



**Utkarsh Small Finance Bank**

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**



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## 1. Background

As per Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), a listed entity is required to familiarise its independent directors through various programmes about itself, 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 independent directors; and
- (d) Any other relevant information.

As per Regulation 46(2)(i) of the Listing Regulations, the listed entity shall disclose under a separate section on the website of the Bank, details of familiarisation programmes imparted to its independent directors including the following details :-

- i. Number of programmes attended by independent directors (during the year and on a cumulative basis till date);
- ii. Number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date); and
- iii. Other relevant details.

## 2. Objective

This familiarisation programme (“Programme”) aims to assist the independent directors to understand details about the Bank, their roles, rights and responsibilities in the Bank, nature of the industry in which the Bank operates and the business model of the Bank in order to enable the independent directors to fulfil their responsibilities efficiently and effectively.

## 3. Familiarisation Programs

The Bank shall conduct orientation programs / presentations / training sessions, periodically, to familiarize the independent directors with the strategy, operations and functions of the Bank.

Such orientation programs / presentations / training sessions shall provide an opportunity to the independent directors to interact with the senior leadership team of the Bank and help them to understand the Bank’s strategy, business model, group structure, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities, risk management strategy, governance policies, designated channels for flow of information and such other areas as deemed necessary.

The programs / presentations shall also familiarize the independent directors with their roles, rights and responsibilities in the Bank.

The Bank may include such other details and information, as required, during the introductory familiarization program / presentation, when a new independent director joins the board of



directors of the Bank including providing that independent director with an induction kit which may comprise but is not limited to the Memorandum and Articles of Association of the Bank, annual report of the Bank for last two years, profile of Bank and profiles of the top executives of the Bank, structure of the board of directors and board committees, organisation structure of the Bank with details of all functional designations including designations at the field level, applicable policies such as the whistle blower policy and nomination and remuneration policy, code of conduct of board and senior management, broad aspects for evaluation of performance of members of the board of directors.

1. The bank shall conduct an induction program for new Directors within 30 days of appointment. The duration of the program would be at least 1 day
2. The Induction program will cover:
  - (a) Brief on the history of the bank and its evolution as an institution
  - (b) Brief presentations on each of the key functions/businesses by the Business/function head highlighting the business model, approach to the bank, current state of the function/business and the organisation structure
  - (c) Brief presentation on the overall Bank long term plan and current year business plan
  - (d) Key Committees of the bank and the normal schedule of meetings
3. In addition, all Directors will be provided with an induction kit which will include the following:
  - a. Memorandum and Articles of association of the bank.
  - b. Last two year's annual reports of the bank
  - c. Overall Organizational Structure and the structure of the various functions / departments in the bank.
  - d. Contact details of Senior Management Personnel of the bank.
  - e. Details of various committees of the board
  - f. Details of various Risk Management and Compliance mechanisms in the bank.

The Bank shall provide need-based training programmes / seminars/ workshops, etc. as may be designed to acquaint its independent directors with emerging developments/challenges prevalent in the banking sector. The Bank will from time to time nominate Directors to attend such programs conducted by external agencies.

#### **4. Review**

The board of directors of the Bank may review this program annually and make suitable revisions as may be deemed necessary.



## **5. Disclosure On The Website Of The Bank**

As per Regulation 46(2)(i) and Schedule V Part C 2(g) of the Listing Regulations, the details of familiarisation programmes shall be disclosed on the website of the Bank under a separate section and the link thereof shall be disclosed in the section on the corporate governance of the Annual Report of the Bank.