

Deloitte.

Companies Act, 2013

Policies & Mandates



Policies and Mandates



Requirement – Policies & Mandates

In order to have an effective Corporate Governance, Ministry has evolved requirement to maintain various policies & mandates under the new Act.

CSR Policy

Risk Management Policy

RPT Policy

NRC Policy

Whistle Blower Policy – A vigil
Mechanism

CSR Policy

Key
Requirem
ents

1

- Board upon recommendation of the CSR Committee shall formulate a CSR Policy.

2

- Indicate the Activities to be undertaken by the Company as per Sch. VII
- Specifying modalities of execution of such project or programs and its implementation schedule;

3

- Where and when to invest funds
- Method of undertaking CSR Activities like Donation to NPOs etc., Outsourcing to NGOs, Collaboration with others and their own Vehicles
- Monitoring process of CSR Projects and Programmes

4

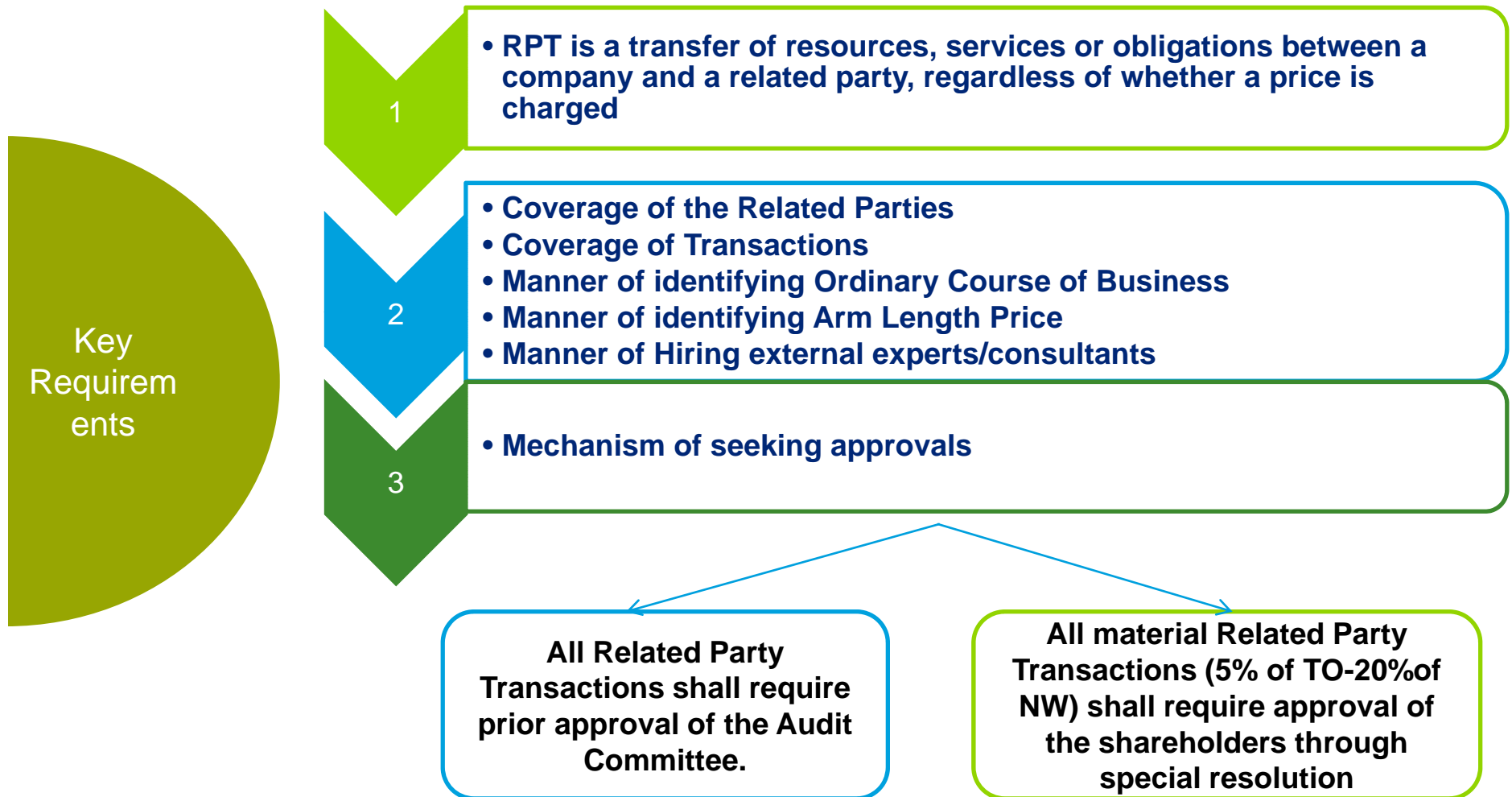
- CSR Policy shall specify that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

5

- Disclosure of CSR Policy in the Board Report
- Upload CSR Policy on Website of the Company.

