

FAMILARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

OF

KIRLOSKAR OIL ENGINES LIMITED

A. INTRODUCTION

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. Further, the details of such familiarization programme(s) shall be disclosed on the Company's website and a web link shall also be given in the Annual Report.

B. FAMILARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc.

Following are the initiatives undertaken by the Company to familiarize the Independent Directors:

1) On Induction

On appointment, Director is provided with an 'On-Boarding Manual' for their information and awareness which *inter alia* includes Company's Values, Company's Philosophy on Corporate Governance, Code of Conduct, Annual Report, Sustainability Report, Details of Business of the Company, Details of subsidiary Companies, Board & Committees structure including role / terms of references etc. A structured induction programme for new Director as per his / her request is also organised where they get to meet and interact with all senior leaders of the Company. A detailed Letter of Appointment is also issued to them which also stipulates various terms and conditions of their engagement.

2) On-Going basis

The Company's management makes business presentations periodically at the Board meetings to familiarise Independent Directors with the strategy, operations and functioning of the Company. These interactions provide them with a holistic perspective of the Company's business and regulatory framework.

Presentations cover, *inter alia*, quarterly and annual results, business strategies, budgets, review of internal audit report, information on business performance, operations, market share, digital initiatives, sustainability initiatives, new business projects, financial parameters, senior management change, major litigations, compliances, risk assessment & minimization procedures and regulatory scenarios and such other areas as may arise from time to time. The details about information on business performance, operations, new business projects, and financials of subsidiary and associate companies are also forming part of the presentation.

A board portal is made available that allows Board of Directors to securely access board documents and collaborate with other board members electronically.

In case any Directors seeks additional information, which is not part of the information earlier provided, such requests are tracked till the actions on such request are addressed to the satisfaction of the Director asking additional information.

3) Access to Information & Opportunity to Interact

The independent Directors have the opportunity to meet without the presence of any management personnel where they can informally discuss the matters pertaining to the Company and put forward their combined views to the Chairman. They also have interaction with the Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and External Advisors, if any, appointed by the Company.

As on 31 March 2023, following are Independent Directors of the Company:

1. Mr. Satish Jamdar
2. Mr. Sunil Shah Singh
3. Dr. Shalini Sarin
4. Mrs. Purvi Sheth
5. Mr. Abraham Kandthil
6. Mr. Yogesh Kapur

The details of familiarization programmes imparted to Independent Directors are as under:

- A. Updates given on regular basis by way presentation in the quarterly meetings of Board/Audit Committee *inter alia* includes quarterly and annual results, business strategies, budgets, review of internal audit report, information on business performance, operations, market share, financial parameters, digital initiatives, sustainability initiatives, new business projects, senior management change, major litigations, compliances, risk assessment & minimization procedures and changes to regulatory requirements in respect of Companies Act, SEBI Regulations and any other laws/regulations applicable to the Company etc.

B. Details of training programmes (other than updates given on regular basis):

Particulars	During the year 2022-23	Cumulative from February 2015 upto 31 st March 2023
Number of training programmes organized	1	3*
Number of hours spent by Independent Directors in aforesaid programmes	0	32 approximately

Note: *

a) In February 2015, sponsored residential 2 days training programme for the Directors and KMPs of the Company, was organized by the Kirloskar Institute of Advanced Management Studies. (This training programme covered, inter-alia, aspects such as legal compliance management, corporate governance and role of independent directors, liability of Directors under direct and indirect taxes, corporate and labour laws, SEBI Act and regulations.)

b) In November 2019 and February 2020, sponsored residential 2 days training programme for the Directors and KMPs of the Company, was organized by the Kirloskar Institute of Advanced Management Studies. (This training programme covered, inter-alia, aspects of SEBI (Prohibition of Insider Trading Regulations, 2015.)

c) In January 2023, training session on 'Related Party Transactions' was conducted for Independent Directors of the Company. (This training programme covered aspects of provisions applicable for Related Party Transactions as per Companies Act, 2013 including Rules made thereunder and amendments thereof and Listing Regulations including amendments thereof.)