

# Corporate Governance Reporting Practices Effect on Shareholder Value: A Study of Private Sector Banks in India

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## **Abstract**

Corporate Governance is a set of systems and processes which ensures that the company is managed in the best interests of all the stakeholders. The basic objective of corporate governance is to maximise the shareholders value while protecting the interests of stakeholders. In other, words the main objective of corporate governance is to lay stress on profit maximisation as well as social responsibility and towards the wealth maximisation of shareholders. In the present study an attempt has been made to study the effect of corporate governance practices on shareholder value creation.

**Keywords:** Corporate Governance, Private Banks, Wealth Maximisation.

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## **Introduction**

Corporate Governance is the current exhortation in India as well as the world over. It involves human, social, economic and political governance. Government issued various guidelines from time to time for the improvement of corporate governance in different institutions. The basic objective of corporate governance is to maximise the shareholders value while keeping in view the interests of other stakeholders such as suppliers, customers, creditors, the employees of the company, the government and the society at large. So, the main objective of corporate governance is to lay stress on profit maximisation as well as social responsibility and towards the wealth maximisation of shareholders. A company creates shareholders value when returns generated by it exceed the opportunity cost to its owners. Shareholder value, in simple terms, is the market value of a common stock and shareholder value creation is the increase in the market value of that stock. After liberalisation of Indian Economy, the companies were giving least preference to shareholders interest but due to removal of government protection, severe legislative control on stock market by establishment of Securities and Exchange Board of India to protect shareholders interest, increased participation of foreign investors in the equity capital of Indian companies the concept of shareholder value was considered by the companies. The shareholders are now getting enriched by the presence and knowledge of foreign investors. They have become more assertive and demanding and take no time to shift their investment from underperforming companies to high performance companies. In the present study an attempt has been

made to study the effect of corporate governance practices on shareholder value creation.

### Review of Literature

A large number of studies have been conducted to study the concept of shareholder wealth creation by using economic value added and market added as a tool to measure shareholder wealth creation and effect of corporate governance practices on shareholder wealth creation. An attempt has been made to review the existing literature.

Thampy and Baheti (2000) in their paper measure the performance of both public and private sector banks in India using the EVA yardstick. The results of the study revealed that most banks in the public and private sector, as well as the development financial institutions in India are not earning positive EVA. They concluded that return on capital employed by these financial firms is less than the cost of capital. In other words the return on investor's capital is less than the opportunity cost of capital which means that investor's wealth is being destroyed to the extent to which the returns are lower than what would have been required.

Verma (2001) in his paper examined shareholder wealth created (based on EVA) by 28 Indian public and private sector banks listed on Bombay stock exchange for the period of five years between 1996-97 to 2000-01. He found that over 80 percent of selected banks were unable to earn a sufficient return to meet their cost of capital. Strong correlation was found between EVA and Return on Invested Capital. Increasing Correlation was found between EVA and Enterprise Value/ Invested Capital which showed that market is increasingly focusing on value creation and rewarding banks which increase shareholders value. Earning per Share and price earnings showed poor correlation with EVA. Cost of Capital showed stronger correlation with EVA as against cost of equity.

Jahur and Riyadh (2002) in their paper analysed the performance of 39 Bangladesh banking companies through EVA for period 2001. A rank correlation between EVA and other parameters used for judging the performance of banks indicated that ranking under return on assets, net profit, profit per employee and deposit per employee have close resemblances to the ranking under EVA, whereas the ranking under interest income and spread does not match with the ranking under EVA. They concluded that banks should replace other performance measures with EVA and eventually would get to be judged by the extent of value generated for shareholders over and above the weighted average cost of capital.

Desai and Ferri (2006) in a case study discussed the concept of EVA and its practical applications as a management control system for performance measurement. From the analysis of literature reviewed, it appears that there is no

reported study on EVA and managerial performance particularly in developing countries. Therefore, research is needed to understand the basic issues involved in such countries and their comparison of EVA with other developed economies.

