

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 2019-20

(Duration in Hrs)

Sr. No	Name	Financials	Products	Customers	Strategy	Governance	Total
1	Dr. Valentin A.H.von Massow	3	4	1	7.75	12	27.75
2	Dr. Jairam Varadaraj	4.5	4	1	7.75	15.25	32.5
3	Mr. Nawshir Mirza	6.75	0	1	5.25	10	23
4	Mr. Harsh Mariwala	3	0	1	6.25	12.5	22.75
5	Mr. S.B (Ravi) Pandit	3	0	1	6.25	8.5	18.75
6	Mrs. Rajani Kesari	4.5	0	1	2.75	8	16.25

		Short term Loan to Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES)	33(2)	0.25	0.25	0.25	0.25	0.25	0.25
07-Aug-19	SBDC	Discussion on Internationalisation Strategy	3	0.75	0.75	NA	NA	NA	NA
		Thermax 3.0 Update	5	0.75	0.75	NA	NA	NA	NA
08-Aug-19	Board	Investment in Thermax (Zhejiang) Cooling and Heating Engineering Company Ltd. (TZL)	17(iii)	0.5	0.5	0.5	0.5	0.5	0.5
13-Nov-19	Board	Revision in fund/non-fund based limits of the Bankers	11	0.5	0.5	0.5	0.5	0.5	0
		Purchase of land near Chemical factory - Paudh	12	0.5	0.5	0.5	0.5	0.5	0
		Issuance of Letter of Support to Danstoker A/S	15	0.5	0.5	0.5	0.5	0.5	0
		Global Economic environment - opportunities/threats/ plan of action	17	1.5	1.5	1.5	1.5	1.5	0
		Briefing on sustainability initiatives at Thermax	18	0.5	0.5	0.5	0.5	0.5	0
04-Feb-20	Board	Discussion on amalgamation of Thermax Sustainable Energy Solutions Limited (TSES) with Thermax Limited (TL)	17	0.5	0.5	0	0.5	0.5	0.5
		Proposal to grant loan/make investment in First Energy Private Limited	23	0.5	0.5	0	0.5	0.5	0.5
		Sub-Total (D)		7.75	7.75	5.25	6.25	6.25	2.75
		E) Governance							
21-May-19	Audit	Management Discussion and analysis of financial condition and results of operations and Corporate Governance Report	13	NA	0.25	0.25	NA	NA	0.25
		Review system for legal compliances	16	NA	0.25	0.25	NA	NA	0.25
		Review of Audit Committee's performance	19	NA	0.25	0.25	NA	NA	0.25
21-May-19	NRC	Aspect of culture discussed in Audit & Risk Management Committee	8	0.5	0.5	NA	NA	0.5	NA
22-May-19	Board	Registration on TReDS platform pursuant to Notification issued by Ministry of Micro, Small and Medium Enterprises (MSME)	11	0.25	0.25	0.25	0.25	0.25	0.25
		Revision in policies of the Company - Whistle Blower Policy and Policy on Material Subsidiaries	12	0.25	0.25	0.25	0.25	0.25	0.25
		Nomination of Independent Director on the Board of Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES), a Wholly Owned Subsidiary of the Company	22	0.5	0.5	0.5	0.5	0.5	0.5
		Update on digitization initiatives	30	0.5	0.5	0.5	0.5	0.5	0.5
		Update on social media and brand building initiatives.	31	0.5	0.5	0.5	0.5	0.5	0.5
07-Aug-19	Audit	Presentation of Internal Audit on building effective internal audit function	5	NA	0.25	0.25	NA	NA	0.25
		Presentation on Enterprise Risk Management	9	NA	0.25	0.25	NA	NA	0.25
07-Aug-19	IIC	Growth strategy of PT Thermax International Indonesia	5	0.5	NA	NA	NA	NA	NA
		Update on safety	14	0.25	0.25	0.25	0.25	0.25	0.25

08-Aug-19	Board	Succession planning	15	1	1	1	1	1	1
		Enterprise Risk Management	16	0.5	0.5	0.5	0.5	0.5	0.5
12-Nov-19	Audit	Review default in creditors and members obligations	8	NA	0.25	0.25	NA	NA	0
		presentation on applied data analytics developed for improving efficiency of the internal audit	10	NA	0.25	0.25	NA	NA	0
12-Nov-19	RMC	Discussion on Charter of the Committee and way forward	3	NA	0.25	0.25	NA	NA	0
		Review of Total Risks identified, Top 10 risks identified, and feedback received from Directors:	4	NA	0.5	0.5	0.5	0.5	0
		Development of plan for Committee meetings in future	5	NA	0.5	0.5	0.5	0.5	0
13-Nov-19	Board	Succession planning	19	1	1	1	1	1	0
		Charter of Risk Management Committee	20(a)	0.5	0.5	0.5	0.5	0.5	0
03-Feb-20	NRC	Presentation on Culture Survey	4	0.5	0.5	NA	NA	0.5	NA
		Findings about Development Intervention Program	5	1	1	NA	NA	1	NA
		Board Evaluation	6	1	1	NA	NA	1	NA
		Criteria for compensation to Independent Director on the Board of material subsidiary companies	7	0.5	0.5	NA	NA	0.5	NA
		Update on Managing Director and CEO succession planning	8	0.5	0.5	NA	NA	0.5	NA
04-Feb-20	Audit	Review internal audit observations about non-compliance with certain provisions of Indonesian laws	5	NA	0.25	0.25	NA	NA	0.25
		Review Code of Conduct and vigil mechanism	8	NA	0.25	0.25	NA	NA	0.25
		Review granting of loan to Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES)	9	NA	0.25	0.25	NA	NA	0.25
04-Feb-20	Board	Update on Digitisation	24	0.5	0.5	0	0.5	0.5	0.5
		succession planning	25	0.5	0.5	0	0.5	0.5	0.5
		Discussion on Safety	26	0.25	0.25	0	0.25	0.25	0.25
13-Mar-20	Board	Meeting of Independent Directors	3	0.5	0.5	0.5	0.5	0.5	0.5
		Board Evaluation	4	0.5	0.5	0.5	0.5	0.5	0.5
		Sub-Total (E)		12	15.25	10	8.5	12.5	8
		Total (A+B+C+D+E)		27.75	32.5	23	18.75	22.75	16.25
0 = Director absent in the meeting									
NA* = Director is ceased or not a member of committee									