



**Corporate  
Professionals**



**ASSOCHAM 2<sup>nd</sup> CORPORATE GOVERNANCE  
AWARD [2015 -16]**

## **PROCESS OVERVIEW**

**Finalization of  
questionnaire**

**Invitation to  
Participate ( 8  
Categories )**

**Evaluation of  
nominations by  
Assessment Partner**

**Selection of winners  
by the Jury**

# **CATEGORIES OF AWARDS**

## **CATEGORY - A** **LISTED COMPANY**

### **Private Sector**

Turnover More than 500 cr.

Turnover less than 500 cr.

### **Public Sector**

Turnover More than 500 cr.

Turnover less than 500 cr.

## **CATEGORY - B** **UNLISTED COMPANY PRIVATE SECTOR**

### **Private Sector**

Turnover More than 500 cr.

Turnover less than 500 cr.

### **Public Sector**

Turnover More than 500 cr.

Turnover less than 500 cr.



# Questionnaire

# **PRINCIPLE GUIDING QUESTIONNAIRE DRAFTING**



- ☒ Mandatory & Discretionary Compliances
- ☒ Board Effectiveness
- ☒ Role played by Independent Directors
- ☒ Employer-Employee relationship
- ☒ Customer & Vendor satisfaction
- ☒ Value creation for shareholders
- ☒ CSR & Sustainability efforts

## **QUESTIONNAIRE WAS DIVIDED INTO THREE PARTS**

**Part A - Factual Information**

**Part B - Compliance based objective questions**

**Part C - Detailed and subjective questions**

**PART - B**  
**CONSIST OF GENERAL  
COMPLIANCE BASED  
QUESTION ON THE  
FOLLOWING**

 **BOARD CONSTITUTION AND APPOINTMENT OF DIRECTORS**

 **BOARD PROCESSES AND PROCEDURES**

 **REMUNERATION TO DIRECTORS**

 **BOARD COMMITTEES - AUDIT COMMITTEE/ NOMINATION AND  
REMUNERATION/STAKEHOLDERS RELATIONSHIP**

 **RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL SYSTEM**

 **CORPORATE SOCIAL RESPONSIBILITY**

 **STAKEHOLDERS VALUE AND SUSTAINABILITY DEVELOPMENT**

**PART - C**  
**CONSIST OF**  
**SUBJECTIVE AND**  
**DETAILED QUESTION**  
**ON THE FOLLOWING**

?	VISION AND MISSION
?	BOARD EFFECTIVENESS AND PARTICIPATION OF BOARD MEMBERS
?	ROLE PLAYED BY INDEPENDENT DIRECTORS
?	BOARD COMMITTEES- AUDIT COMMITTEE/ NOMINATION & REMUNERATION/STAKEHOLDERS RELATIONSHIP
?	SUCCESSION POLICY
?	DISCLOSURES
?	CORPORATE SOCIAL RESPONSIBILITY (CSR)
?	DIVIDEND
?	FRAUD & DEFAULTS
?	SUSTAINABILITY DEVELOPMENT AND REPORTING
?	EMPLOYEES
?	CUSTOMERS & VENDORS
?	MISCELLANEOUS



# FEW QUESTIONS



- Whether vision of the Company is company-focused or growth oriented or stakeholder centric?
- Explain the strategy of the Company to fulfill “tomorrow’s requirement”?
- How the Company ensured that timely and continuous updates were communicated to the stakeholders?
- How Company ensured effective Board participation?
- Notable processes introduced by Audit or Remuneration Committee?
- How Company was grooming employees to take leadership position in future?
- CSR & Sustainable activities undertaken by the Company?



