

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Meeting of Independent Directors
22nd March, 2022

By **BIRLA CABLE LIMITED**

Udyog Vihar, P.O. Chorghata,

Rewa- 486 006, Madhya Pradesh

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ABOUT THE COMPANY

- ◆ Birla Cable Limited (Formerly known as Birla Ericsson Optical Limited) is a premier company in the field of Telecommunication Cables, which offers one of widest portfolio of Copper and Optical Fibre Cables under its umbrella.
- It all started in the year 1992, having technology collaboration and financial partnership with globally renowned Ericsson Network Technologies AB of Sweden as a Joint Venture Company. Birla Cable has crossed leaps and bounds during the last, almost 3 decades of association with Ericsson, in not only equipping itself as one of the versatile cable manufacturing and total solutions providing company but also kept abreast with latest technology trends from time to time on a continuous basis. This unique and disruptive approach followed by the company catapulted it as a qualified globally certified company having various approvals with renowned certifying bodies and institutions in the field of Oil & Gas, Power and Telecom segments.
- By way of acquiring the shares of Ericsson recently, Birla Cable Limited has become a truly global Indian Company which has a reach of more than 79 countries, fully capable to cater to all the needs of communication cables across the segments
- ◆ With the completion of its manufacturing plant at Rewa (M.P.) Birla Cable commenced commercial production in 1992.
- ◆ The Company's equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Business Model Of the Company

- ◆ Birla Cable Ltd is engaged in manufacturing of wide range of Optical Fibre Cables, Copper Telecommunication Cables, Structured LAN Copper Cables , Specialty Cables and all allied Accessories .
- ◆ In domestic market the company caters to all the reputed telecom, internet service providers(ISP),utility companies , oil and gas companies and FTTH projects and in Export Market to more than 79 countries all over the the World.
- ◆ Basically, the Company offers complete solutions to its end users especially to the large Telecom Operators starting from Application Engineering, Design of Cables, Manufacturing of Cables and finally supply of Cables. It is a complete end-to-end Solutions provisioning with full technical support.

Statutory Auditors of the Company

Jain Pramod Jain & Company
Chartered Accountants, New Delhi

Internal Auditor of the Company

Vimal & Seksaria
Chartered Accountants, Kolkata

Shantilal Jain and Associates
Chartered Accountants, Mumbai

Secretarial Auditor of the Company

R.K. Mishra & Associates, Satna (M.P)
Company Secretaries

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.,

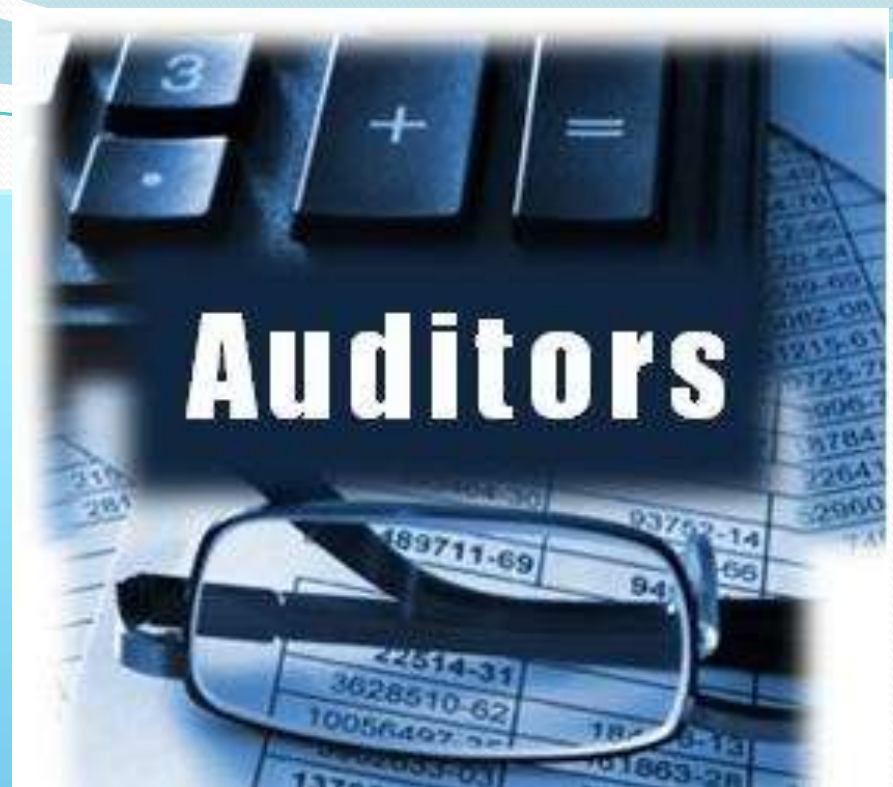
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Key Managerial Personnel (KMP)

