ENHANCED DISCLOSURE AND INFORMATION IN DIRECTOR'S REPORT

Provisions which continue to be included in Director's Report as per Companies Act, 1956 are:

- State of companies affairs
- Percentage of proposed dividend (if any)
- Amount proposed to be carried to the reserves (if any)
- Material changes and commitments, affecting the financial position of the co. (if any)
- Conservation of energy, technology absorption, foreign exchange, earnings and outgo.
- Significant changes in the business or businesses in which co. or its subsidiaries have interest.
- Director's Responsibility Statement confirming that:
  - ✓ Preparation of annual accounts with applicable accounting standards
  - ✓ Consistency in adoption of accounting policy to reflect true and fair view of financial statements.
  - ✓ Maintenance of adequate accounting records for safeguarding the assets of the company.

Some Additional provisions which are to be included in Director's Report as per Companies Act, 2013 are:

- For every Co. it is mandatory to enclose the **extract of Annual Return** (in **MGT-9**) with Director Report.
- Under Companies Act, 2013 it is mandatory for the companies to put information of about the **no. of board meetings** held during the year.

- A statement on declaration given by independent director under sub section 6 of section 149.
- Now as per section 178, listed co. and such class of co. as may be prescribed **shall disclose** regarding the Nomination, Remuneration stakeholder relationship committee in the board report.
- Such companies are also required to disclose its policy relating to remuneration for the director's, KMP and other employees.
- A Director report is also contained any reservation and qualification as marked by the statutory auditors and company secretary in practice in its auditors report and secretarial report respectively.
- Details of loan, guarantee and investment shall be mentioned in director's report as per the provisions of sec 186.
- As per sec. 186 co. shall disclose in its board report the detailed information regarding the related party transactions.
- The director's report shall contain the policy, development and implementation of CSR project.
- As per sec. 149 Co. shall disclose in its board report information about the appointment/re-appointment of independent director.
- As per sec 197 every listed co. shall disclose in its board report the ratio of remuneration of each director.

By: Aarti Jain

8860097052

jainaarti37@gmail.com