

THERMAX LIMITED

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company shall familiarize the Independent Directors with the Company, their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

I. OBJECTIVES

Through the familiarization programme, the Company intends to achieve the following objectives:

- To apprise the Directors about the business model, corporate strategy, nature of industry, business plans and operations of the Company.
- To familiarize them with the Company's financial performance, annual budgets, internal control processes and statutory compliances.
- To apprise them about their roles and responsibilities in the Company.
- To familiarize them with Company's vision, values, ethics and Corporate Governance practices.

II. FAMILIARIZATION PROGRAMME

The Independent Directors in the Board and Committee meetings have been provided with the following:

- ❖ Updates on business model, nature of industry, operations and financial performance of the Company.
- ❖ Presentations on Annual Budgets, Internal & Statutory Audit, Corporate Social Responsibility, strategies and business performance of the Company, operations of subsidiaries & associates.
- ❖ Updates on significant developments in the Company.
- ❖ Freedom to interact with the Company's senior management at regular intervals.
- ❖ Policies of the Company on human resources, treasury investment, social responsibility, remuneration criteria, vigil mechanism, risk management, related party transactions etc.
- ❖ Update on significant amendments in corporate and other laws and its impact on the Company.
- ❖ Code of Conduct for Independent Directors as prescribed under the Companies Act, 2013.
- ❖ Roles and responsibilities of the Directors as outlined in the Companies Act, 2013.
- ❖ Interaction with senior management during the Board Retreat.

III. REVIEW AND REVISION

The familiarization process will be revised from time to time in order to provide more information to Independent Directors to enable them to contribute significantly to the growth of the Company.

Induction Programme for new Independent Directors

Sr.	Particulars	Coverage	Estimated time
1.	Orientation on organizational structure covering Thermax Limited and subsidiaries.	HR and operational structure of Thermax Group.	1 Hr.
2	Business overview - Thermax Limited & subsidiaries	Products & markets served, application examples of products, finance overview covering latest quarter and year end performance	3 Hrs.
3	Code of Conduct, Insider trading, Board schedule and Board committee orientation		1 Hr.
4	Plant visit	Chinchwad plant	1Hr.
5	Meeting with EC members	Interaction with Sr. Management	1 Hr.
6	One on one interaction with other Directors via telephone/video conference, personal visit as may be practicable	---	About 15 min. for each director

Reading material to be provided:

1. Latest 3 year annual reports
2. Memorandum & Articles of Association
3. Code of conduct
4. Insider Trading code
5. Fireside magazine copies – latest 3 issues
6. Product brochures/ marketing material

The details of familiarization programme given to the Independent Directors during the financial year 2018-19

(Duration in Hrs)

Sr. No	Name	Financials	Products	Strategy	Governance	Visiting of Company's Facilities	Total
1	Dr. R.A Mashelkar	0	0	7.25	1	0	8.25
2	Dr. Valentin A.H.von Massow	1.5	2.5	18.25	5.5	2	29.75
3	Dr. Jairam Varadaraj	3.5	2.5	18.25	7.5	2	33.75
4	Mr. Nawshir Mirza	3.5	1.5	13.75	7.25	2	28
5	Mr. Harsh Mariwala	1.5	1.5	13.75	5.5	2	24.25
6	Mr. S.B (Ravi) Pandit	2	1.5	13.75	7	2	26.25
7	Mrs. Rajani Kesari	1.5	1.5	6.5	3	2	14.5

