

## **LOYAL TEXTILE MILLS LIMITED**

### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

#### **1. Preamble**

In accordance with the requirements of provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, Loyal Textile Mills Limited (the “Company”) has introduced a programme to familiarize the Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. (the “Programme”).

#### **2. Purpose**

The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

#### **3. Objective**

- a) To enable them to understand the Company and the industry and business environment it operates in.
- b) To enable them to understand their roles and responsibilities.
- c) To keep the Independent Directors updated on an ongoing basis about the significant changes which occur concerning the Company or its industry and business environment so that they are in a position to take well-informed decisions at appropriate time.

#### **4. Familiarization Process**

- The Company through its Chairman / Board of Directors / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such programmes / presentations provide an opportunity to the Independent Directors to interact with the Senior Management Personnel of the Company and help them to understand the Company’s strategy, business model, operations, services and product offerings, markets, organization structure, finance, human resources, legal compliances, technology, quality, facilities and risk management

and such other areas of operations as may arise from time to time and enable them to know / familiarize with their roles, rights and responsibilities.

- As a part of the process of induction of the ID, his/her visit to the various factories of the Company located at different places are also arranged. The ID is given an overview of the plant operations, the organization structure and key team members. He/she is also briefed about the various important raw materials, production processes, finished goods, principal suppliers, customers, utilities, safety, health environment and applicable laws etc. ID are also given presentation on operation of various plants / factories as part of induction program.
- In every Board meeting, a detailed presentation on business is made wherein the Chief Financial Operator (C.F.O.) / Unit Head(s) of the Company explains in respect of the business, the vision, performance, analysis of financial statements, significant operational issues, strategy and growth plans relating to Company.
- The presentations also provide an opportunity to the Independent Directors to interact with the senior team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.
- At every meeting of the Board, presentations are also made covering performance of the different businesses, financial analysis, financial position including liquidity, borrowings and investments, financial projections, significant changes in applicable laws and regulations, if any and operational/strategic issues of importance.
- Board members are updated about the statutory amendments from time to time.

## **5. Review of the Programme**

The Programme will be conducted on an "as needed" basis during the year and will be reviewed by the Board from time to time to make necessary revisions.

## **6. Disclosure of the Programme**

The Programme 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.