

# **NOUVEAU GLOBAL VENTURES LIMITED**

## **Familiarization Program for Independent Directors**

### **1. PREAMBLE**

The enactment of the Companies Act, 2013 (the Act, 2013) has brought to the force a number of provisions which will help the directors and the Companies to ensure better corporate governance. In keeping with the overarching need to synthesize corporate laws, the Equity Listing Agreement has also been revised such that Clause 49 (II) (B) (7) provides that companies should conduct “training programs” for the independent directors so as to provide insights about the background of the Company, their roles, responsibilities etc. The Revised Clause 49 as on September 15, 2014 changed the nomenclature of the said training program to “familiarization program” keeping the other provisions intact. In order to increase the Board’s effectiveness, training needs are identified as being a mandatory requirement now so as to enhance the skills and competencies. This requirement was part of the “non-mandatory requirements” of the erstwhile Clause 49 of the Equity Listing Agreement which provided for training of the board members in the business model of the company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. The same have now been made compulsory in the revised Clause 49 which came into effect from October 1, 2014 but for the independent directors in particular. Hence, listed companies have to lay down manual for such familiarization programs. Details of such familiarization programs also need to be disclosed on the company's website and a web link thereto should be given in the Annual Report.

### **2. APPLICABILITY OF REQUIREMENT TO TRAINING OF DIRECTORS OR FAMILIARIZATION PROGRAM**

- Provisions under the Companies Act, 2013 Schedule IV Part III under Schedule IV requires the independent directors to regularly undertake induction for updating and refreshing their skills and knowledge and familiarity with the company. The said Schedule also lays down the roles, responsibilities and the duties to be performed by independent directors.
- **Equity Listing Agreement**

Clause 49(II)(B)(7) of the revised Equity Listing Agreement requires the Company to familiarize the independent directors with the nature of the company, the roles, responsibilities and duties of the independent directors amongst others. The same does not

lay down specific requirements that the same is to be for new director inducted on the board or that there should be a regular familiarization program for the directors. There is no prescribed periodicity under the Act regarding induction/training of the directors except that it should be regular. Further, under the listing agreement the Company is required to disclose the details of such familiarization programs on the company's website.

### **3. PURPOSE AND OBJECTIVE**

Company believes that the independent directors sitting on the Board of the Company can make a huge contribution in its decision-making process in general and policy formulation in particular. In order to tap this potential the Familiarization Program shall aim at helping the independent directors to understand their roles, rights and responsibilities. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

### **4. OVERVIEW OF THE FAMILIARISATION PROGRAMME**

- The Board of Directors of **Nouveau Global Ventures Limited** (“the Company”) are updated as and when required, of their role, responsibilities and liabilities under applicable provisions of the Companies Act, 2013 and Listing agreement entered into by the Company with Bombay Stock Exchange Limited. The appointment letter issued to Independent Directors inter alia includes the responsibilities, duties, liabilities, terms and conditions of their appointment.
- Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company’s procedures and practices. The following documents of the Company are made available for his / her references:
  - Memorandum of Association and Articles of Association of the Company
  - Annual Reports of last three consecutive years
  - Code of Conduct
  - Note on Directors roles and responsibilities
  - Policy of the Company comprising of policies on various business aspects and practices
  - List of Contact details of the Directors, Senior Managerial Personnel and their personal/ executive assistants.
- Periodic presentations are made at the Meeting of the Board and the Committee of the Board, by the Senior Management in relation to the performance of the Company, quarterly and annual results, global business environment, business strategies and risks involved, various policies, review of internal audit, risk management framework, operations, business model and amendment of applicable laws to the Company. All the relevant developments relating the Company are informed to the Board including to the Independent Directors, as and when deemed necessary.

- Each Director of the Company has complete access to any information relating to the Company. Independent Directors have freedom to interact with the Company's management. The Company extends all support and assistance required in order to facilitate the Independent Directors to meet/ interact with the Business Heads/ members of the Senior Management team as and when desired by them.
- The Company extends all support and assistance required in order to facilitate the Independent Directors to meet/ interact with the Business Heads/ members of the Senior Management team as and when desired by them.
- The draft Policy documents are circulated/ placed at the meetings of the Board of Directors for discussion and deliberations by the members of the Board and Committees thereof, as applicable, before being finalized.
- All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates. Independent Directors have freedom to interact with the Company's management.