Name of Key Managerial Personnel	Designation
Shri R. Sridharan	Chief Executive Officer
Shri Somesh Laddha	Company Secretary
Shri Shalendra Kumar Thakur	Chief Financial officer



SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015



Applicability: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are applicable on listed entities which has listed any of the following designated securities on recognised stock exchange:-

- (a) specified securities listed on main board or SME Exchange or Innovators Growth Platform;
- (b) Non-convertible debt securities;
- (c) Indian depository receipts;
- (d) securitised debt instruments;
- (da) security receipts;
- (e) Units issued by mutual funds;
- (f) Any other securities as may be specified by the Board.

Shareholding Pattern

The category-wise distribution of Shareholding as on 31st Dec, 2021 is as follows:

Category	No. of Shares held	% of Shareholding
A. Promoters holding		
• Indian Promoters	1,99,05,743	66.35
• Foreign Promoters	0	0.00
B. Public Shareholding (Institutions)		
• Mutual funds and UTI	0	0.00
• Alternate Investment Funds	0	0.00
• Foreign Portfolio Investors	21,955	0.07
• Financial Institutions/ Banks/ Foreign Bank	2220	0.1
C. Public Shareholding (Non-Institutions)		
• Individual	80,59,897	26.87
• Bodies Corporate	486839	1.62
• NBFC	1200	0.00
• Trusts	100	0.00
• Hindu Undivided Family	443386	1.48
• NRIs	267020	0.89
• Clearing Member/Intermediary	146778	0.49
• Director or Director's Relatives	5100	0.02
• Public- PAC	91340	0.30
• IEPF	508008	1.69
• Body Corporate-Ltd Liability Partnership	56104	0.19
• Unclaimed or Suspense or Escrow Account	4310	0.01
Total	30000000	100.00

Share Market Price

The monthly High, Low price of Company's Share at BSE from April 2021 to December, 2021 is as under:-

Month	High Price	Low Price	Close Price	Volume
Apr, 2021	63.55	54.00	58.40	153870
May, 2021	81.90	58.20	77.65	745120
Jun, 2021	123.00	73.90	114.50	2201456
Jul, 2021	118.00	103.55	106.30	370117
Aug, 2021	109.90	72.60	85.95	268408
Sep, 2021	96.35	82.00	86.80	225697
Oct, 2021	99.00	81.85	83.65	206723
Nov, 2021	97.00	76.10	77.00	123304
Dec, 2021	106.00	75.00	104.50	284264



Financial Position of the Company

The summarized financial results of the Company are as under:-

In Lakhs

Financial figures for the last two years	Year ended 31.03.2021	Year ended 31.03.2020
Revenue from Operations	32852.33	22307.12
Other income	183.35	226.08
Earnings before Finance Costs, Depreciation and Tax	2700.36	1918.72
Finance Costs	483.69	714.56
Profit before Depreciation and Tax	2216.67	1204.16
Depreciation and Amortization	1120.92	1173.81
Profit before Tax	1095.75	30.35
Tax Expenses / (Credit)	275.51	(71.26)
Net Profit for the year	820.24	101.61

INDEPENDENT DIRECTORS



Who are Independent Directors ?

As per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an 'Independent Director' shall mean a non-executive director, other than a nominee director of the listed entity who-

- (i) in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- (ii) is or was not a promoter of the listed entity or its holding, subsidiary or associate Company; or member of the promoter group of the listed entity.
- (iii) is not related to promoters or directors in the listed entity, its holding, subsidiary or associate Company.
- (iv) apart from receiving director's remuneration, has or had no material pecuniary relationships with the listed entity, its holding, subsidiary or associate Company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year.
- (v) none of whose relatives -
 - (a) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

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- (b) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- (c) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
- (d) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:
- (vi) holds neither himself, nor whose relative(s)-
 - (a) Holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate Company or any company belonging to the promoter group of the listed entity in any of the three financial years immediately preceding the financial year in which is proposed to be appointed.
 - (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - (1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate Company; or
 - (2) Any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate Company amounting to ten percent or more of the gross turnover of such firm.

