

Check List On Corporate Governance

		Y / N / NA
[I]	APPLICABILITY	
(1)	Whether the company is seeking listing for the first time?	
(2)	Whether company is an existing listed one having paid up share capital of Rs.3 crores or net worth of Rs.25 crores at any time in the history of the company?	
[II]	BOARD OF DIRECTORS	
(A)	COMPOSITION OF THE BOARD	
(1)	Is the ratio of non executive directors to executive directors fifty percent or more?	
(2)	Whether the Chairman of the Board is a non-executive director? a) If Yes to above, whether one third or more of the board comprise of Independent directors? b) If No to (1), whether one half or more of the board comprise of Independent directors?	
(3)	Whether the non-executive chairman is promoter of the company or related to any promoter or person occupying management position at the Board level or at one level below the board? If yes to above, whether one half or more of the board comprises of Independent directors?	
(4)	A director, to be an “independent director” should comply with the following conditions i.e. answer to the following questions should be “No”. a) Apart from receiving director’s remuneration, does he have any material pecuniary relationships or transactions with :- i) the company ii) any of the promoters of the company, iii) any of the directors of the company, iv) the senior management, i.e. any officer of the company who is a member of its core management team and is one level below the executive directors or is a functional head, v) the company’s holding company, vi) any of the company’s subsidiaries, vii) any of the associates as defined in Accounting Standard (AS) 23 issued by the ICAI. b) Is he relative (as defined by section 6 of the CA 1956) of ? i) the promoters of the company. ii) any of the persons occupying management positions at the Board level, i.e. MD, WTD, or Executive Chairman, iii) any of the persons occupying any position of one level below the Board. c) Has he been an executive of the company in the immediately preceding three financial years? d) Is he a partner or an executive, or was a partner or an executive at any time during preceding three years, of? i) the statutory auditor or of the internal auditor of the company; ii) any legal firm(s) and consulting firm(s) which has any material association with the company. e) Is he a material supplier/ service provider/ customer/ lessor/ lessee of the company?	

		Y / N / NA
	f) Is he a share holder of the company who is holding two per cent or more of the voting shares? g) Is he below 21 years of age? Note : Nominee director appointed by an institution (a Public Financial Institution as defined in section 4A of the Companies Act, 1956 or a corresponding new bank as defined in section 2(d) of the Banking Companies (Acquisition and transfer of undertaking) Act, 1970 or the Banking Companies (Acquisition and transfer of undertaking) Act, 1980) which has invested in shares or lent money shall be treated as an independent director.	
(B)	COMPENSATION OF NON-EXECUTIVE DIRECTORS'	
(1)	Whether the Board of Directors have fixed any remuneration such as fixed periodical payment, commission on net profits, meeting fees, or anything else for non-executive and independent directors ?	
(2)	Was the previous approval of share holders in the general meeting taken for it ?	
(3)	Whether the shareholders' resolution specify the maximum number of stock options that can be granted to non executive directors including independent directors?	
(4)	If 'Yes" to (3) above, (i) How many stock options in a financial years? (ii) How many stock options in aggregate?	
(C)	MEETING OF BOARD	
(1)	Had there been atleast four meetings of board during the year?	
(2)	Was there an interval of not more than four months between any two consecutive meetings?	
(D)	MEMBERSHIP / CHAIRMANSHIP IN COMMITTEE	
(1)	Is there any director having membership of more than ten Audit committee and/or Shareholders' grievance committee of any public limited company including the company ?	
(2)	Is there any director having chairmanship of more than five Audit committee and/or Shareholders' grievance committee of any public limited company including the company ?	
(3)	Has every director informed to the company about his membership/ chairmanship in the committees aforesaid this year?	
(4)	Has every director informed to the company about the changes in his membership/ chairmanship in the committees aforesaid this year?	
(E)	COMPLIANCE WITH LAWS	
(1)	Whether a list of all the laws applicable to the company is made?	
(2)	Whether company has complied with all the laws applicable to it? If No, specify the laws not complied with.	
(3)	Whether it has taken necessary steps to rectify the non-compliances, if any? If yes, please specify.	
(4)	Whether the compliance report of all the laws applicable to the company is reviewed by the board?	
(5)	Whether the actions taken by the company to rectify the non-compliances are reviewed by the board?	
(F)	CODE OF CONDUCT	
(1)	Has the company laid down the "Code of conduct" for Board members and senior management ? Note: Here, senior management mean personnel of the company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all functional heads.	