Details of Familiarisation Programme				Name of the Director							
Date	Meeting	Board/Committee Meeting Details	Minutes Ref No	Total Duration (in Hrs)	Dr. R. A. Mashelkar Duration (in hrs)	Dr. Valentin A. H. von Massow Duration (in hrs)	Dr. Jairam Varadaraj Duration (in hrs)	Mr. Nawshir Mirza Duration (in hrs)	Mr. S. B (Ravi) Pandit Duration (in hrs)	Mr. Harsh Mariwala Duration (in hrs)	Mrs. Rajani Kesari Duration (in hrs)
		A) Financials									
17-May-18	Audit	Review system for Internal Financial Control	14	4.5	NA	NA	0.5	0.5	0.5	NA	NA
07-Aug-18	Audit	Key Internal Control Evaluation Summary	5	3.5	NA	NA	1	1	0	NA	NA
07-Feb-19	Audit & Risk Management Committee	Financial Statements closing & Reporting process and Group Reporting Process	7	4.5	NA	NA	0.25	0.25	NA	NA	0
		Review the system of maintenance & storage of accounting and other record	9		NA	NA	0.25	0.25	NA	NA	0
08-Feb-19	Board	Projected Annual Business Plan for F.Y. 2019-20	13	6.5	NA	1.5	1.5	1.5	1.5	1.5	1.5
		Sub-Total (A)			0	1.5	3.5	3.5	2	1.5	1.5
		B) Products									
17-May-18	SBDC	Discussion on process cooling business plan	4	2	NA	1	1	NA	NA	NA	NA
07-Mar-19	Board	Discussion on Thermally Activated cooling	6	8	NA	1.5	1.5	1.5	1.5	1.5	1.5
		Sub-Total (B)			0	2.5	2.5	1.5	1.5	1.5	1.5
		D) Strategy									
17-May-18	SBDC	Discussion on the options of different managing structures for the company to accelerate the business growth of Thermax, going forward	5	2	NA	0.75	0.75	NA	NA	NA	NA
18-May-18	Board	Approval for setting up of a Representative/Branch Office in Vietnam	22	3	0.25	0.25	0.25	0.25	0.25	0.25	NA
19-May-18	Board	Recap of last Board Retreat and ten-year perspective for Thermax Group	2	6.5	2	2	2	2	2	2	NA
		Project Leap	4		2	2	2	2	2	2	NA
06-Aug-18	SBDC	Alignment of the portfolio performance with the vision KPI and other strategic parameter	4	3.5	NA	1	1	NA	NA	NA	NA
		Interaction with McKinsey & Co on Project Renew	5		NA	1	1	NA	NA	NA	NA
		Discussion on Dashboard for Thermax Board on growth initiatives	6		NA	1	1	NA	NA	NA	NA
08-Aug-18	Board	Investment in Thermax (Zhejiang) Cooling and Heating Engineering Company Ltd. (TZL)	11	6	0.5	0.5	0.5	0.5	0.5	0.5	NA
		Investment in Thermax Onsite Energy Solutions Limited (TOESL)	12		0.5	0.5	0.5	0.5	0.5	0.5	NA
		Debrief on Cooling business strategy and discussion on TZL future	15		1	1	1	1	1	1	NA
		Update on Project Leap based on inputs given by Board Members	16		1	1	1	1	1	1	NA
13-Nov-18	SBDC	Corporate Portfolio Strategy	4	1	NA	0.75	0.75	NA	NA	NA	NA
14-Nov-18	Board	Formation of subsidiary in Thailand and formation of representative office in Indonesia	20	6	NA	1	1	1	1	1	1
		Deliberation on scaling down of TZL and way forward	24		NA	0.5	0.5	0.5	0.5	0.5	0.5
		Discussion on dashboard plan for 'growth plan 2023'	25		NA	0.5	0.5	0.5	0.5	0.5	0.5
08-Feb-19	Board	Update on Turnaround plan for the Danstoker Group	14	6.5	NA	0.5	0.5	0.5	0.5	0.5	0.5
		Consolidation of the Boiler & Heater (B & H) business of the Company with Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES)	18		NA	1	1	1	1	1	1

07-Mar-19	Board	Discussion on Growth Dashboard	4	8	NA	1	1	1	1	1	1
		Discussion on internationalisation	5		NA	2	2	2	2	2	2
		Sub-Total (D)			7.25	18.25	18.25	13.75	13.75	13.75	6.5
		E) Governance									
17-May-18	Audit	Management Discussion and analysis of financial condition and results of operations and Corporate Governance Report	13	4.5	NA	NA	0.25	0.25	0.25	NA	NA
		Review system for legal compliances	16		NA	NA	0.25	0.25	0.25	NA	NA
		Review of Audit Committee's performance	19		NA	NA	0.25	0.25	0.25	NA	NA
		EU General Data Protection (GDPR)	21		NA	NA	0.25	0.25	0.25	NA	NA
17-May-18	NRC	Discussion and finalisation of Performance Management System for Executive Council Member	9	2.5	NA	0.5	0.5	NA	NA	0.5	NA
19-May-18	Board	Board Committee Feedback and expectation Setting	3	6.5	1	1	1	1	1	1	NA
13-Nov-18	Audit	Review risk management policy and framework	7	5	NA	NA	0.5	0.5	0.5	NA	NA
		Review default in creditors and members obligations	8		NA	NA	0.25	0.25	0.25	NA	NA
14-Nov-18	Board	Review of findings of risk council and deliberation on the major identified risks	23	6	NA	0.5	0.5	0.5	0.5	0.5	0.5
14-Nov-18	CSR	Status update on need identification at Manjusar village, Savli and next steps	7	2	NA	NA	NA	0.25	0.25	NA	NA
		Third party impact assessment of schools funded by Thermax Foundation	8		NA	NA	NA	0.5	0.5	NA	NA
		Understanding CSR initiatives of KPIT	9		NA	NA	NA	0.5	0.5	NA	NA
07-Feb-19	NRC	Outcome of Employee Experience Survey	3	2	NA	0.5	0.5	NA	NA	0.5	NA
		Board Evaluation Questionnaire	4		NA	0.5	0.5	NA	NA	0.5	NA
07-Feb-19	Audit & Risk Management Committee	Review code of conduct and vigil mechanism	8	4.5	NA	NA	0.25	0.25	NA	NA	0
08-Feb-19	Board	Talent Management and succession planning at Thermax	15	6.5	NA	0.5	0.5	0.5	0.5	0.5	0.5
07-Mar-19	Board	Discussion on vision KPIs	3	8	NA	1.5	1.5	1.5	1.5	1.5	1.5
		Board Evaluation	7		NA	0.5	0.5	0.5	0.5	0.5	0.5
		Sub-Total (E)			1	5.5	7.5	7.25	7	5.5	3
07-Mar-19	Board	Visit to Cooling Facility at Sri City, Andhra Pradesh	-	2	0	2	2	2	2	2	2
		Total (A+B+C+D+E)			8.25	29.75	33.75	28	26.25	24.25	14.5
0 = Director absent in the meeting											
NA* = Director is ceased or not a member of committee											