

## FAMILIARISATION PROGRAM OF INDEPENDENT DIRECTORS

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### Introduction

Regulation 25 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended stipulates that the listed entity shall familiarise the Independent Directors through various programs about the nature of industry in which the listed entity operates, business model of the listed entity and the roles, rights and responsibilities of Independent Directors.

### Familiarisation program

Independent Directors of the Company are made aware of their roles, responsibilities and liabilities at the time of their appointment / re-appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Board including all Independent Directors were provided with relevant documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices from time to time. Presentations were made at the Board and Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

Independent Directors are facilitated to meet without the presence of the Company's management and non-independent directors to discuss and review the performance of the Chairperson, Non-Independent Directors and the Board as a whole.

The details of familiarization program imparted to Independent Directors are as under:

| <b>Financial Year</b> | <b>Duration</b> | <b>Subject</b>   |
|-----------------------|-----------------|--|
| 2018 – 19             | 15 hours        | <ul style="list-style-type: none"><li>• Operational and Financial Performance</li><li>• Annual Operating Plan &amp; Capital Budget</li><li>• Long Term Plan for Garments production</li><li>• Modernisation of Spinning, Weaving, and Knitting Facilities in the Mills</li><li>• Corporate Social Responsibility</li><li>• Related Party Transactions</li><li>• Forex Exposure Coverage of the Company</li></ul> |

## LOYAL TEXTILE MILLS LIMITED

| <b>Financial Year</b> | <b>Duration</b> | <b>Subject</b>  |
|-----------------------|-----------------|---|
| 2019 – 20             | 15 hours        | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Strategic Plan for Sustainable Growth</li> <li>• Annual Operating Plan &amp; Capital Budget</li> <li>• Policy for Renewal of Insurance</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Corporate law Amendments</li> </ul>  |
| 2020 – 21             | 12 hours        | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Annual Operating Plan &amp; Capital Budget</li> <li>• General Operations of Mills</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Working Capital Facility limits</li> </ul>  |
| 2021 – 22             | 15 hours        | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Modernisation and Expansion Plan</li> <li>• Annual Operating Plan &amp; Capital Budget</li> <li>• Corporate law Amendments</li> <li>• Risk Assessment / Minimization process</li> <li>• Availing and Renewal of Working Capital Facilities</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> </ul>  |
| 2022 - 23             | 12 hours        | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Market Scenario and Cotton supplies</li> <li>• Annual Operating Plan</li> <li>• Policy for Renewal of Insurance</li> <li>• Capital Budget</li> <li>• Forex Exposure Hedging policy</li> <li>• Internal Financial Controls</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Availing and Renewal of Working Capital Facilities</li> </ul> |
| 2023-2024             | 12 hours        | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Market Scenario and Cotton supplies</li> <li>• Annual Operating Plan</li> <li>• Policy for Renewal of Insurance</li> <li>• Capital Budget</li> <li>• Forex Exposure Hedging policy</li> <li>• Internal Financial Controls</li> </ul>  |

**LOYAL TEXTILE MILLS LIMITED**

|           |          |   |
|-----------|----------|---|
|           |          | <ul style="list-style-type: none"> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Availing and Renewal of Working Capital Facilities</li> </ul>   |
| 2024-2025 | 12 hours | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Market Scenario and Cotton supplies</li> <li>• Annual Operating Plan</li> <li>• Policy for Renewal of Insurance</li> <li>• Capital Budget</li> <li>• Forex Exposure Hedging policy</li> <li>• Internal Financial Controls</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Availing and Renewal of Working Capital Facilities</li> </ul> |
| 2025-2026 | 14 hours | <ul style="list-style-type: none"> <li>• Production and Operational Performance</li> <li>• Financial Performance</li> <li>• Market Scenario and Cotton supplies</li> <li>• Annual Operating Plan</li> <li>• Policy for Renewal of Insurance</li> <li>• Capital Budget</li> <li>• Forex Exposure Hedging policy</li> <li>• Internal Financial Controls</li> <li>• Corporate Social Responsibility</li> <li>• Related Party Transactions</li> <li>• Availing and Renewal of Working Capital Facilities</li> </ul> |