		Y / N / NA
(2)	Whether the “Code of conduct” is posted on the website of the company?	
(3)	Whether the company has received the declarations from the Board members and senior management personnel to the effect that they have complied with the Code of conduct this year?	
(4)	Have such letters been placed before the BOD for noting?	
(5)	Does the Annual Report contain a declaration affirming compliance with the code signed by CEO?	
(G)	INFORMATION TO BE PLACED BEFORE BOARD OF DIRECTORS	
	Was the following information placed in each board meeting :	
(1)	Annual operating plans and budgets and any updates.	
(2)	Capital budget and any updates.	
(3)	Quarterly results for the company and its operating divisions or business segments.	
(4)	Minutes of meetings of audit committee and other committees of the board.	
(5)	The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.	
(6)	Show cause, demand, prosecution notices and penalty notices which are materially important	
(7)	Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.	
(8)	Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.	
(9)	Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.	
(10)	Details of any joint ventures or collaboration agreement.	
(11)	Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.	
(12)	Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.	
(13)	Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.	
(14)	Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement	
(15)	Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.	
(16)	If any of the issues mentioned in 1 to 15 above is No or NOT APPLICABLE, is any noting / certificate placed before the Board meeting to that effect by management?	

		Y / N / NA
[III]	AUDIT COMMITTEE	
(A)	COMPOSITION OF THE COMMITTEE	
(1)	Does the committee have atleast three directors as members?	
(2)	Whether two-thirds of the members are independent directors?	
(3)	Whether all the members are able to read and understand the balance sheet, profit and loss account and statement of cash flow?	
(4)	Is there atleast one member who possesses experience or professional certification in accounting or finance? Give name.	
(5)	If answer is 'No' to (4) above, Is/ Was any member a CFO / CEO / other senior officer with financial oversight responsibilities?	
(6)	Whether the Chairman of the committee is an independent director?	
(7)	(a) Whether the Chairman of the committee was present at AGM?	
	(b) Did he answer shareholders queries?	
(8)	Whether the finance director / chief of Finance division was present at the meetings of the committee?	
(9)	Whether the head of internal audit was present at the meetings of the committee?	
(10)	Whether the representative of statutory auditor was present at the meetings of the committee?	
(11)	Whether the company secretary was present and acted as secretary at the committee?	
(B)	MEETING OF COMMITTEE	
(1)	Whether the committee has met four times or more during the year?	
(2)	Is the time gap between two meetings not more than four months?	
(3)	Whether one-third of the members remained present at all the meetings?	
(4)	If one-third is less than two, whether two members have remained present at all the meetings?	
(5)	In case of (3) and (4), whether two or more independent members have remained present at all the meetings?	
(C)	CONSIDERATIONS BY COMMITTEE	
(1)	Whether the committee has considered the following? (i) financial reporting process (ii) discloser of financial information (iii) recommending to the board appointment/ reappointment/ replacement/ removal of statutory auditor (iv) fixation of audit fees of statutory audit (v) approval of payment to statutory auditors for any other services rendered by them.	
(2)	Whether the committee has reviewed the financial statements before submitting to Board with reference to the following (i) matters required in terms of clause (2AA) of section 217 of the Companies Act, 1956 (ii) changes in the accounting polices/ practices and reasons therefore (iii) estimates based on the judgement of management in accounts (iv) significant adjustments made in the financial statements arising out of audit findings (v) compliance with the listing and other legal requirements relating to financial statements (vi) related party transactions disclosures (vii) qualifications in the draft audit report (viii) quarterly financial statements	

