



Familiarization Programme for Independent Directors

Objective

The Company strongly believes that effective familiarization programme helps the Independent Directors, not only to have greater insight into Company's business but also contribute effectively in decision making at Board / Committee meetings.

Considering that 'Escorts' is a diversified group having interests in various businesses, spread across the multiple products, it is important that the Independent Directors are well versed with the business and all the related activities including but not limited to the nature of industry, products, markets, operations, subsidiaries and its businesses, policies, regulatory aspects affecting the Company, etc.

Statutory Requirement

In accordance with requirements of Regulation 25 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company shall 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.

The familiarization programmes which may be conducted for Independent Directors from time to time, would aim to provide understanding about the Company's business and its operations, business strategies, management structure, risk management framework, regulatory environment in which the Company operates, among other things.

Familiarization Programme in Escorts

The Board familiarization programme comprises of the following:

- 1) Induction programme for new Independent Directors,
- 2) Immersion sessions on business and functional issues,

At Escorts all new Independent Directors are taken through a detailed induction and familiarization programme when they join the Board.

1) As part of the Induction Sessions:

- ❖ A familiarization pack is handed over to the new inductee, which include the Company's Corporate Profile, its Mission, Vision and Values Statement, Organizational structure, the Company's history and milestones, latest Annual Report, Code of Conduct applicable to Directors / employees of the Company, Whistle Blower Policy, Escorts Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices along with a summary on do's and don'ts pertaining to Insider Trading issues.
- ❖ The Chairman and Managing Director provides an overview of the Organization its history, culture, values and purpose.
- ❖ The Business and Functional Heads take the Independent Directors through their respective businesses and functions. The Independent Directors are also exposed to the constitution, Board Procedures, matters reserved for the board and major risks facing the business and mitigation programmers.
- ❖ The Independent Directors are also made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

2) Immersion sessions on business and functional issues:

- ❖ In the Board Meetings, immersion sessions deals with different parts of the business and bring out all facets of the business besides the shape of the business. These immersion sessions provide a good understanding of the business to the Independent Directors. Similarly, for all the functions, there

are immersion sessions that are convened. These sessions are also an opportunity for the Board to interact with the next level of management. To make these sessions meaningful and insightful, pre-reads are circulated in advance. Deep dive sessions are also organized on specific subjects for better appreciation by the Board of its impact on the business. There are opportunities for Independent Directors to interact amongst themselves every quarter.

- ❖ In order for the Directors to exercise their judgement and discharge their duties with sufficient knowledge, the Directors are updated with changes in Law, regulations, relevant judicial or regulatory orders, and compliance requirements during the Board meetings.
- ❖ In each Financial year, Escorts organize a dedicated Board Meeting for at least 2 Hrs. for imparting the requisite information to the Directors of the Company wherein various presentations made at the Board Meetings which included updates on regulatory, business environment, risk management, Company policies and other relevant issues. Quarterly Operations Report which includes information on business performance, operations, market share, financial parameters, working capital management, senior management changes, litigations, compliances, fund-flows.
- ❖ From the Financial year 2015, each year a dedicated Board Meeting held specifically to familiarize the directors with the Organizations' Structure and its vision and all Directors make their presence count in that Board Meeting.

ESCORTS LIMITED

Corporate Secretariat

Phone : +91-129-2250222, Fax : +91-129-2250060, 2250058

E-mail : corpsl@escorts.co.in, Website : www.escortsgroup.com

Registered Office: 15/5, Mathura Road, Faridabad - 121 003, Haryana, India

CIN - L74899HR1944PLC039088

Details of familiarisation programmes & trainings attended by Directors during FY 2018-19											
Particulars	Mr. Rajan Nanda	Mr. Nikhil Nanda	Ms. Nitasha Nanda	Mr. Hardeep Singh	Mr. P.H. Ravikumar	Mrs. Vibha Paul Rishi	Dr. Sutanu Behuria	Mr. G.B. Mathur	Mr. D.J. Kakalia	Mr. Ravi Narain	Mr. Shailendra Agrawal
No. of Programmes attended by Director(s)	1	8	8	8	8	8	8	7	7	8	1
No. of Hours spent by Director(s)	1.5	12.75	12.75	12.75	12.75	12.75	12.75	9.75	11.25	12.75	2
Subject matter of the programme	Immersion sessions on business and functional issues, competition, industry trends, Company's performance, operations, strategy, CSR Initiatives, future outlook, technology update, market share etc.										
Programmes conducted by	Chairman & Managing Director, CEO's & Business & Functional Head & other Senior Management Officials										