

**POLICY ON FAMILIARIZATION OF INDEPENDENT DIRECTORS OF  
REGAAL RESOURCES LIMITED DULY APPROVED BY THE BOARD OF  
DIRECTORS IN ITS MEETING DATED 23<sup>RD</sup> MAY 2023**

## **1. INTRODUCTION**

In terms of Schedule IV of the Companies Act, 2013 and Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ( “SEBI Listing Regulations”), the listed entity shall familiarize the Independent Directors through various programme about the listed entity.

The SEBI Listing Regulations mandates the Company to familiarize the Independent Directors in the following areas:

- Nature of Industry in which the Company operates;
- Business Model of the Company;
- Roles, Rights and Responsibilities of Independent directors, and
- Any other relevant information.

## **2. PURPOSE & OBJECTIVE**

The Program aims to provide insights into the Company to enable the Independent Directors to understand their roles, rights, responsibilities in the Company and get updated on the Business & Operations of the Company and contribute significantly to the Company.

## **3. DETAILS OF FAMILIARIZATION PROGRAMME**

A. To familiarize the Independent Directors about their roles, responsibilities and duties as Independent Director and they will be provided an overview of;

- Criteria of independence applicable to Independent Directors as per Regulation 16 of the SEBI Listing Regulations and the Companies Act, 2013;
- Compliance Personnel, on whom reliance can be placed by the Independent Directors;
- Time allocation by the Independent Directors on financial controls, overseeing systems of risk management, Financial management compliance, Corporate Social Responsibility, Remuneration, Stakeholders conflicts, Board effectiveness, Strategic direction, Meetings and performance assessment;
- Directors Responsibility Statement form part of the Boards’ Report;
- News and articles related to the industry on a regular basis and regulatory updates from time to time.
- 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;
- Dealing with Related party transactions under the Companies Act, 2013 and the SEBI Listing Regulations;
- Internal Financial Controls and
- Loans and Investments under the Companies Act, 2013.
- Overview of business expansion plans and new projects, if any
- Such presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team and auditors 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 and such other areas as may arise from time to time;
- The Company keeps all its Directors including Independent Directors updated on the operations of the Company and key developments which may impact the Company, its performance and its human resources through presentations made at the meetings of Board or otherwise by the Managing Director of the

Company from time to time. Such presentations, inter alia, include details of the industry in which company operates, performance of the Company, updates on products of the Company, Company plans and strategies budgets, risk management mechanism, investments, funds flows, operations of subsidiaries and associates, HR policies, management succession planning and such other information as may be required by them under applicable laws.

The Company may conduct an introductory familiarization program/ presentation when a new Independent Director comes on the Board of the Company.

#### **4. PROGRAMME AND DISCLOSURE**

1. Familiarization programme will be conducted “as needed” basis during the Year.
2. A familiarization pack is given to the incoming director, which includes the Company’s Memorandum & Articles of Association, Annual Reports, Code of Business Conduct & Ethics applicable to the directors/employees of the Company, Code of Conduct of Insider Trading Prohibition Policy. A detailed appointment letter incorporating the roles, duties, and responsibilities, performance evaluation process, remuneration and obligation on disclosures is issued for his/her acceptance.
3. As and when familiarization programme are conducted, the same will be disclosed on the website of the Company and a web link thereto shall also be given in the Annual Reports of the Company.

#### **5. REVIEW OF THE PROGRAMME**

The Board will review this programme and make revisions as may be required. In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedence over this Policy until such time as this policy is changed to conform to the said law, rule, regulation or standard.

**Terms and Conditions of appointment of Independent Directors Approved**  
**by Board on 23<sup>rd</sup> May, 2023**

**1. Terms of Appointment:**

The term of appointment of an Independent Director of Regaal Resources Limited (**Company**) is for a period of 5 consecutive years from the date of his/ her appointment. Independent Director is not liable to retire by rotation.

Appointment of every independent director shall be approved by members of the Company.

Independent Directors will be eligible for re-appointment for another term of 5 consecutive years, after the completion of their tenure of first 5 years, subject to the recommendations of the Nomination and Remuneration Committee and subject to the approval of the Board of Directors' (**Board**) the Members of the Company, further disclosure of such appointment in the Board's report shall be made.

**2. Roles and Duties:**

An Independent Director, will be bound by the Code for Independent Directors as mentioned under Schedule IV to the Companies Act, 2013 and such other policies/requirements as the Board may devise/specify under any other rules and regulations applicable to the Company from time to time.

The roles and duties of the Independent Director will be those normally required of a Non- Executive Independent Director under the Companies Act, 2013, as amended. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are *inter-alia* as under:

- 1) He/ she shall act in accordance with the Company's Memorandum of Association and Articles of Association.
- 2) He/ she shall act in good faith in order to promote the objects of the Company for the benefit of the members of the Company as a whole, and in the best interest of the Company.
- 3) He/ she shall discharge duties with due and reasonable care, skill and diligence.
- 4) He/ She shall not involve in a situation in which he/ she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 5) He/ She shall not achieve or attempt to achieve any undue gain or advantage either to himself/ herself or his/ her relatives, partners or associates.
- 6) He/ She shall not assign office of Director and any assignments so made shall be void.
- 7) He/ She Shall comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.