		Y / N / NA
(3)	Whether the committee has reviewed the performance of statutory and internal auditors?	
(4)	Whether the committee has reviewed the adequacy of internal control system?	
(5)	Whether the committee has reviewed the adequacy of internal audit function? (including staff, seniority of head, reporting structure, coverage, frequency).	
(6)	Had the committee discussed the significant audit findings of Internal auditors and follow up thereon?	
(7)	Had it reviewed the findings of internal investigations by internal auditors, involving suspected fraud or irregularities or failure of internal control system of material nature?	
(8)	If answer is 'Yes' to above, had they reported it to the Board?	
(9)	Had it discussed with the statutory auditors:	
	(i) before audit, the nature and scope of audit (ii) post audit discussion to ascertain any area of concern	
(10)	Had it looked into the reasons for default in the payment to :	
	(i) depositors	
	(ii) debenture holders	
	(iii) share holders	
	(iv) creditors	
(11)	Has it reviewed functioning of the Whistle Blower mechanism, in case existing?	
(12)	Had it carried out any other functions as is mentioned in the terms of reference by the BoDs?	
(13)	Had it reviewed the following?	
	(i) management discussion and analysis of (a) financial condition and (b) results of operations	
	(ii) statement of significant related party transactions as defined by the audit committee which is submitted by management	
	(iii) management letters/ letters of internal control weaknesses issued by statutory auditors	
	(iv) internal audit reports relating to internal audit weaknesses	
	(v) appointment/ removal/ terms of remuneration of chief internal auditor	
	(vi) financial statements of unlisted subsidiary company, in particular, the investments made by that company	
	(vii) on quarterly basis uses of funds raised through issues	
	(viii) statement on an annual basis certified by the statutory auditor, containing details regarding funds utilised for purposes other than those stated in the offer documents/ prospectus/ notice	
	(ix) with respect to (viii) recommend steps to Board	

		Y / N / NA
[IV]	SUBSIDIARY COMPANIES	
(1)	Whether one or more independent director/s of the company is/ are director on the board of directors of material non-listed Indian subsidiary company?	
(2)	Whether the minutes of the Board meetings of the said company was placed at the board meeting of listed holding company?	
(3)	Are the significant transactions and arrangements entered into by said company brought to the attention of B.O.D. of listed holding Co.	
[V]	DISCLOSURES	
	Whether the following disclosures have been made ?	
(A)	RELATED PARTY TRANSACTIONS : to Audit committee	
	(i) periodically a statement in summary form of transactions with related parties (as defined in AS 18) in ordinary course of business	
	(ii) details of material individual transactions with related parties which are not in the normal course of business	
	(iii) material individual transactions with related parties or others which are not on an arm's length basis together with justifications from management for it.	
(B)	ACCOUNTING TREATMENT	
	(i) has company followed any treatment different from that prescribed in Accounting Standard?	
	(ii) if yes , is the fact disclosed in the corporate governance ?	
	(iii) If yes to (i) & (ii) whether management's explanation is included in it?	
(C)	RISK MANAGEMENT	
(1)	Whether company has laid down the procedures for assessing risks such as global, financial, general, economic, political, industry, company specific risks etc.?	
(2)	Whether company has laid down the procedures for minimizing such risks?	
(3)	Whether company has laid down the procedures to inform the board members about the procedures of risk assessment and risk minimization?	
(4)	Whether all these procedures i.e. (1) to (3) have been reviewed quarterly?	
(5)	Whether company has made proper disclosure in corporate governance report regarding risk management?	
(D)	REMUNERATION OF DIRECTORS	
	Whether the following matters been disclosed in section on corporate governance in the Annual Report :	
(1)	pecuniary transactions/ relations of non-executive directors with company	
(2)	All elements of remuneration package including salary, bonuses, stock options, pensions and other benefits	
(3)	Fixed component and performance linked incentives, along with performance criteria.	
(4)	Details about service contracts, notice period and severance fees	
(5)	Stock option: Issued at discount or at par Period of accrual Period of exercise	

		Y / N / NA
(6)	Criteria for making payments to non-executive directors (or displayed on website and reference is drawn in the Annual report)	
(7)	No. of shares and convertible instruments held by non-executive directors.	
(8)	In notice of general meeting called for appointment of a non- executive director, the share holding (own/ on beneficial basis for others) of the said director proposed to be so appointed in the company under consideration before such appointment.	
(E)	MANAGEMENT	
(1)	Whether the Management Discussion and Analysis report is given in Annual Report as part of the Directors' Report or in addition thereto?	
(2)	If 'Yes' to above, whether the following matters are included as a part of discussion within the limits set by the company's competitive position? (a) Industry Structure & developments (b) Opportunities & Threats (c) Segment-wise or product wise performance (d) Outlook (e) Risk & concerns (f) Internal control systems & their adequacy (g) Discussion on financial performance with respect to operational performance (h) Material developments in Human Resources / Industrial relation front, including number of people employed.	
(3)	Has the senior management disclosed to the board all material financial and commercial transactions, (e.g. dealing in company's shares, commercial dealing with bodies which have shareholding of management and their relatives etc.) where their personal interest conflicts with that of the company ?	
(F)	SHARE HOLDERS	
(1)	Have the following information been provided in notice/ Annual Report relating to appointment or re-appointment of a director (a) Brief Resume (b) Nature of expertise in specific functional area. (c) Name of company in which he holds (i) Directorship (ii) Membership of committees of the board.	
(2)	Has the company put the quarterly results and / or presentations made to the analyst, on the company's web-site?	
(3)	If "No" to above, had it been sent to the stock exchange in such a form that it can put it on its own web-site?	
(4)	Whether a "Shareholders'/ Investors' Grievance committee is formed?	
(5)	If 'Yes' to above, whether the chairman is a non- executive director?	