Raiyani and Joshi (2009) in their found out whether Indian Banks were able to create (or destroy) shareholders wealth since 2005-06 to 2007-08. For the purpose of study State Bank of India and HDFC banks were taken. Findings revealed that public sector bank SBI lead in creating shareholder value in rupee terms due to their invested capital gives higher return so as to generate a consistent amount of profit, where in private sector bank HDFC was at top in terms of percentage because the amount of invested capital was low compared to public sector banks.

### Research Methodology

The population for study is private sector banks listed in India. For the purpose of study 10 banks from private sector were selected. The study was conducted for the period of 9 years i.e. 2005-06 to 2013-14. To study the effect of corporate governance practices, bank-wise governance score has been calculated by dividing the total score obtained by the bank during particular year by the total score applicable to bank.

To study the shareholder value creation Economic value added and Market value added were computed by using given formulas and to study the effect of corporate governance practices on shareholder value creation Pearson's correlation coefficient was used.

$$EVA = \text{Adjusted Net Profit} - (\text{Capital} * \text{Cost of Capital})$$

where,

Adjusted Net Profit is profit after tax plus depreciation less non-recurring income plus non recurring expenses adjusted for tax.

Capital includes equity capital plus retained earnings.

$$\text{Cost of equity} = \text{Risk free Rate} + (\text{Beta} * \text{Market Premium})$$

Market Value Added = 365 days average market capitalisation - Average net worth / Average capital employed \* 100.

### Results and Discussion

Following are the results relating to effect of corporate governance practices on the shareholders value based on Pearson's correlation coefficient.

Table 1

## Bank wise Total Governance Score of Private Sector Banks

S.No.	Governance Score	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Increase or Decrease in 2013-14 over 2005-06	% Increase or decrease in 2013-14 over 2005-06
	Name of Bank											
	<b>Private Banks</b>											
1	Axis Bank	48.42 (9)	51.05 (6)	50 (9)	51.58 (9)	55.79 (9)	63.16 (5)	63.68 (6)	63.68 (6)	63.68 (6)	15.26	31.52
2	City Union Bank	44.21 (10)	44.21 (9)	52.63 (6)	57.89 (6)	59.47 (6)	63.68 (4)	63.68 (6)	63.68 (6)	63.68 (6)	19.47	44.03
3	Dhanlaxmi Bank	54.74 (5)	54.74 (4)	56.84 (4)	60.53 (5)	60.53 (5)	62.63 (6)	64.21 (5)	64.21 (5)	64.21 (5)	9.47	17.29
4	Federal Bank	60.53 (3)	60.53 (2)	63.16 (2)	65.26 (3)	66.32 (4)	66.32 (3)	66.32 (4)	66.32 (4)	66.32 (4)	5.79	9.57
5	HDFC	55.79 (4)	55.79 (3)	56.32 (5)	56.32 (7)	56.32 (8)	56.84 (8)	57.37 (8)	57.37 (8)	57.37 (8)	1.58	2.83
6	ICICI	53.68 (6)	53.68 (5)	56.32 (5)	62.63 (4)	72.63 (1)	73.16 (1)	73.16 (2)	73.16 (2)	73.16 (2)	19.48	36.29
7	Indus Ind	62.11 (2)	60.53 (2)	61.05 (3)	71.58 (1)	71.58 (3)	72.11 (2)	73.68 (1)	73.68 (1)	73.68 (1)	11.57	18.63
8	Ing Vys	50.53 (7)	50.53 (7)	52.11 (7)	55.79 (8)	58.95 (7)	59.47 (7)	61.58 (7)	61.58 (7)	61.58 (7)	11.05	21.87
9	J&k Bank	48.95 (8)	48.95 (8)	51.05 (8)	51.05 (10)	51.05 (10)	51.58 (9)	53.16 (9)	53.16 (9)	53.16 (9)	4.21	8.6
10	Karnataka Bank	67.89 (1)	67.89 (1)	69.47 (1)	70 (2)	72.11 (2)	72.11 (2)	72.11 (3)	72.11 (3)	72.11 (3)	4.22	6.22

(The figures in parentheses show the rank)

