

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS DURING THE FINANCIAL YEAR

In accordance with Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), the Company is required to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

In Hindustan Everest Tools Limited, the Independent Directors are offered every opportunity to familiarize themselves with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities which enables them to contribute significantly towards the growth of the Company. They have full opportunity to interact with senior management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

Briefly, following are the initiatives undertaken to familiarize the Independent Directors with the Company:

1. Formal Letter of Appointment:

Formal letter of appointment is issued to Independent Directors incorporating, inter alia, their duties, roles, responsibilities, liabilities as Independent director of the Company.

2. On Induction:

A new Independent director is apprised of the working of the Company and various codes of conduct adopted by the Company in its functioning. This is accomplished by conducting an Orientation Programme for all new Board members before they join the Board of Directors.

3. On Going Basis:

On an on-going basis, detailed presentations are made to the Board of Directors/various Committees of the Board of Directors on matters which inter-alia, covers:

- Company strategy and its business model
- Financials of the Company
- Risk Management Framework – Risks faced by the Company & mitigation plan thereof.
- Loans, Guarantees, Investments made by the Company
- Related party transactions
- Internal Controls, identification of weakness, if any, and improvisation in such controls

- Performance Evaluation
- Roles, Responsibilities, duties, etc of directors as Board and Committee members.

4. Access to Information & Opportunity to Interact:

- They have complete access to the information within the Company.
- They have freedom to interact with the Company Management which happens generally during Board/Committee Meetings.
- They also have interaction with the Statutory Auditors, Secretarial Auditors and External Advisors, if any, appointed by the Company.

5. Compliances & Disclosures:

The Directors are explained in detail the compliances required from them under the Companies Act, 2013, Listing Regulations and other relevant regulations and their affirmation is taken with respect to the same.

The Company provides regular updates on relevant provisions including changes in Company Law, Listing Regulations and applicable laws to ensure that its Independent Directors are kept up to date on these regulations.

Thus, all efforts are made through the above initiatives to involve the independent directors considerably in the strategies and analysis of the various business situations of the Company and to equip them to effectively discharge their responsibilities as a Director of the Company.

During the year, the independent directors were familiarized and given presentations at Board and Committee meetings on financials, capital expenditure, new regulations impacting Hindustan Everest Tools Limited, operational performance of the company, industry overview and comparisons in which the Company is operating, etc.