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- (c) holds together with his relatives two percent or more of the total voting power of the listed entity.
- (d) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty –five percent or more of its receipts from the listed entity, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two percent or more of the total voting power of the listed entity.
- (e) is a material supplier, service provider or customer or a lessor or lessee of the listed entity.
- (vii) Who is not less than 21 years of age.
- (viii) Who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director

Tenure and obligations of Independent Directors

◆ As per Regulation 25 of Listing Regulations:

(1) No person shall be appointed or continue as an alternate director for an independent director of a listed entity.

(2) Maximum tenure of Independent Directors shall be in accordance with the Companies Act, 2013 and rules made there under, from time to time.

(2A) The appointment, re-appointment or removal of an independent director shall be subject to the approval of shareholders by way of a special resolution.

(3) The Independent Directors shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management.

(4) The independent directors shall, inter-alia, review the performance of non-independent directors & chairperson of the listed entity, assess the quality, quantity and timeliness of flow of information between the management and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties of the listed entity.

◆ As per section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of special resolution by the Company.

◆ As per section 149(11), no director shall hold more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

Code For Independent Directors

Schedule IV of the Companies Act, 2013 provides guidelines of Professional conduct for an Independent director.

An Independent director of the Company shall:

- ◆ Uphold ethical standards of integrity and probity.
- ◆ Act objectively and constructively while exercising his duties.
- ◆ Exercise his responsibilities in a bona fide manner in the interest of the Company.
- ◆ Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- ◆ Not allow any extraneous considerations that will vitiate his exercise of objective Independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
- ◆ Not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- ◆ Refrain from any action that would lead to loss of his independence.
- ◆ Where circumstances arise which make an independent Director lose his independence, the independent director must immediately inform the Board accordingly.
- ◆ Assist the Company in implementing the best corporate governance practices.



Role & Functions of Independent Directors

The Independent Directors shall:

- ◆ Help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct.
- ◆ Bring an objective view in the evaluation of the performance of board and management.
- ◆ Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- ◆ Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- ◆ Safeguard the interests of all stakeholders, particularly the minority shareholders.
- ◆ Balance the conflicting interest of the stakeholders.
- ◆ Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
- ◆ Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management shareholder's interest.

Duties & Responsibilities of Independent Directors

- ◆ Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- ◆ Seek appropriate clarification or amplification of information and, where necessary, if required take and follow appropriate professional advice and experts at the expense of the Company.
- ◆ Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- ◆ Participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- ◆ Strive to attend the general meetings of the Company.
- ◆ Where they have concerns about the running of the company or proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concern are recorded in the minutes of the Board meeting.
- ◆ Keep themselves well informed about the Company and the external environment in which it operates.

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- ◆ Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- ◆ Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves same are in interest of the Company.
- ◆ Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- ◆ Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- ◆ Acting within his authority, assist in protecting the legitimate interest of the Company, shareholders and its employees.
- ◆ Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Rights of Independent Directors

- ◆ Right to attend and vote in every board meeting.
- ◆ Right to be appointed in various committees.
- ◆ Right to demand information on every business matter.
- ◆ Right to seek clarifications / justifications.
- ◆ Right to dissent.

POLICIES APPLICABLE TO INDEPENDENT DIRECTORS

- ◆ *Code of Conduct for Board of Directors & the Senior Management.*
- ◆ *Code for Independent Directors as per the Companies Act, 2013- Schedule IV of the Companies Act, 2013.*
- ◆ *Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Designated Persons.*

Recent Amendments

- An individual who wants to get appointed as an Independent Director shall not have material pecuniary relationship with listed entity, its holding, subsidiary or associate company, or their promoters, or directors in last **three financial years (earlier it was two financial years)**.
- If an individual or his relative is holding/has held position as an employee or Key Managerial Personnel (KMP) in any of the company belonging to promoter group in last three financial years immediately preceding the financial years in which he/she is proposed to be appointed then an individual is ineligible for being appointed as an Independent Director.
- It is further clarified that in case a relative is an employee (other than KMP) then the restrictions above shall not apply.
- Appointment, re-appointment and removal of Independent Director has to be done by way of **Special Resolution only**.

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- **Casual vacancy** in the officer of Independent Director has to be filled up within a period of **three months**.
- If an Independent Directors has resigned from a listed entity, he shall not be appointed as an Executive / Whole-Time Director on the board of the listed entity, its holding, subsidiary or associate company or on the board of company belonging to promoter group for a period of one year.
- At the time of appointment of Independent Director, the skills and capabilities required for the role for which appointment is proposed and the manner in which the proposed appointee meets such requirements shall be disclosed to members of company.
- In case of Resignation, letter of resignation received from the Independent Director shall be submitted to the stock exchange and the names of listed entities where the resigning director holds directorships indicating the category of directorships and membership of board committees, if any shall also be disclosed.

Thank You