RPT Policy

Listing Agreement provides the requirement to prepare RPT Policy by the Listed Companies.



- ❖ Disclosures of all material transactions quarterly along with the CG Compliance Report
- ❖ Disclosure of Related Party Transactions on its website and also in the Annual Report.

Whistle Blower Policy - A Vigil Mechanism

Applicability - Listed Company and Companies which accept deposit from public or have borrowed money from banks and PFI's in excess of Rs. 50 crore

Audit committee shall oversee the vigil mechanism otherwise Board shall nominate a director

Safeguards against victimization of employees and directors, direct access to the Chairperson of the Audit Committee

Role - Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy

Affirmation that no personnel has been denied access to the audit committee shall be specifically specified in the Board's Report

Disclosure – On the website and in the Board's Report

*Listing Agreement also provide for the requirement of Whistle lower Policy, a vigil mechanism for directors and employees.

Whistle Blower Policy - Coverage-Contents

- Constitution, function and powers of Investigation Committee and Ombudsman Committee
- List of Disciplinary Actions

Guiding Principles like non-victimization of WB, maintenance of confidentiality, Non-Concealment of Protected Disclosures, Disciplinary Actions, Natural Justice, provisions to have Direct Access to ACC etc.

Coverage: Unethical or improper activity, malpractice and misconduct which has taken place/suspected to take place involving: Abuse of Authority, Bribe and Corruption, Sharing of Confidential Information to 3P, Financial Irregularities, Wastage of Funds, Breach of Code of Conduct, Willful contravention of laws

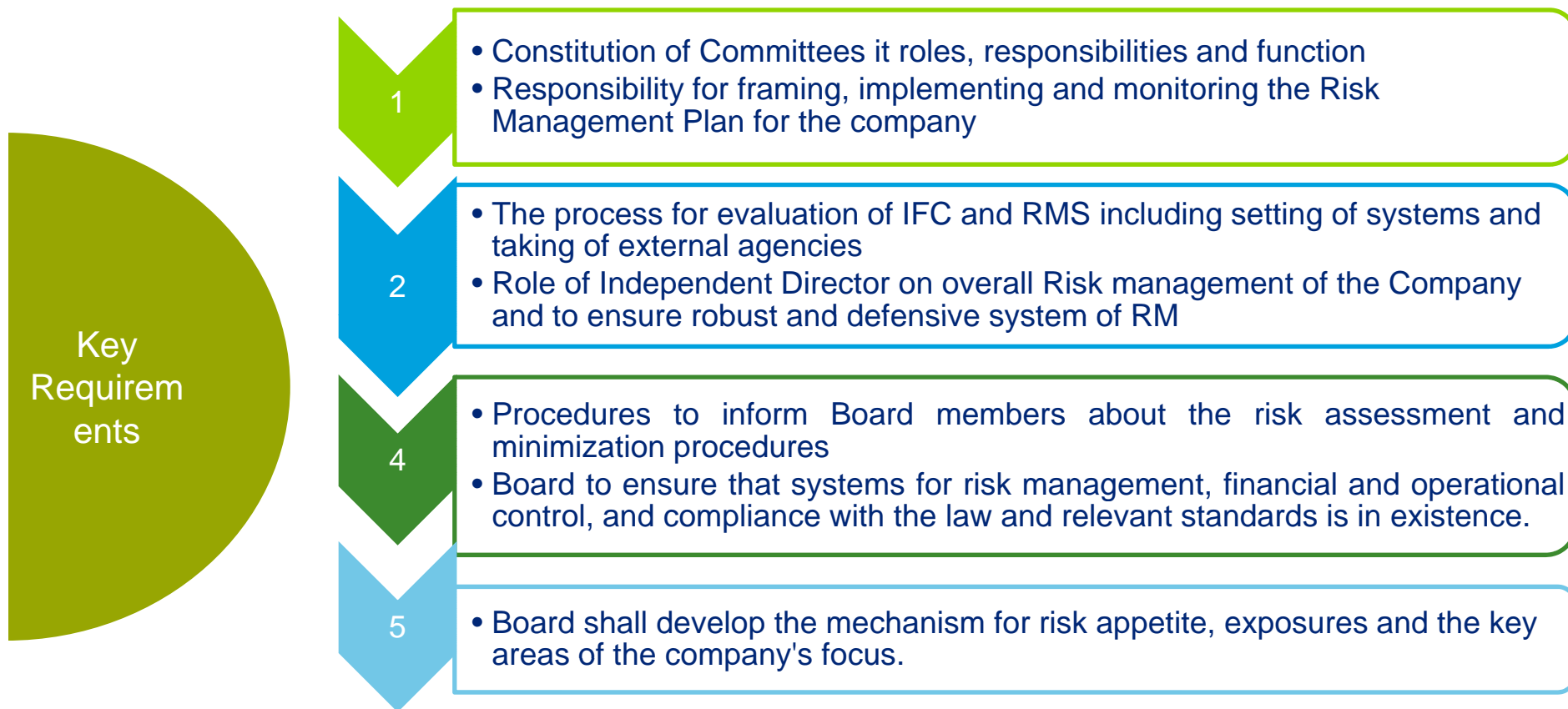
Manner of raising concerns, method of investigation, inquiry and submission of time bound reports and actions against officers

