

PREFACE

The Board's Report is an important means of communication by the Board of Directors of a company with its stakeholders. The Board's Report provides the stakeholders with both financial and non-financial information, including the performance and prospects of the company, relevant changes in the management and capital structure, recommendations as to the distribution of profits, future and on-going programmes of expansion, modernisation and diversification, capitalisation of reserves, further issue of capital and other relevant information.

The Companies Act, 2013, mandates certain disclosures to be made in the Board's Report, additionally, a listed company is required to comply with disclosures requirement stated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To promote uniformity of disclosures in the Board's Report, the "Secretarial Standard on Report of the Board of Directors" (SS-4), was issued by the Institute of Company Secretaries of India (ICSI), effective from 1st October, 2018 for recommendatory observance.

This Guidance Note on Report of the Board of Directors issued by the ICSI, sets out the explanations, procedures and practical aspects in respect of the provisions contained in SS-4 to facilitate compliance thereof by the stakeholders.

I place on record my sincere thanks to CS Satwinder Singh, Chairman-Secretarial Standards Board (SSB), CS Narayan Shankar (Group Convener) and all Members of the SSB for their efforts and contribution made in the preparation and finalisation of this Guidance Note.

I commend the dedicated efforts put in by CS Rakesh Kumar, Assistant Director led by CS Banu Dandona, Joint Director under the overall guidance of CS Ashok Kumar Dixit, Officiating Secretary of the ICSI, in bringing out this Guidance Note.

I urge upon the Corporates as well as all my professional colleagues to ensure uniformity of disclosures in Board's Report, in the light of this Guidance Note so as to promote good Corporate Governance.

Improvement is a continuous process and therefore, suggestions of the readers to improve this Guidance Note are most welcome.

Place: New Delhi
Date: 14th May, 2019

CS Ranjeet Pandey
President, ICSI