Table 1 shows bank wise total governance score of private sector banks during 2005-06 to 2013-14. The companies have been ranked in the descending order to their governance score in each of 9 years of study. The Bank wise Governance score has been calculated by dividing the total score obtained by a bank during a particular year by the total score applicable to that bank during that year. The Governance score has been calculated in percentages so as to make the governance score of the banks comparable during the study period. The total governance score has increased for all the private sector banks during 2013-14 over 2005-06. The banks with maximum improvement in governance score during 2011-12 over 2005-06 have been City union bank (44.03%), ICICI bank (36.29%), Axis Bank (31.52%), Ing Vys (21.87%). The banks which have scored top position in private sector banks during the period of study include Karnataka Bank with 67.89 per cent score in 2005-06 and 2006-07. Karnataka Bank also scored high score in 2007-08 with total governance score of 69.47 percent. Indus Ind bank with 71.58 percent score in 2008-09, ICICI bank with 72.63 percent score in 2009-10 and 73.16 percent score in 2010-11,

Indus Ind with 73.68 percent score in 2013-14 have scored top position. Other private sector banks which have scored high in private sector banks followed by top position banks include Karnataka Bank with 70 percent and 72.11 percent score in 2008-09 and 2009-10 to 2010-11, ICICI bank with 73.16 percent during 2011-12 to 2013-14. The banks with minimum score have been city union bank (44.21%) during 2005-06 and 2006-07, Axis Bank (50) during 2007-08, J&K Bank (51.05%) during 2008-09 to 2010-11 and J&K Bank (53.16) percent during 2011-12 to 2013-14.

Table 2 shows economic value added of private sector banks for the period under study. All the banks failed to generate EVA during 2005-06, 2007-08, 2009-10 and 2010-11. The banks which have created highest negative EVA were Karnataka Bank (-42.13 percent) during 2005-06, Indus Ind Bank (-3.33 percent), (-32.43 percent) during 2006-07 and 2007-08. ICICI Bank (-71.42 percent), (-32.99 percent) during 2009-10 and 2010-11, Dhanlaxmi Bank (-0.33 percent), (-2.79 percent) and (-47.03 percent) during 2011-12 to 2013-14. City Union Bank created maximum Eva

(11.17 percent) during 2006-07, ICICI Bank (73.27 percent) Jammu and Kashmir Bank (15.15 percent), (9.39 percent) during 2008-09, Axis Bank (34.81 percent) during 2011-12, during 2012-13 and 2013-14.

**Table 2**  
**Bank-wise Economic Value Added of Private Sector Banks**

S. No.	Economic value Added→ Name of Bank ↓	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Private Sector Banks	1	2	3	4	5	6	7	8	9
1.	Axis Bank Ltd.	-13.6	9.29	-14.09	72.6	-51.12	-18.73	34.81	9.41	-7.07
2.	City Union Bank Ltd.	-16.11	11.17	-9.54	37.63	-30.75	-5.05	19.36	8.59	1.83
3.	Dhanlaxmi Bank Ltd.	-22.61	5.76	-5.92	40.56	-53.37	-23.35	-0.33	-2.79	-47.03
4.	Federal Bank Ltd.	-26.22	3.89	-14.53	36.51	-35.89	-14.31	22.39	6.86	-10.94
5.	HDFC Bank Ltd.	-18.85	8.85	-13.48	55.77	-31.35	-11.74	23.67	11.88	-0.22
6.	ICICI Bank Ltd.	-40.34	1.75	-23.91	73.27	-71.42	-32.99	26.98	5.93	-8.81
7.	ING Vysya Bank Ltd.	-36.95	-1.38	-18.27	46.92	-41.13	-13.42	19.99	6.88	-7.89
8.	IndusInd Bank Ltd.	-36.73	-3.33	-32.43	70.54	-67.96	-27.52	33.9	7.49	-5.3
9.	Jammu & Kashmir Bank Ltd.	-9.83	3.64	-5	29.85	-15.22	-2.31	18.8	15.15	9.39
10.	Karnataka Bank Ltd.	-42.13	1.25	-5.34	42.25	-31.19	-20.64	20.56	5.78	-11.79

