

**Two Day Programme Board Orientation Programme for Directors -  
Corporate Governance for Public Enterprises Boards  
*held during 27-28, June 2015 at Hotel Sitara, Hyderabad***

The Two Day Programme on Board Orientation Programme for Directors - Corporate Governance for Public Enterprises Boards was held on 27- 28, June 2015 at Hotel Sitara, Ramoji Film City, Hyderabad under the auspicious of Center for Corporate Governance and NFCG. The two day residential programme was attended by 13 Board of Directors and Executive Directors of CPSEs. The programme was attended by participants from mining and electronics sector. Prof Mishra in his opening remarks welcomed the initiative of NLC Ltd for bringing together all the members of the board to sensitize on the various issues of governance. He also detailed the highlights of the programme. In the inaugural remarks Shri SN Mishra, former Chief Information Commissioner spoke on proper flow of information in the organizational structure. He emphasized that transparency, accountability and systematic values which have to be properly balanced. He felt that the role of regulators is very crucial in providing the linkages between the organization and the governments. Shri Surender Mohan Chairman and Managing Director, NLC Ltd in his address discussed on the corporate compliance and also the NLCs initiatives towards CSR. He also added that NLC has attained highest returns during 2014-15. He felt that diversification should be linked with the core competencies of the organization.

**Session 1 : Companies Act 2013 : New Vistas of CG**

Shri L V V Iyer in his session highlighted various provisions in Companies Act 2013. He also discussed how stakeholder participation is important than the shareholder centric approach which was adapted earlier. He also explained the difference between the nominee directors and independent directors. The role of independent directors was discussed at length highlighting the various provisions of the Act. Like in the case of global players he emphasized that there should be ID pools in India.

**Session 2 : Ethical Issues in CG**

Shri R H Khwaja emphasized on the business ethics. The modern corporate sector has to make provisions to introduce the ethical code into the organization structures. The issues relating to a

forestation, environmental governance, sustainability, etc, were discussed at length. He also shared his experiences as CMD when he was in SCCL.

### **Session 3: Enhancing Board Effectiveness with reference to BOD and IDs**

The key challenges which boards have to identify to become more effective includes : diversification, devoting quality time, increased frequency of meetings with board sub – committees, emphasizing on governance and accountability, acquisition of relevant knowledge, succession planning, etc were dwelt by Prof AK Rath. He further discussed at length that related party transactions, future strategy and diversification, collective leadership, risk management policy, etc have to be prioritized.

### **Session 4: CG - Meeting the need for government Policy**

Shri APVN Sarma spoke on government interventions in the corporate decisions both at the central and at the state.

### **Session 5: Analyzing the financial statements for CG Boards**

Dr Menon discussed the essential terms of finance to be known by the directors on the boards. The analysis of balance sheet with respect to the new Companies Act was discussed with examples from NMDC and NLC.

### **Session 6: HR issues in CG**

Prof Pandey spoke how to align the internal and external factors in the organizations. The board has to oversee the balanced alignment and integration of various departments to deliver the core objectives of the companies.

The session ended with valuable remarks from the CMD. He emphasized that this training imparted valuable knowledge and understanding on the various aspects discussed for two days. Dr Rath also highlighted that there is a need to consider the various corporate challenges while the decisions are taken by the board. Prof Mishra in his closing remarks said that CG essentially involves balancing the interests of many stakeholders and hence the boards should keep them in mind when such strategic decisions are taken. The academic support was extended by Ms J Kiranmai and administrative and logistics support was extended by Mr G Goverdan, Mr P Sreenivas Rao, Mr Ch Upender and Mr P Chandrashekar.