Director at the time of his/her appointment. The said letter of appointment outlines in detail, the Independent Director’s role, function, duties and responsibilities vis-à-vis the Company.

The Company familiarises each of the Independent Directors as and when they are appointed for the first time (the “**initial appointment**”).

It is the practice of the Company to provide to each Independent Director an overview of;

- Criteria of independence applicable to the Independent Directors as per Regulation 16(1)(b) of the Listing Regulations and the applicable provisions of the Act;
- Roles, functions, duties, responsibilities and liabilities of Independent Directors;
- Directors’ Responsibility Statement forming part of Boards’ Report; Vigil Mechanism including policy formulation, disclosures, code for independent directors, etc.;
- Risk Management Systems & framework;
- Board Evaluation Process and Procedures;

Additionally, an Independent Director is made aware of various compliances required under the Act, Listing Regulations and other applicable acts, laws, rules and regulations.

A detailed presentation is given to the Independent Directors about the Company’s overview, key milestones, key business segments, nature of business activities, depth of management, awards and recognitions received and other relevant information pertaining to the business of the Company. The Chief Executive Officer of the Company and the Key Managerial Personnel also have personal discussions with the concerned Independent Director about various matters/scenarios.

The above familiarisation programme helps the Independent Directors to understand the structure of the Company, its business and management and the regulatory framework in which the Company operates. This would also help the Independent Directors to be better equipped to effectively deal with his/her role as an Independent Director of the Company.

3. Continual familiarisation programme:

The Company shall follow a structured orientation programme for the Independent Directors to make them aware and update them on the business and operations of the Company on a continuous basis. The continual familiarisation program is designed by the Company on the following lines:

Functional Area	Responsibility
Overview of strategy and business model of the Company	Chief Executive Officer
Financial Performance, Budgeting and Planning	Chief Financial Officer
Overview of performance of business of the Company	Chief Executive Officer/ Chief Financial Officer
Statutory reporting including Internal Audit Reports, RBI Inspection Report and compliance related certifications	Chief Financial Officer/Company Secretary

On an on-going basis, the Company arranges to make business presentations to update the Independent Directors with the strategy, operations and functions of the Company. Such presentations provide an opportunity to the Independent Directors to interact with the management and understand the Company's strategy, business model, operations, industry & market update, organisation structure, facilities and risk management and such other areas. Presentations are made regularly to the Board of Directors / Audit Committee, where the Independent Directors get an opportunity to interact with the management.

The Independent Directors shall have complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when the Chief Executive Officer and Chief Financial Officer make presentations about the performance of the Company. Apart from this, Independent Directors also have separate interactions with the Statutory Auditors and the Internal Auditors as and when required. Additionally, the Independent Directors may attend relevant industry seminars/conferences and meet the senior management officials of the company.

4. Disclosure of the Familiarisation Programme:

Familiarisation programs provided / offered to the Independent Directors by the Company during the financial year 2023-24 and cumulative up to March 31, 2024 are mentioned below:

Sr. No.	Particulars	During the year 2023-24	Cumulative from April 1, 2022 to March 31, 2024
1	Number of familiarisation programs provided / offered by the Company.		Four (4)
2	Time spent by the Independent Directors in such sessions in an aggregate (approx.)		Six (6) hours Eight (8) minutes

The Company's Familiarisation Programme for Independent Directors is hosted on its website viz., <https://www.jmfinancialarc.com/>.

5. Amendments/Review:

This Policy may be reviewed from time to time and any amendment or modifications in this Policy shall be subject to the review and approval by the Board of Directors of the Company.

In case any amendments, clarifications, circulars and guidelines issued by the regulatory body(ies)/authority(ies) and such amendments, clarifications, circulars and guidelines are not consistent with the requirements specified under this Policy, then the provisions of such amendments, clarifications, circulars and the guidelines shall prevail and accordingly, this Policy shall stand amended effective from the date as laid down under such amendments, clarifications, circulars and guidelines.