Table 3 shows market value added by private sector banks in India. In Private Sector banks, HDFC Bank (27.89 percent), (31.5 percent), (23.49 percent), (28.39 percent), (33.62 percent), (75.47 percent) and (23.47 percent) during 2005-06, 2006-07, 2008-09 to 2011-12 and 2013-14 have generated maximum MVA. City Union Bank (97.99 percent) during 2007-08 and Indus Ind Bank (33.34 percent) during

2012-13 have generated maximum MVA. The banks which have highest negative MVA are Dhanlaxmi Bank (-0.94 percent), (-0.61 percent) during 2005-06 and 2006-07, Federal Bank (-3.01 percent), (-1.2 percent) during 2008-09 and 2009-10, Karnataka Bank (-2 percent), (-4.68 percent) and (-5.39 percent) during 2011-12 to 2013-14.

**Table 3**  
**Bank-wise Market Value Added of Private Sector Banks**

S. No.	Market value Added→ Name of Bank ↓	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Private Sector Banks	1	2	3	4	5	6	7	8	9
1.	Axis Bank Ltd.	11.74	13.41	23.98	9.84	14.66	18	10.25	5.25	1.48
2.	City Union Bank Ltd.	-0.79	-0.01	97.99	-2.82	-0.72	3.36	2.16	1.09	-2.96
3.	Dhanlaxmi Bank Ltd.	-0.94	-0.61	8.54	1.81	5.37	6	-0.53	-4.33	-4.46
4.	Federal Bank Ltd.	2.81	1.69	9.54	-3.01	-1.2	2.97	2.72	-1.65	14.88
5.	HDFC Bank Ltd.	27.89	31.5	37.94	23.49	28.39	33.62	75.47	27.76	23.74
6.	ICICI Bank Ltd.	13.95	14.36	22.15	3.97	10.15	17.04	15.29	4.45	3.26
7.	ING Vyas a Bank Ltd.	2.53	3.48	9.76	-0.98	3.63	3.93	3.55	1.06	4.56
8.	IndusInd Bank Ltd.	3.08	1.53	6.59	-1.15	15.89	21.61	36.36	33.34	18.16
9.	Jammu & Kashmir Bank Ltd.	1.67	1.84	4.45	-0.82	-0.5	1.25	0.22	-1.87	-1.62
10.	Karnataka Bank Ltd.	1.5	1.97	6.89	0.02	-0.06	2.82	-2	-4.68	-5.39

Table 4 shows descriptive statistics of private sector banks. The minimum governance score has increased from 44.21 percent to 53.16 percent during the period 2005-06 to 2013-14. The mean governance score has increased from 54.99 percent to 64.89 percent during 2005-06 to 2013-14. It has been found that both MVA and EVA range from negative to positive values, whereas average MVA has decreased to 5.17 percent during 2013-14 from 6.34 percent during 2005-06

and average EVA has increased in negative from -26.34 percent to -8.78 percent during the same period. The standard deviation has been high in EVA during 2005-06, 2008-09, 2009-10, 2010-11 and 2012-13 which shows that there has been more variation in EVA in comparison to MVA during these years and high variation in MVA than EVA was found during 2006-07, 2007-08 and 2011-12 to 2013-14.

Table 4

## Descriptive Statistics: Private Sector Banks

Year	Variables	Minimum	Maximum	Mean	Median	Std. Deviation
2005-06	Total Score %	44.21	67.89	54.99	54.74	7.25
	MVA %	-0.94	27.89	6.34	2.67	9.06
	EVA%	-42.13	-9.83	-26.34	-24.42	11.9
2006-07	Total Score%	44.21	67.89	55.09	54.74	6.88
	MVA %	-0.61	31.5	6.92	1.91	10.14
	EVA%	-3.33	11.17	4.08	3.77	4.73
2007-08	Total Score %	50	69.47	56.89	56.32	6.13
	MVA %	4.45	97.99	22.78	9.65	28.45
	EVA%	-32.43	-5	-14.25	-13.78	8.8
2008-09	Total Score %	51.05	71.58	60.26	59.21	7.11
	MVA %	-3.01	23.49	3.04	-0.4	8.13
	EVA%	29.85	73.27	50.59	44.59	16.34
2009-10	Total Score %	51.05	72.63	62.48	60	7.69
	MVA %	-1.2	28.39	7.56	4.5	9.71
	EVA%	-71.42	-15.22	-42.94	-38.51	17.81
2010-11	Total Score %	51.58	73.16	64.11	63.42	7.07
	MVA %	1.25	33.62	11.06	4.97	10.9
	EVA%	-32.99	-2.31	-17	-16.52	9.59
2010-11	Total Score %	51.58	73.16	64.11	63.42	7.07
	MVA %	1.25	33.62	11.06	4.97	10.9
	EVA%	-32.99	-2.31	-17	-16.52	9.59
2011-12	Total Score %	53.16	73.68	64.89	63.95	6.74
	MVA %	-2	75.47	14.35	3.14	24.33
	EVA%	-0.33	34.81	22.01	21.48	9.75
2012-13	Total Score %	53.16	73.68	64.89	63.95	6.74
	MVA %	-4.68	33.34	6.04	1.08	13.39
	EVA%	-2.79	15.15	7.52	7.19	4.65
2013-14	Total Score %	53.16	73.68	64.89	63.95	6.74

