



THERMAX LIMITED

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of the amended Clause 49 of the Listing Agreement, effective from 1st October, 2014, 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, subsidiaries and JVs.	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 repots
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

Summary details of familiarization programme given to the Independent Directors during the financial year 2016-17

Sr. No	Name	Financials	Products	Customers	Strategy	Visiting of Company's Facilities	Governance	Total
1	Dr.R.A Mashelkar	0	0	1	11.25	0	6.75	19
2	Dr.Valentin A.H.von Massow	3	0.25	1	16.25	0	10.5	31
3	Dr.Jairam Varadraj	3	0.25	1	10.25	0	5.75	20.25
4	Mr Nawshir Mirza	3	0.25	1	11.75	0	8.75	24.75
5	Mr. Harsh Mariwala	1	0.25	0	6.5	0	5.25	13

Details of familiarisation programme			Name of Director				
Date	Meeting	Board/Committee Meeting Details	Dr. R. A. Mashelkar	Dr. Valentin A. H. von Massow	Dr. Jairam Varadraj	Mr. Nawshir Mirza	Mr. Harsh Mariwala
			Duration (in hrs)	Duration (in hrs)	Duration (in hrs)	Duration (in hrs)	Duration (in hrs)
		A) Financials					
17.12.2016	Audit	Review internal Financial Controls action plan	NA*	1	1	1	NA*
07.02.2017	Audit	Review financial statements closing & financial reporting process	NA*	1	1	1	NA*
08.02.2017	Board	Review the projected Annual Business Plan for FY 2017-18	0	1	1	1	1
		Sub-Total (A)	0	3	3	3	1
		B) Products					
08.02.2017	Board	Review the projected Annual Business Plan for FY 2017-18	0	0.25	0.25	0.25	0.25
		Sub-Total (B)	0	0.25	0.25	0.25	0.25
		C) Customers					
25.05.2016	Board	Update on Customer Satisfaction Survey	1	1	1	1	NA*
		Sub-Total (C)	1	1	1	1	0
		D) Strategy					
24.05.2016	NRC	Update on Employee Engagement Survey	NA*	1	1	NA*	NA*
25.05.2016	Board	Update on M & A bid in South Africa	0.5	0.5	0.5	0.5	NA*
		Setting up of WOS/REP/liaison/Br.office in overseas countries	0.25	0.25	0.25	0.25	NA*
25.05.2016	SBDC	Review status appraisal of First Energy	NA*	1	1	NA*	NA*
		Update on thermally Activated Cooling	NA*	1.5	1.5	NA*	NA*
10.08.2016	Board	Review SBP of Envioro Division	1.5	1.5	1.5	1.5	NA*
10.11.2016	Board	Update and discussion on business strategy of Global Heating Business	2	2	2	2	NA*
		Note on lesson learnt from acquisitions made by Company	1	1	1	1	NA*
07.02.2017	SBDC	Update on next level of growth for Service Business	NA*	1	1	NA*	NA*
08.02.2017	Board	Investment for Wholly Owned Overseas Subsidiaries/Liaison/Representative/Branch Office in Iran	0	0.5	0.5	0.5	0.5

Note
0 = Director absent in the meeting
NA* = Director not a member of committee

Details of familiarisation programme			Name of Director				
Date	Meeting	Board/Committee Meeting Details	Dr. R. A. Mashelkar	Dr. Valentin A. H. von Massow	Dr. Jairam Varadraj	Mr. Nawshir Mirza	Mr. Harsh Mariwala
			Duration (in hrs)	Duration (in hrs)	Duration (in hrs)	Duration (in hrs)	Duration (in hrs)
		A) Financials					
17.12.2016	Audit	Review internal Financial Controls action plan	NA*	1	1	1	NA*
07.02.2017	Audit	Review financial statements closing & financial reporting process	NA*	1	1	1	NA*
08.02.2017	Board	Review the projected Annual Business Plan for FY 2017-18	0	1	1	1	1
		Sub-Total (A)	0	3	3	3	1
		B) Products					
08.02.2017	Board	Review the projected Annual Business Plan for FY 2017-18	0	0.25	0.25	0.25	0.25
		Sub-Total (B)	0	0.25	0.25	0.25	0.25
		C) Customers					
25.05.2016	Board	Update on Customer Satisfaction Survey	1	1	1	1	NA*
		Sub-Total (C)	1	1	1	1	0
		D) Strategy					
24.05.2016	NRC	Update on Employee Engagement Survey	NA*	1	1	NA*	NA*
25.05.2016	Board	Update on M & A bid in South Africa	0.5	0.5	0.5	0.5	NA*
		Setting up of WOS/REP/liaison/Br.office in overseas countries	0.25	0.25	0.25	0.25	NA*
25.05.2016	SBDC	Review status appraisal of First Energy	NA*	1	1	NA*	NA*
		Update on thermally Activated Cooling	NA*	1.5	1.5	NA*	NA*
10.08.2016	Board	Review SBP of Enviore Division	1.5	1.5	1.5	1.5	NA*
10.11.2016	Board	Update and discussion on business strategy of Global Heating Business	2	2	2	2	NA*
		Note on lesson learnt from acquisitions made by Company	1	1	1	1	NA*
07.02.2017	SBDC	Update on next level of growth for Service Business	NA*	1	1	NA*	NA*
08.02.2017	Board	Investment for Wholly Owned Overseas Subsidiaries/Liason/Representative/Branch Office in Iran	0	0.5	0.5	0.5	0.5

Note

0 = Director absent in the meeting

NA* = Director not a member of committee