(6)	Has the committee considered investors complaint? (Give details as per format)	Transfer/ Transmi- -ssion of Shares	Non- receipt of dividend/ interest	Dematerial of Shares	Non- receipt of Balance Sheet	Non- receipt of redemption
	(i) no of complaints outstanding on as 01-04 . (ii) disposed off during the year (iii) outstanding as on 31-03. (iv) no of complaints received between 01-04 to 31-03. (v) no of complaints disposed off against (iv) (vi) No of complaints o/s.as on 31-03 against (iv)					
(7)	Whether power of share transfer are delegated to an officer/ committee/ registrar and share transfer agent?					
(8)	In case of (7) above, whether the delegated authority attends the share transfer formalities at least once in a fortnight?					
(G)	COMPLIANCE					
(1)	Has company disclosed the compliance of mandatory requirements in corporate governance report?					
(2)	Has company disclosed compliance/ non adoption with the non mandatory requirements in corporate governance report?					
(3)	Has the company submitted a quarterly compliance report duly signed by the compliance officer or the CEO to the stock exchanges within 15 days from the close of the quarter as per Format given in Annexure IB.					
(4)	Whether a separate section on corporate governance is provided in the Annual Report?					
(5)	Whether a detailed compliance report on corporate governance is included in Annual Report?					
(6)	Is there any mandatory requirement of this clause, which is not complied with? If Yes, give reasons.					
(7)	To what extent non-mandatory requirements have been adopted?					
(8)	Has the company obtained a compliance certificate from auditor / practicing company secretary?					
(9)	Whether the said certificate is annexed to the director's report?					
(10)	Whether it is sent to the shareholders annually?					
(11)	Whether it is sent to the stock exchange along with the Annual Report?					

		Y / N / NA
[VI]	CEO/CFO CERTIFICATION	
	Whether the CEO/CFO has certified the following ?	
(1)	They have reviewed financial statements and the cash flow statement for the year	
(2)	To the best of their knowledge and belief financial statements do not contain any materially untrue statement, it does not omit any material fact and does not contain statements that might be misleading.	
(3)	To the best of their knowledge and belief financial statement present a true and fair view of the company's affairs and are in compliance with existing AS & applicable laws and regulations.	
(4)	To the best of their knowledge and belief company has not entered into any illegal or fraudulent transactions or transactions violating company's code of conduct during the year.	
(5)	They have established and maintained internal controls for financial reporting.	
(6)	They have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting.	
(7)	They have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls.	
(8)	The steps which they have taken or propose to take to rectify the said deficiencies	
(9)	They have indicated to the auditors and audit committee significant changes in the internal control over financial reporting and accounting policy and that the same has been disclosed in the notes to the financial statements.	
(10)	They have indicated instances of significant fraud and the involvement of any employee or management to the auditors and Audit Committee.	

					Y / N / NA		
[VII]	REPORT ON CORPORATE GOVERNANCE						
(1)	Whether the following is included in the Report on Corporate Governance in the Annual Report.						
(a)	Brief statement on company's Philosophy on code of governance:						
(b)	Board of Directors :	(i) Name of the Director	Category of Directorship (Promoter / executive / non-executive/ independent)	No. of outside directorship held Public / Private	No. of Outside companies		
					committee members	Committee chairperson/ chairman	
		(ii) Name of the Director	No. of BOD meetings held	No. of BOD meetings Attended	Whether attended last AGM		
		Note : Board Meetings were held on					

(c)	Audit Committee; whether following included:						
	(i) Name of members & chairperson (ii) Brief description of terms of reference (iii) Meeting & attendance during the year	Name of Director	Number of Meetings held	Number of Attendance			
(d)	Remuneration committee; [Non-mandatory] whether following included :						
	(i) Name of members & chairperson (ii) Brief description of terms of reference (iii) Attendance during the year [Presence of all members required]. (iii) Remuneration Policy (v) details of remuneration to all the directors as per format in main report	Name of Member	No. of Meetings held	No. of meeting present			
(e)	Shareholders Committee Whether following included :						
	(i) Name of Chairman (to be non-executive director) (ii) Name and designation of compliance officer (iii) (a) Number of Shareholders complaints received (b) Number not solved to the Satisfaction of Shareholders (iv) Number of pending complaints.						
(f)	General Meetings Details ; Whether following included :						
	(i) Location & time of last 3 AGMS	Year	Location	Date	Time		