**Table 5**  
**Relationship between Corporate Governance and Shareholder Value Analysis**  
**(Pearson's Correlation Coefficient: Private Sector Banks)**

Year	Variables	Total Score %	EVA%	MVA%
2005-06	Total Score %	1	-0.632*	-0.64
	EVA%	-0.632*	1	-
	MVA%	-0.64	-	1
2006-07	Total Score %	1	-0.402	-0.03
	EVA%	-0.402	1	-
	MVA%	-0.03	-	1
2007-08	Total Score %	1	-0.227	-0.311
	EVA%	-0.227	1	-
	MVA%	-0.311	-	1
2008-09	Total Score %	1	0.407	0.866**
	EVA%	0.407	1	-
	MVA%	0.866**	-	1
2009-10	Total Score %	1	-0.320	-0.298
	EVA%	-0.320	1	-
	MVA%	-0.298	-	1
2010-11	Total Score %	1	-0.503	-0.249
	EVA%	-0.503	1	-
	MVA%	-0.249	-	1
2011-12	Total Score %	1	.004	-0.379
	EVA%	.004	1	-
	MVA%	-0.379	-	1
2012-13	Total Score %	1	-0.536	-0.360
	EVA%	-0.536	1	-
	MVA%	-0.360	-	1
2013-14	Total Score %	1	-0.326	-0.267
	EVA%	-0.326	1	-
	MVA%	-0.267	-	1

\* Correlation is significant at the 0.05 level (2-tailed)

\*\*Correlation is significant at the 0.01 level (2-tailed)

Table 5 shows Pearson's Correlation Coefficient for private sector banks. The findings revealed positive but low degree insignificant correlation between corporate governance and EVA during 2008-09 and 2011-12. During other years there has been negative but low degree insignificant correlation except in 2005-06 when relationship has been negative (-0.632), moderate and also significant at 0.05 level. On the other hand, positive (0.866) and moderate degree correlation (significant at 0.01 level) has been found between corporate governance score of private sector banks and MVA during 2008-09, while low degree negative and insignificant correlation has been found between corporate governance and MVA during other years of study.

## Conclusion

There has been improvement in the total governance score of all private sector banks. But the percentage disclosure is still low. So, banks should make effect to increase the corporate governance reporting disclosure so trust of stakeholders raises. It has been observed that during different years the correlation was positive and negative in private sector banks but it was low and insignificant. Thus, it may be concluded that there is no meaningful correlation exist between corporate governance reporting practices of banks and shareholder value creation based upon either EVA or MVA.

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Item include in Total Governance Score
<b>Mandatory items</b>
Corporate governance philosophy
1. Composition of Board of Directors
<b>B) Disclosure about Board of Directors</b>
2. Category of Directors ( Promoters, executive directors)
3. Board meetings
a) Number of meetings held and date
b) Compliance with minimum number of meetings with maximum gap
c) Details of attendance of each director on board meetings
d) Membership on other boards/ board committees
4. Non executive directors compensation and disclosure
5. <i>Information on code of conduct for all board members and senior management of the company</i>
6. Declaration by CEO regarding compliance with code of conduct
7. Audit committee brief discription of terms of reference
<b>Audit committee</b>
8. composition of audit committee
a) compliance with minimum no. of members in audit committee
b) Compliance with minimum number of meetings with maximum gap
C) at least one member have accounting or financial mgt expertise
d) chairman being independent director
e) chairman is present at AGM to answer shareholders queries
f) company secretary act as secretary to committee
9. Meetings of audit committee
a) compliance with minimum no. of meetings with maximum gap
b) compliance with minimum number of members present at meeting
c) Independent directors in meetings
10. Role of Audit committee.