# EVALUATION PROCESS

## ASSESSMENT OF PART B



**Compliance of mandatory provisions – Standard marking**



**Additional Compliances or compliance of non-mandatory provisions – more than standard marking**



**Non-compliance -negative marking**

# ASSESSMENT OF PART C



**Eligibility: Applicant needs to score atleast 50% marks in Part B**



**Preparing rationale & expected answer for each question to guide the marking methodology**



**Marking of question by the Assessment Team along with necessary rationale**

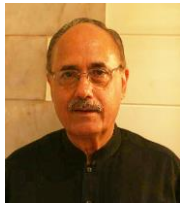


**Verification of response with the documents shared and information available in the public domain**



**General & Regulatory Checks**

## JURY MEETING



Marks awarded by the Assessment Partner presented to the Jury



Rationale behind marks given was explained to the Jury



Cross questioning by the Jury on the marking , its methodology and reply by the Assessment Partner



Adjudging of the awardee by the Jury



# CHANGING GOVERNANCE LANDSCAPE



## EMPLOYEES



Employee satisfaction is becoming an annual exercise at the Corporate.



Increased efforts to promote innovation and creativity among employees



Tie-up with Universities and other educational institutions to offer educational training programs for their employees

# **SHAREHOLDERS VALUE CREATION**



New & innovative methods to keep shareholders abreast with the latest events related to the Company



Shareholder Satisfaction Survey are being conducted every 2-3 years in order to gauge shareholders sentiments



Apart from statutory disclosures, important additional disclosures are being made in the Annual Report



Voluntary adoption of Dividend policy



## **BOARD EFFECTIVENESS**



Companies are proactively seeking suggestions from Directors before finalizing Agenda for Board meetings



Consultative approach is being followed to fix Board meeting dates to ensure 100% attendance.

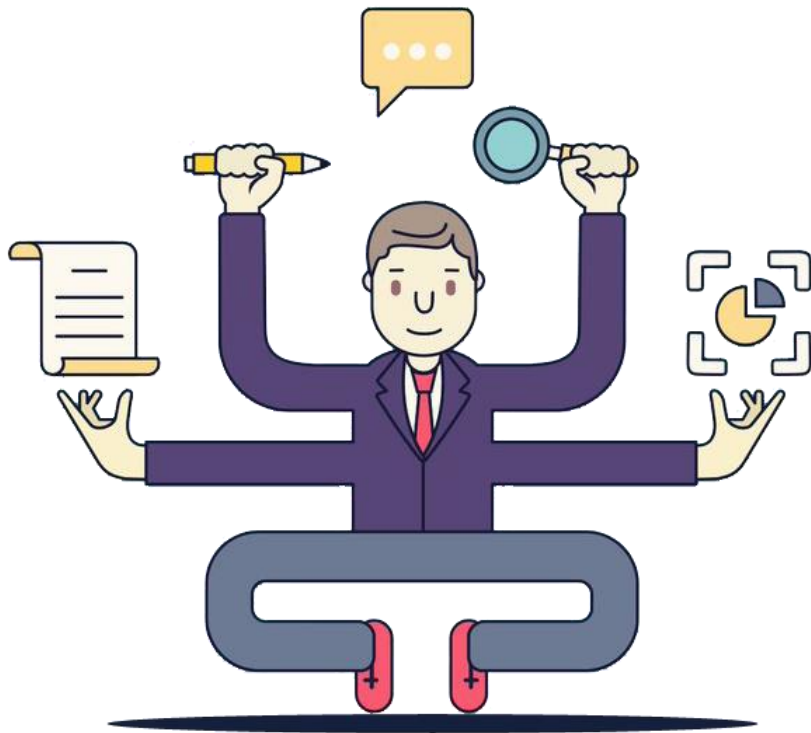


Notices are being sent much in-advance than the statutory requirements to ensure fruitful participation



Compliance of Secretarial Standards in letter & spirit

# **ROLE OF INDEPENDENT DIRECTORS**



Independent Directors are attending more than 90% of the Board meetings



Audit committee is playing a dominant role in approving important business decisions



Independent Directors are taking additional responsibilities apart from playing an effective role in the committees

# CSR & SUSTAINABILITY EFFORTS



Voluntary CSR expenditures beyond the statutory requirements



Specific focus on efforts towards climate change



Voluntary adoption of international sustainability principles



**Corporate  
Professionals**



**By Pavan Kumar Vijay**

 /pkvijay

 /pkvijay

 /pkvijay

 /pavanvijay

 [www.pkvijay.com](http://www.pkvijay.com)