Independent Directors shall also be taking sufficient care to perform duties specified in the Code for Independent Directors under Schedule IV of the Companies Act, 2013 and clause 49 of the listing agreement (including any modification or re-enactment of the same) that come with such an appointment along-with accompanying liabilities, and accountability under the Director's Responsibility Statement.

In addition to their role as Directors, pursuant to the requirements stated in the SEBI (Listing Obligation and

Disclosure) Requirement, 2015, as amended (**SEBI Listing Regulations**), the Board may nominate Independent Director as the Chairman/ Member of other Board Committees, as it may deem fit from time to time.

### **3. Other obligations and compliances**

The Independent Director will execute /confirm with respect to the following documentation as and when applicable, in compliance with the Companies Act, 2013:

- (i) Confirmation that he is not disqualified to act as a Director of the Company in terms of the Companies Act, 2013;
- (ii) Code of Conduct for Independent Directors as per Schedule IV of the Companies Act, 2013;
- (iii) Disclosure of change in interest in companies where he is appointed/ceased as a Director or Key Managerial Personnel;
- (iv) Confirmation that his directorships in companies do not conflict with the interest of the Company; and
- (v) Any other applicable policies and codes as applicable from time to time.

### **4. Expectation of the Board from the appointed Director**

An Independent Director is expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

The Independent Directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management. Independent Director shall strive to be present at such meeting. The meeting shall review the performance of Non-Independent Directors and the Board, as a whole and the performance of the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors. It shall also assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board and the Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. Stakeholders' Relationship Committee and Nomination and Remuneration Committee shall meet at least once in a year.

They will be expected to attend meetings of Board and Board Committees in which Independent Director is a member and Members meetings and to devote such time as appropriate to discharge their duties effectively. Ordinarily, all meetings are held at the Corporate Office of the Company except Annual General Meeting.

By accepting the appointment, the Directors confirm that they can allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

### **5. Code of Conduct and Business Ethics for Board of Directors and Insider Trading Code**

The Board has put in place a Code of Conduct and Ethics for Board of Directors (Code). Independent Directors shall abide by the Code. An annual affirmation of compliance is required to be provided by the Independent Directors on the same.

Directors shall also comply with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("**SEBI (PIT) Regulations, 2015**") and Code of Conduct for Prevention of Insider Trading of

the Company. The directors shall not make use of Unpublished Price Sensitive Information (as defined under the SEBI (PIT) Regulations, 2015 or carry out Trading Activities Trade (as defined under the SEBI (PIT) Regulations, 2015 based on such Unpublished Price Sensitive Information.

#### **6. Directors' Fees/ Remuneration**

- A sitting fee will be paid for attending each meeting of the board as well as the committees of the Board, as per the provisions of Section 197 of the Companies Act 2013 and in terms of the Articles of Association of the Company, as fixed by the Board from time to time;
- The Independent Director will be entitled to claim reimbursement of all his/ her travelling, hotel and other incidental expenses incurred by him/ her in performance of duties as director of the Company, as per the provisions of the Companies Act 2013.

#### **7. Stock Options**

Independent Director is not eligible to participate in Stock Options schemes of the Company.

#### **8. Status of Appointment**

The Independent Director will not be an employee of the Company and the appointment letter shall not constitute a contract of employment. The Directors will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and / or as approved by the Members from time to time.

#### **9. Conflict of Interest**

It is accepted and acknowledged that the appointed Independent Directors may have business interests other than those of the Company. Considering the same, they are required to declare any such directorships, appointments, and interests to the Board in writing in the prescribed form at the time of their appointment.

If circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgments that they are independent, this should be disclosed to both the Chairman and the Secretary.

#### **10. Confidentiality**

All information acquired during the appointment is confidential to the Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Director shall surrender any documents and other materials made available to them by the Company.

Attention is also drawn to the requirements under the applicable regulations and the Sequent Insider Trading Code which is concerned with the disclosure of price sensitive information and dealing in the securities of Sequent. Consequently, director should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

Unless specifically authorized by the Company, the Independent Director shall not disclose Company and business information to public constituencies such as the media, the financial community, employees, members, agents, franchises, dealers, distributors, and importers.

## **11. Termination**

Independent Directors may resign from their position at any time and if they wish to do so, they are requested to serve a reasonable written notice on the Board.

Continuation of their appointment is contingent on getting re-elected by the members in accordance with provisions of Companies Act, 2013, the Rules framed thereunder and the Articles of Association of the Company, and the SEBI Listing Regulations from time to time in force. They will not be entitled to compensation if the members do not re-elect them at any time.

Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

## **12. Performance evaluation of Independent Directors**

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The re-appointment of independent director shall be based on report of performance evaluation.

## **13. Miscellaneous**

- Independent Directors shall give an annual declaration as required under the provision of section 149(7) of the Companies Act, 2013 and the rules made thereunder. An Independent Director shall not serve as an Independent director in more than seven listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force.
- Further, an Independent Director who is serving as a whole time director in any listed company shall not serve as an Independent director in more than three listed companies or such number of listed companies as may be stipulated by the Listing Agreement or any other law of the land, for the time being in force.