11. Review of information by audit committee.
12. Disclosure about subsidiary companies
<b>Shareholders/ Investors Grievances Committee</b>
13. Name of non-executive director heading the committee
14. Name and designation of compliance officer
16. Number of complaints not solved to the satisfaction of shareholders
17. Number of pending complaints
<b>Risk management committee</b>
18. Function of the committee
19. Constitution of the committee
20. Meetings held during the year
21. Attendance of directors in the meeting
<b>Management Committee/Executive committee</b>
22. Function of the committee
23. Constitution of the committee
24. Meetings held during the year
25. Attendance of directors in the meeting
<b>Nomination Committee</b>
26. Function of the committee
27. Constitution of the committee
28. Meetings held during the year
29. Attendance of directors in the meeting
<b>Special committee of board for monitoring of large value frauds</b>
30. Function of the committee
31. Constitution of the committee
32. Meetings held during the year
33. Attendance of directors in the meeting
<b>General Body Meeting</b>
34. Location and time, where last three AGMs held.
35. Whether any special resolutions passed in the previous 3 AGMs
36. Whether any special resolution passed last year through postal ballot – details of voting pattern
37. Person who conducted the postal ballot exercise
38. Whether any special resolution is proposed to be conducted through postal ballot
39. Procedure for postal ballot
<b>D) Disclosure</b>
40. Disclosure on related party transactions.
41. Details of non compliance by Co's, penalties imposed by SEBI/Stock Exchange, matters related to capital market during last 3yrs
42. Disclosure of accounting treatment, if different from accounting standard.
43. Disclosure regarding risk management. ( information in mgt discussion and analysis- drcts rpt)**
44. Disclosure regarding proceeds from public issues, rights issues, preferential issues.
45. Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee.
46. Details of compliance with mandatory requirements and adoption of non- mandatory requirements.
<b>Means of Communication</b>
47. Disclosure of information on Quarterly results
48. Name of Newspapers wherein results normally published
49. Any website, where results displayed
50. Whether it also displays official news releases
51. Whether presentations made to institutional investors or to the analysts.
<b>E) Remuneration of directors</b>
52. Dts of all mntary transactions considering a relationship b/w non-exec drctrs & co.
53. Details of remuneration package of all the directors regarding salary, benefits, bonuses, stock options and pensions etc.
54. Details of fixed component and performance linked incentives, along with performance criteria.
55. Service contracts, notice period, severance fees.
56. Stock option details, whether issued at discount and period over which accrued and over which exercisable.
57. Criteria of making payment to non –executive directors.
58. Details regarding number of shares and convertible instruments held by non – executive directors.



<b>F) Management</b>
59. Management discussion and analysis report
<b>G. General Shareholder information</b>
60. AGM: Date, time and venue
61. Financial year
62. Date of Book closure
63. Dividend Payment Date
64. Listing on Stock Exchanges
65. Stock Code
66. Market Price Data: High, Low during each month in last financial year
67. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.
68. Registrar and Transfer Agents
69. Share Transfer System
70. Distribution of shareholding
71. Dematerialization of shares and liquidity
72. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity
73. Address for correspondence
<b>74. CEO/ CFO Certificate on corporate governance compliance</b>
<b>Non Mandatory Items</b>
75. Whether Non- executive chairman maintain chairman's office at company's expense.
<b>REMUNERATION COMMITTEE</b>
76. Brief description of terms of reference and remuneration policy
77. Composition of committee and name of members
78. Chairman of committee is independent director
79. Attendance during the year
80. Chairman of remuneration committee at AGM to answer shareholders queries
81. A half yearly report to household of each shareholder
82. Audit qualification
83. Disclosure on training of board members
84. Disclosure on mechanism for evaluating Non- Executive Board members
85. Whistle Blower Policy
<b>Voluntary items</b>
<b>Customer services committee</b>
86. Function of the committee
87. Constitution of the committee
88. Meetings held during the year
89. Attendance of directors in the meeting
<b>Share transfer committee</b>
90. Function of the committee
91. Constitution of the committee
92. Meetings held during the year
93. Attendance of directors in the meeting
<b>Information Technology committee</b>
94. Function of the committee
95. Constitution of the committee
96. Meetings held during the year
97. Attendance of directors in the meeting
<b>Committee on Para- banking activities</b>
98. Function of the committee
99. Constitution of the committee
100. Meetings held during the year
101. Attendance of directors in the meeting
<b>Human Resource committee</b>
102. Function of the committee
103. Constitution of the committee

