

LOK HOUSING AND CONSTRUCTIONS LTD.



LHCL/CSEC/ 5 /2016

April 13, 2016.

Corporate Relationship Department
Bombay Stock Exchange Limited,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers, Dalal Street,
Fort, Mumbai 400 001.

Ref.: Scrip Code No. : 500256.

Dear Sir,

Please find enclosed Familiarisation Programme for Independent Directors in terms of Regulation 25(7) of SEBI((Listing Obligations And Disclosure Requirements) Regulations, 2015 (clause 49 of the Listing Agreement) which are to be put on the website of BSE Ltd.

Kindly acknowledge and do the needful.

Thanking you,

Yours faithfully,
For Lok Housing And Constructions Ltd.

A handwritten signature in black ink, appearing to read 'Vijay B. Sharma', with a horizontal line underneath.

(Vijay B. Sharma)
Company Secretary

Encl. : As above.

LOK HOUSING AND CONSTRUCTIONS LTD.

Familiarisation Programme for Independent Directors (in terms of clause 49 of the Listing Agreement)

1. Preamble :

The Clause 49(II)(B)(7) of the Listing Agreement with the Stock Exchanges stipulates that:

- a) The Company shall familiarize 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.
- b) The details of such familiarization programmes shall be disclosed on the Company's website and a web link thereto shall be given in the Annual Report.

2. Initial familiarisation module :

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Company conducts an introductory familiarisation program / presentation, when a new Independent Director comes on the Board of the Company.

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;
- 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;
- 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 Fraud response plan, obtaining Audit Committee approval, wherever required;
- Risk Management Systems & framework;
- Board Evaluation Process and Procedures;

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New Independent Directors are provided with copy of latest Annual Report, the Code of Conduct for Board of Directors and Senior Management Personnel and SEBI (Prohibition of Insider Trading) Regulations and Principles for Fair Disclosure of Unpublished Price Sensitive Information.

Provide copies of various policies made pursuant to Companies Act, 2013 and Listing Agreement.

Arrange visit of Directors to Company's plant. Heads of the Plant must appraise the Directors 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.

The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

With a view to familiarize him with the Company's operations, the Director is also given detailed presentations giving the organizational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The Managing Director & CEO also has a personal discussion with the newly appointed Director.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company.

3. Continual familiarisation modules :

The Company will follow a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis.

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On an on-going basis, the Company, through its Managing Director & CEO and the Senior Managerial Personnel, conducts programs / presentations to familiarise the Independent Directors with the strategy, operations and functions of the Company. Such programs / presentations 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. Presentations are made regularly to the Board of Directors / Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board), where Directors get an opportunity to interact with Executive Committee members and Business Heads.

The Board of Directors has 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 Business Heads are asked to make presentations about performance of their Business Division to the Board. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet regularly without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

4. Disclosure of the Policy :

This Policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company