

Preface

The Board of Directors (“the Board”) create a governance and ethical culture across the organisation that enable them to achieve the objectives of good corporate governance. The Board should set the company’s governance culture and values which ensures that the obligations of the company towards its stakeholders are met as per their expectations and during this process members of the Board should be able to discharge their fiduciary duties.

The Board is responsible for governance oversight, key decisions making and setting up the company’s strategic goals, ensure availability of necessary resources to meet objectives of the company, review performance of the executive management, explore growth opportunities and to protect the interest of shareholders of the company and other stakeholders.

The Companies Act, 2013 (‘the Act’) as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have prescribed a set of roles and responsibilities for the Board. The role of the Board is more towards providing entrepreneurial and strategic leadership and ensuring a effective controls over the business activities of the company. Considering the important role of the Board in ensuring good corporate governance across the organization, it has become imperative for members of the Board to keep a vigil on matters which are placed for its consideration. Importance of the functions discharged by the Board, lay the foundation for articulating this charter by the Institute of Company Secretaries of India (ICSI) comprising legal, regulatory, as well as desirable good practices to be followed by the Board while discharging its responsibilities.

I place on record my sincere thanks to all members of the Secretarial Standards Board (SSB) of ICSI for their valuable contribution during formulation of this Charter of Board of Directors, under the leadership of CS Nagendra D. Rao, Chairman SSB and with the presence of my council colleagues CS Praveen Soni and CS Suresh Pandey on the SSB. My special thanks to CS S. Sudhakar (Group Convener), CS Deep Mani Shah (Representative of SEBI) and members of the sub-group for their immense contribution during this exercise.

I commend the dedicated efforts put in by CS Rakesh Kumar, Assistant Director under the guidance of CS Banu Dandona, Director in bringing out this Charter of Board of Directors under the stewardship of CS Asish Mohan, Secretary, ICSI.

I am sure that this Charter of Board of Directors will be immensely useful for all readers interested in the subject. Improvement is a continuous process and equally applicable to this Charter of Board of Directors. I would personally be grateful to the readers to offer their suggestions/ comments for further advancement of this Charter.

Place: New Delhi

Date: 5th January, 2024

CS Manish Gupta

President

The Institute of Company Secretaries of India