104. Meetings held during the year
105. Attendance of directors in the meeting
<b>Asset liability management committee</b>
106. Function of the committee
107. Constitution of the committee
108. Meetings held during the year
109. Attendance of directors in the meeting
<b>Premises committee</b>
110. Function of the committee
111. Constitution of the committee
112. Meetings held during the year
113. Attendance of directors in the meeting
<b>Share Issue and Allotment committee</b>
114. Function of the committee
115. Constitution of the committee
116. Meetings held during the year
117. Attendance of directors in the meeting
<b>Committee on rural sector business</b>
118. Function of the committee
119. Constitution of the committee
120. Meetings held during the year
121. Attendance of directors in the meeting
<b>122. Investment and money market operations</b>
<b>123. Geographical spread of shareholders</b>
<b>124. Code for prevention of insider trading</b>
<b>125. Analysis of customer complaints</b>
<b>126. Bio-data of new whole- time director on the board</b>
<b>127. information on investors needs regarding holdings</b>
<b>128. Auditors certificate on corporate governance</b>
<b>129. Details of shareholding of more than 1 percent of paid up share capital</b>
<b>130. Information on top ten shareholders</b>
<b>131. Information on Depository Participation</b>
<b>132. Information on Local Boards</b>
<b>Committee of Directors to review disposal of Vigilance/ Non Vigilance disciplinary action cases</b>
134. Constitution of the committee
135. Meetings held during the year
136. Attendance of directors in the meeting
<b>Directors Promotion Committee</b>
137. Function of the committee
138. Constitution of the committee
139. Meetings held during the year
140. Attendance of directors in the meeting
<b>Power of Attorney Committee</b>
141. Function of the committee
142. Constitution of the committee
143. Meetings held during the year
144. Attendance of directors in the meeting
<b>Committee of Board (Appellate Authority/Reviewing authority)</b>
145. Function of the committee
146. Constitution of the committee
147. Meetings held during the year
148. Attendance of directors in the meeting
<b>149. Corporate Governance Rating</b>
<b>150. Dividend /Bonus history</b>
<b>151. Seperation of Chairman and CEO's Post</b>
<b>152. Unclaimed Dividend and Transfer</b>
<b>153. Electronic clearing services</b>
<b>154. Board membership criteria</b>

<b>155. Membership Term</b>
<b>156. Nomination Facility</b>
<b>157. Details of unclaimed shares- Unclaimed Shares (Suspense) Account</b>
<b>Credit Approval Committee</b>
158. Function of the committee
159. Constitution of the committee
160. Meetings held during the year
161. Attendance of directors in the meeting
<b>Insurance Joint Venture Committee</b>
162. Function of the committee
163. Constitution of the committee
164. Meetings held during the year
165. Attendance of directors in the meeting
<b>Committee of whole time directors</b>
166. Function of the committee
167. Constitution of the committee
168. Meetings held during the year
169. Attendance of directors in the meeting
<b>Special committee of the board for strategic oversight for integration of businesses</b>
171. Constitution of the committee
172. Meetings held during the year
173. Attendance of directors in the meeting
<b>Corporate Social Responsibility Committee</b>
174. Function of the committee
175. Constitution of the committee
176. Meetings held during the year
177. Attendance of directors in the meeting