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Annexure-II

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Policy for training of Board Members

I Objective

With a strong belief in the fact that learning is a continuous process, Training and Development is given utmost importance in the Corporation across all levels. Though the 'Board of Directors' is the highest level in the Organizational pyramid, imparting of effective training is also critical for this level in order to update them so that they can continuously provide able guidance to the company. The training of Board members is also imperative for effective Corporate Governance requirements.

The objective of this policy is to provide an opportunity to Board level functionaries to upgrade their knowledge in business model of the company including risk profile of the business of the Corporation and to ensure that their responsibilities are discharged in an effective manner. The policy shall also attempt to provide exposure to trainings on Corporate Governance, model code of business ethics and conduct as applicable to the directors.

II Coverage

The policy shall cover Functional Directors, Government Directors, Nominee Directors and Independent Directors on Board of the Corporation. In accordance with DPE guidelines, preference shall be given to new Board members.

III Period of Training

The policy aims to ensure that at least 50% of the Directors are exposed to a training of a minimum duration of one week in a financial year. This could vary depending on the availability of the program, requirement of the individual concern and also the availability of the Director for the period of training.

IV Training Coverage

The training could cover any area which is considered as being relevant or useful for the Directors and could broadly be classified, but not limited to the following:

- (i) **Areas relating to operations of the Corporation**
Any training program / Seminar / Conference being organized, whether in India or abroad in the field of business operations of the Corporation including risk profile of the business of the Corporation.
- (ii) **Leadership and General Management Programs**
Any training program / Seminar / Conference being organized, whether in India or abroad in the area of leadership, Human resource development, organizational effectiveness etc.
- (iii) **Areas relating to domestic/global economic scenario**
Any training program / Seminar / Conference being organized, whether in India or abroad pertaining to changes / developments in the industry/domestic/global scenario. This shall also include training pertaining to various statutes/legislation and economic environment wherein the Corporation operates.
- (iv) **Corporate Governance and Ethics**
Any training program / Seminar / Conference being organized, whether in India or abroad pertaining to Corporate Governance, use of technology for better corporate governance, model code of business ethics and conduct applicable for the respective directors.

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(v) General laws, compliance provisions and various guidelines applicable to the corporation

(vi) Specific Training requirements

In case of a specific requirement indicated, the corporation can nominate the concerned Directors for specific trainings, seminars, conferences etc. to be duly identified.

The Corporation may also engage specialists in various areas to provide information or impart training various topics of contemporary relevance.

VII Entitlements

For all training programs, Seminars, Conferences, the training / course fee shall be borne by the corporation. Additionally, the concerned Directors shall be allowed to and fro journey fare as per the Rules on the subject. They shall also be allowed TA / DA / per diem or any other payment as per their entitlement due or payable to them as per the Rules of the Corporation.

VIII Procedure for approval

The Chairman and Managing Director shall be the approving authority for nominations to programs to be conducted in India.

Approvals for programs being held abroad in respect of Functional and Government Directors shall be sought from the Ministry of Power. Approvals for programs being held abroad in respect of nominee and Independent Directors shall be sought from the Board wherein the concerned Director shall abstain.

XI Interpretation and Amendments

The Chairman and Managing Director is empowered to modify or amend any of the provisions contained in the Rules. Any cases of relaxation or doubts regarding interpretation or application of these rules will be referred to the Chairman and Managing Director whose decision shall be final and binding.