Protection to the WB, Maintenance of Secrecy/Confidentiality and retention of Documents

*Listing Agreement also provide for the requirement of Whistle lower Policy, a vigil mechanism for directors and employees.

Risk Management Policy

Risk Management policy shall contain:

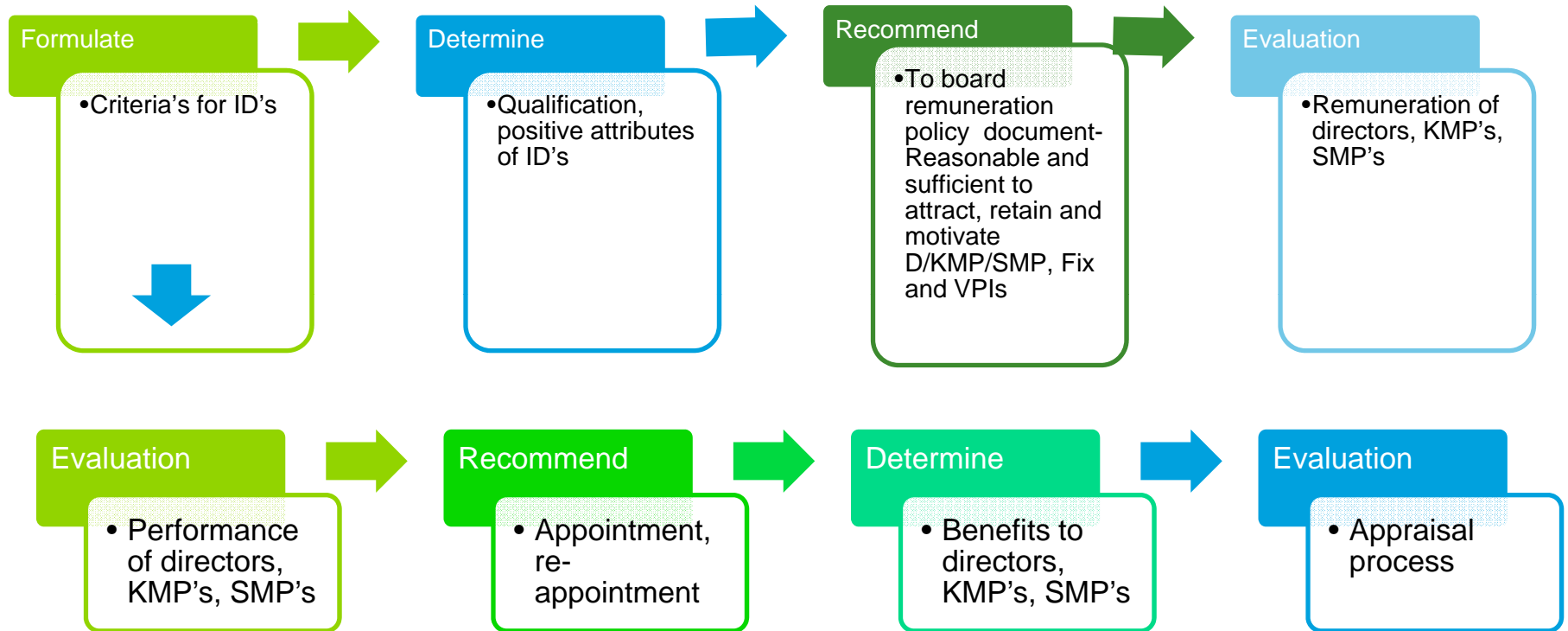


Board's Report shall include a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

*Listing Agreement also provide for the requirement of Risk Management Policy in a specified class of Listed Companies.

NRC Policy

NRC Policy shall state the following roles and responsibilities:



Discussion



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