

Spice Mobility Limited
Familiarization Programme for Independent Directors

The Board of Directors of Spice Mobility Limited (“the Company”) are updated as and when required, of their role, responsibilities & liabilities under applicable provisions of the Companies Act, 2013 and Listing agreement entered into by the Company with Stock Exchanges.

All the Independent Directors are made aware of their roles and responsibilities at the time of their appointment, through a formal letter of appointment which also includes the terms and conditions of their appointment.

Independent Directors have freedom to interact with the Company’s management. The Company extends all support and assistance required in order to facilitate the Independent Directors to meet/ interact with the Business Heads/ members of the Senior Management team as and when desired by them.

Presentations are made regularly at the meeting of the Board of Directors of the Company (“Board”), Audit Committee, Nomination & Remuneration Committee of the Board, by the Senior Management in relation to the performance of the Company, quarterly and annual results, business strategies, business outlook, various policies, review of internal audit and risk management framework, operations of the Company and its subsidiaries, Business model and strategy of the Company, amendments in applicable laws etc. etc. The minutes of the meetings of various committees are periodically circulated to the Board. All the relevant developments relating the Company are informed to the Board including to the Independent Directors, as and when deemed necessary.

The Board is informed about the various changes taking place in the laws governing the activities of the Company. Detailed presentation are made on the relevant subject whenever necessary in order to apprise the directors on a particular subject and the draft policies are discussed in detail before they are finalized and implemented.

All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates.

Following are the details of recent Presentations made to the Board and Committees thereof from time to time:

1. At the meeting of the Board of Directors of the Company held on 8th May, 2014, a presentation was made to apprise the Board of Directors about the legal provisions contained in the Companies Act, 2013 in relation to the Independent Directors. The key highlights of the presentation made to the Board is as under:
 - Definition of Independent Directors has been provided under the Act.
 - Every independent director is required to give a declaration that he meets the criteria of independence as provided in the Act at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director.
 - An independent director is not eligible to get stock options.
 - The term of office of an independent director shall be a maximum of two terms of five consecutive years each, with a cooling-off period of three years after he ceases to be an Independent Director.
 - Retirement by rotation is now not applicable on Independent Directors.
 - The liability is only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through board processes, with his consent or connivance or where he had not acted diligently.
 - Code for Independent Directors has been laid down in Schedule IV of Companies Act 2013 which broadly prescribes the following for Independent Directors
 - Professional conduct
 - Role and functions
 - Duties
 - Manner of appointment
 - Reappointment
 - Resignation or removal
 - Holding separate meetings
 - Evaluation mechanism

2. With a view to apprise the Audit committee about the new legal provisions in connection with Related Party Transactions(RPT) under the Companies Act, 2013 and revised clause 49 of the Listing Agreement, a presentation on “Related Party Transactions (RPT) – Laws and Compliance” was made at the meeting of the Audit Committee held on 27th August, 2014, highlighting the legal provisions relating to Identification of Related Parties, Identification of Specified Transactions, Approvals Required for RPT, Threshold Limits for Transactions requiring Special Resolution, Compliance Requirements etc.

3. At the meeting of the Nomination and Remuneration Committee held on 27th August, 2014, the Committee was duly apprised about the enactment of the provisions of Section 149 of the Companies Act, 2013 with effect from April 1, 2014 whereby every listed public company is required to have at least one-third of the total number of directors as independent directors. The Committee was also apprised that the Securities and Exchange Board of India (SEBI) has also amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.
4. At the meeting of the Board of Directors of the Company held on 2nd January, 2015, a presentation on the Legal Provisions and Process for 'Voluntary Delisting', giving overview of the SEBI (Delisting of Equity Shares) Regulations, 2009, was made to the Board highlighting the conditions for delisting, the detailed process involved for the voluntary delisting with exit opportunity, the timeline involved and also the key amendments to the SEBI Delisting Regulations that had been approved by SEBI but were yet to be notified.
5. Discussion on Corporate Policy Documents:
The draft Policy documents are circulated/ placed at the meetings of the Board of Directors for discussion and deliberations by the members of the Board and Committees thereof, as applicable, before being finalized. The following policies have been approved by the Board of Directors after due discussions:
 - Vigil Mechanism/ Whistle Blower Policy
 - Policy on Related Party Transactions
 - Policy on Material Subsidiaries
 - Risk Management Policy
 - Policy on Board Diversity
 - Performance Evaluation Policy
 - Policy on Prevention of Sexual Harassment at Work place

.....