



SAMBANDAM SPINNING MILLS LIMITED

Registered Office: Kamaraj Nagar Colony, P.B. No:1, Salem – 636 014

CIN : L17111TZ1973PLC000675; website : www.sambandam.com

Phone No: 0427 2240790

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

OBJECTIVES:

- To adopt a structured programme for orientation and training of Independent Directors at the time of their joining so as to enable them to understand the Company - its operations, business, industry and environment in which it functions and the regulatory environment applicable to it.
- To update the Directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decisions.

ORIENTATION PROGRAMME UPON INDUCTION OF NEW DIRECTORS:

- A Induction pack is handed over to the new inductee, which includes the Company's Corporate Profile, its Mission, Vision and Values Statement, Organisational structure, the Company's history and milestones, latest Annual Report, Code of Conduct applicable to Directors / employees of the Company, the 'Sambandam spinning Mills Ltd., Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices', and the latest Annual Reports on CSR and Sustainability. The Inductees are informed of all policies of the company .
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.
- A meetings with Business /Unit Heads and Corporate functional heads is also arranged. A full day site visit to the Company's Plants and the Innovation Centre is arranged wherein the inductee is introduced to the Plant Heads and various important functional heads.
- A brief introduction to the Company and its main operating subsidiaries is also made.

OTHER INITIATIVES TO UPDATE THE DIRECTORS ON A CONTINUING BASIS:

- The Directors get an opportunity to visit Company's plants, where plant heads apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, Sustainability, etc.
- At various Board Meetings during the year, presentations are made to the Board on Safety, Health Environment and Sustainability issues, Risk Management, Company policies, changes in the regulatory environment applicable to the corporate sector and to the Industry in which the Company operates, Business Excellence under the SSML Model with areas of improvement and other relevant issues.
- Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management changes, major litigation, compliances, etc.
 - Meetings with Company Executives are also arranged to better understand the business and operations of the Company.
- Further to above, following additional features covered and the said familiarisation programme during every quarterly meeting.

: 2 :

Chairman and Managing Director at every Audit Committee Meeting held once in a quarter, appraises the Independent Directors about the Industry Scenario, Performance and status of the Company with particular reference to the following :

1. Textile Market Scenario in India and abroad
2. Production and availability of Cotton in India and at the global level
3. National Government policy on MSP for Cotton produced in the Country vis a vis the neighbouring countries.
4. Demand for Yarn in Domestic and International Market.
5. Government policy on alternate sources of energy i.e solar power generation to augment the power supply to meet the demand from Industry.
6. High interest cost burden on the Working Capital needs of the Company on account
7. Cotton market and spinning industry status is appraised every quarterly meeting.
8. All regulatory updates are appraised during every meeting.

* * * * *