	(ii) any special resolution passed in the previous 3 AGMs							
	(iii) Whether any special resolution was carried out through postal ballot last year for the following?	Y/N	Whether ordinary or special resolution	Date of General meetings	No. of Votes in favour	No. of votes against	Name of person conducting postal ballot	Briefly describe postal ballot procedure thereof
	(a) Alteration in object clause to memorandum. (b) Alteration in articles in relation of insertion of provisions defining private company. (c) Buy-back of own shares under sub-section 77A. (d) Issue of share with differential voting right under sub-clause (ii) of clause (a) of section 86. (e) Change of Registered office outside local limits of city as specified in sub-section 2 of sec. 146. (f) Sale of whole or substantially the whole of the undertaking as specified under clause (a) of sub-section (1) of 293. (g) Giving loans or extending guarantees in excess of limits prescribed under sub-section (1) of section 372 A. (h) Election of director under proviso to sub-section (1) of sec 252. (i) Variation in rights as specified u/s 106 to shares, debentures, or other securities.							
	(iv) Is any of the items mentioned in f(iii) above proposed to be conducted through postal ballot in the ensuing AGM ? If yes, the nature thereof, mentioned?							
(g)	Disclosures: (i) Whether following included; Material significant related party transactions that may have potential conflict with the interest of the company at large:							

			Y / N / NA
	(i) With promoters (ii) Directors (iii) Management (iv) Subsidiaries (v) Relatives		
	(ii) Details of non-compliance by the company, penalties, strictures imposed on any matter relating to capital markets during last three years by: (i) Stock Exchange (ii) SEBI (iii) Statutory Authority (iii)(a) Whistle blower policy (if formulated) (b)Affirmation that no personnel is denied access to the audit committee.		
(h)	Means of communication; Whether following included :		
	(i) Quarterly results (1) Published in which news paper (2) Any web-site where displayed (ii) The web-site displays official news releases (iii) Presentation made to institutional investors / analysts.		
(i)	General Shareholder information; Whether following included;		
	(i) AGM (ii) Financial Year (a) First Quarter (b) Second Quarter (c) Third Quarter (d) Fourth Quarter / for year ending 31-03-____ (e) AGM for year ending 31-03-____ (iii) Book closure date (iv) Dividend payment date (v) Name of stock exchange where shares listed (vi) Stock code (vii) Market Price Data : (High, Low during each month in last financial year) (viii) Stock performance Vs. BSE Sensex, NIFTY, CRISIL Index (ix) Registrar & Transfer agents. (x) Share transfer system.	Date Time Venue (a) BSE (b) NSE Demat : BSE NSE Month High Low	

				Y / N / NA
	(xi) Distribution of Shareholding (xii) Dematerialisation of Shares & liquidity (xiii) Outstanding GDR/ADR, warrants, any convertible instruments (xiv) Plant Locations (xv) Address for correspondence	(a) No. of equity held (b) Category	No. of Shareholders No. of Shareholders	% of Holding % of Holding Instrument conversion date and likely impact on equity.
(j)	If the company has not adopted non-mandatory requirements, is the same disclosed in the section on corporate governance?			

[VIII]	NON MANDATORY REQUIREMENTS	
(1)	Non-Executive Chairman's office. If the company has Non-executive chairman, whether company has: (a) Provided Chairman's office at Company's expense. (b) Re-imbursed expenses incurred in performance of his duties. (c) Is there any independent director whose tenure in aggregate exceeds nine years on the Board? (d) If Yes, to above give name and tenure of those directors	Name of the director Tenure
(2)	Whether following is sent to the household of each shareholder? (a) A half- yearly declaration of financial performance (b) Summary of the significant events in last six-months	
(3)	Has company conducted the training for the Board members?	
(4)	Whether company has the peer group of Board of Directors to evaluate performance of non-executive directors?	
(5)	Whether the company has Whistle Blower policy?	
(6)	If Yes to above, whether the employees have access to the Chairman of the Audit committee?	