



CARBORUNDUM UNIVERSAL LIMITED

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (Pursuant to Regulation 25(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations))

The Members of the Board of Carborundum Universal Limited (CUMI) are provided with many opportunities to familiarise themselves with the Company, its management and operations. The Board of Directors are regularly provided with documents on information and updates to have a better understanding of the Company, its operations spread across the world as well as the industry in which it is operating.

In addition to the requirements of the Listing Regulations, the code for independent directors under Schedule IV also lays down the standards for fulfilment of their responsibilities in a professional and faithful manner to promote confidence of all stakeholders. The Company recognises the importance of institutionalising a familiarisation programme for its Directors so that they can keep themselves well informed about the Company and the external environment in which it operates.

Some of the practices in the familiarisation programme are conducted on a continuous basis and some on case to case basis. Further there are specific practices which the Company follows at the time of induction of a new director. The familiarisation programme at CUMI broadly encompasses the following:

1. The Independent Directors are made aware of their roles, duties and responsibilities at the time of their appointment through a formal letter of appointment which stipulates the terms and conditions of their engagement. The terms and conditions of the appointment of Independent Directors are available in the website of the Company.
2. By way of an introduction, every newly inducted Director is presented with a corporate dossier which traces the Company's history over 60 years of its existence and gives a glimpse of value chain of its products. Further considering the wide range of businesses the Company is operating in, a corporate brochure highlighting the business segments is also given.
3. The Managing Director at the first Board meeting in which the newly inducted director participates makes a detailed presentation on the Company, its various business segments and profile, manufacturing locations, organisation structure and other market related info.
4. Exclusive plant visits are also organised for the new Director in order to provide an insight into the actual operations of the Company.
5. Every new director is also provided with a Director's Handbook which in addition to Companies Act and listing regulatory compliance requirements applicable for persons holding directorship positions also provides an overview of the basic elements of corporate directorship in the Murugappa Group. Newly inducted Audit Committee members are provided with an audit committee manual which broadly covers the regulatory scenario in India, current practices in the Company, best practices – Indian as well as globally etc.
6. Further, with a view to familiarise the existing Directors with the Company's operations on an ongoing basis, plant visits are periodically organised for the Directors which will include product displays, detailed tour of the shop floor, specific display of technological innovations made etc. Being a material science technology oriented company, annually a session for



sharing the R&D initiatives in the various SBUs is scheduled.

7. At every Board meeting strategic presentations are made to the Board where the Board members interact with the Senior Management. Industry scenario updates are given periodically at the Board meetings.
8. At every Board meeting besides reporting on compliance with applicable laws, a regulatory update on significant changes in laws applicable to the Company is provided to the Directors.
9. Directors are also informed of various developments in the Company through Press releases etc.
10. With respect to agenda for the Board meetings, the Company has a web based portal – CUMIDOCSTORE accessible to all the Directors and documents are posted well in advance to the meetings of the Company.

The details of the familiarisation programme(s) imparted to Directors including the independent directors for the FY 2017-18 are given below:

Details of the specific Programme(s)	Frequency	Total number of hours spent during year 2017-18	Attendance by Independent Directors
Plant Visit(s)	Annual	> 8 hrs.	All Directors except Mr. Sanjay Jayavarthanavelu visited the various facilities of the Company at Edapally and Kakkanad, Kochi.
Specific Plant Visit	-	> 8 hrs.	Mr. P S Raghavan and Mr. Sujjain S Talwar visited the Company's facilities in Hosur on 14 th June 2017 as a part of their Board induction process.
Specific Plant Visit	-	> 8 hrs.	Mr. Aroon Raman visited the facility of Murugappa Morgan Thermal Ceramics Limited, a joint venture of the Company at Moti Bhoyan Village, Gujarat on 30 th March 2018.
Regulatory Updates including dedicated sessions on transition to Indian Accounting Standards, GST and MCA updates on revised IEPF rules, Companies Amendment Act & Amendment Rules, recommendations of the Kotak Committee to SEBI on Corporate Governance etc.	Quarterly	Approx. 4 hrs.	All
Update on R & D Initiatives of the Company.	Annually	Approx. 1.5 hrs.	Based on attendance at the meeting.
Presentation WOW events – updates on significant achievements / recognitions/events participated by the Company	At every board meeting	Approx. 2 hrs.	Based on attendance at the meeting.



Other programmes as detailed above – industry updates, press releases etc.	Quarterly	Approx. 2 hrs.	Based on attendance at the meeting.
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**the above excludes the periodic visits undertaken by the Chairman in connection with the business/operations of the Company.*

The above initiatives help the Directors to understand the Company, its businesses and the regulatory framework in which the Company operates enabling him/her to effectively fulfil their role as a Director of the Company.
