

**ALLIANCE AIR AVIATION LIMITED (AAAL)**

**(FORMERLY KNOWN AS AIRLINE ALLIED SERVICES LIMITED (AASL))**

**Training Policy for Board Directors**

## **AIRLINE ALLIED SERVICES LIMITED (AASL)**

### **Training Policy for Board Directors**

#### **1. Need for a Training Policy for Board of Directors**

- 1.1 The transformation and growth of AASL is expected to continue throughout the short to medium term future and clearly all employees, and the Board of Directors have a vital part to play in meeting our key business objectives. Training and development is thus given great importance across all levels. AASL believes that the Board of Directors, which is the highest level in the organization, too requires training and development in order to update themselves and take the best decisions for the Company.
- 1.2 AASL is governed by guidelines for Corporate Governance issued by the Department of Public Enterprises (DPE). Accordingly, it is required to adhere to various corporate governance benchmarks/targets specified by DPE and to submit the Grading Report to the administrative Ministry i.e. Ministry of Civil Aviation on a quarterly basis in the prescribed format.
- 1.3 The aforesaid Grading Report is used not only for evaluation and grading of CPSEs in terms of Compliance with Corporate Governance Norms but also forms the basis for Corporate Governance Targets under MOU and has been compulsorily included in MOUs of all CPSEs from FY 2012-13 onwards. One of the targets under DPE guidelines as well as MOU is regarding the training of Directors and requires that the Company should have a policy for Training of Directors approved by the Board.
- 1.4 As per the DPE Guidelines, the company concerned shall undertake training program for its new Board members (Functional, Government, Nominee and Independent) in the business model of the company including risk profile of the

business of company, the responsibility of respective Directors and the manner in which such responsibilities are to be discharged. They shall also be imparted training on Corporate Governance, Model code of business ethics and conduct applicable for the respective Directors.

## **2. Objective and Eligibility**

The Training Policy aims at providing Orientation & Training programs to be offered to the Board of Directors of AASL. It aims at building leadership qualities and providing a platform to share the knowledge, skills and experience gained to and by the Directors.

## **3. Training Structure**

3.1 The Board of Directors in AASL could be full time directors, part time directors, independent directors and representatives of Air India Ltd. and Government of India.

3.2 The training requirements across the Board may differ with respect to their nomination into the Board and duration spent in the Board and hence, their training needs to be structured accordingly.

### **3.3 Training Design**

The training to the various categories of Directors shall be provided as follows:

#### **a. Induction/ Orientation Training :**

- i. **For New Board Members:** The endeavor will be to provide training within three months of the appointment of the new Director, for a minimum period of three days.
- ii. **For Independent Directors:** The endeavor will be to provide familiarization training within 3 months of the appointment, to familiarize the independent directors with the company, their

roles, rights, responsibilities in the company, nature of the industry in which the company operates, the business model of the company, etc.

Sr.No.	PROGRAMME MODULE
1.	Airline Sector Scenario & Applicable Acts and Laws
2.	<p>Company Information Module</p> <ul style="list-style-type: none"> <li>• Organisation Structure</li> <li>• Vision, Mission, Objectives, Processes, Systems</li> <li>• Business Plan</li> <li>• MoU Targets</li> <li>• Current Issues and Challenges</li> <li>• Commercial Issues</li> <li>• Risk Management</li> <li>• Code of Conduct</li> </ul>
3.	Corporate Governance Module (Role, Responsibilities and duties of Functional, Independent and Government Nominee Directors)

### iii. For Existing Board Members:

The endeavour will be to provide training (within India) for a minimum period of three days once in every two years through nomination in external programmes organized by various external agencies including DPE, Standing Committee of Public Enterprises (SCOPE), IOD (Institute of Directors), etc.

- b. Top Team Retreat for Functional Directors to be conducted once a year, for 3 days with External Faculty:

Sr.No.	PROGRAMME MODULE
Core Areas	
1	Applicable Acts and Laws

2	Enterprise Risk Management
3	Sustainability Issues
4	Corporate Governance & Ethics
5	Role of Directors in guiding various functions of the Company
6	Industry update and changes in various regulations and laws
7	Greater oversight and higher level of financial and accounting
8	Changes in Economic scenario of India vis-a-vis global trends
Other Areas	
1.	Emotional Intelligence in Management and Leadership
2.	Meeting investor expectations for improved financial reporting and disclosure
3.	Handling Difficult People and Situations – Resolving conflicts
4.	Networking and representing the organisation
5.	Strategic planning and thinking – turning the Vision into reality
6.	Leadership Ability
7.	Yoga and Meditation*
8.	The Art of Living*

\* Taken from NTPC Policy

### 3.4 Arrangement of Training Programs

The training programs may be arranged in the company's premises or may be based in the location of the institution organizing the training or at any other location.

In the case of arrangement of customized training programs for the Board of Directors, the HR should take the responsibility of organizing the training after ensuring the availability of the Board members.

In case it is not possible to ensure availability of all the Board Members on the planned training date efforts shall be made for alternate programs for the remaining Members.

### **3.5 Period of Training**

The minimum period of training shall be seven days training to all members of the Board of Directors every year depending upon the nature of training. The training could be in more than one spell aggregating to minimum seven days.

However, the duration of training may get extended as per the context and content of the training programs.

### **3.6 Interpretation of Rules**

In case of doubt regarding the interpretation of these Rules or implementation, the decision of Chief of HR will be final.

### **3.7 Training Infrastructure**

It is the responsibility of the HR department to ensure that the required infrastructure for the training is available at the time of the training.

## **4. Budget**

All expenditure incurred on Training Programme for Board Members with respect to faculty honorarium, transport, boarding and lodging, course material, hospitality and venue will be borne by the Company.

The process owner for implementation of the above policy will be Corporate HRD in association with Company Secretary.

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