

# **THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN**

## **CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012**

### **INTRODUCTION AND EXPLANATORY COMMENTS**

- 1 This checklist seeks to provide guidance to the listed companies and their auditors with regard to the statement to be included by the directors and certification by auditors in their annual reports in accordance with the requirements in the Listing Regulations of the Stock Exchange relating to Code of Corporate Governance.
- 2 The checklist is merely a technical practice aid and in no way represents the authoritative pronouncement of the Institute. It does not aim at interpreting the requirements set out in the Listing Regulations.
- 3 This checklist seeks to represent minimum requirements and does not purport to be all-inclusive and would need to be constantly reviewed in the light of changes in Regulations from time to time.
- 4 Users of this checklist are advised to refer directly to the Code of Corporate Governance 2012. In determining the applicability of any clause of the Regulation, its effective date should also be considered.
- 5 Use of the checklist requires the exercise of individual professional judgment and may require some modification based on the circumstances of individual companies.
- 6 Respond to each item of the checklist with a check mark (✓) in the appropriate column: Yes - indicating disclosure; No: indicating disclosure not made and N/A showing items not present or relevant.
- 7 Items marked “No” should be accompanied by an explanatory memorandum to document in what manner and to what extent disclosure or compliance falls short of the Listing Regulations. The explanation should be elaborate and comprehensive.

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

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	Code Ref #	Yes	No	N/A
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### COMPOSITION OF THE BOARD

<p>*1.1 Is there a balance of executive and non executive directors in Board of Directors of the Company including independent directors and those representing minority interests with the requisite skills, competence, knowledge and experience so that the Board as a group have core competencies and diversity?</p>	35(i)	_____	_____	_____
<p>*1.2 Do the Board of Directors of the Company include at least one and preferably one third of the total members of the Board as Independent directors?</p>	i(b)	_____	_____	_____
<p>*1.3 At the time of appointment of the Independent director, have the following circumstances been considered for director's independence:</p> <ul style="list-style-type: none"> <li>• He/she has been an employee of the Company, any of its subsidiaries or holding Company within the last three years;</li> <li>• He/she is or has been the CEO of subsidiaries, associated Company, associated undertaking or holding Company in the last three years;</li> <li>• He/she has or has had within the last three years, a material business relationship with the Company either directly, or indirectly as a partner, major shareholder or director of a body that has such a relationship with the Company;</li> <li>• He/she has received remuneration in the three years preceding his/her appointment as a director or receives additional remuneration, excluding retirement benefits from the Company apart from a director's fee or has participated in the Company's share option or a performance-related pay scheme;</li> <li>• He/she is a close relative of the Company's promoters, directors or major shareholders;</li> <li>• He/she holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;</li> <li>• He/she has served on the Board for more than three consecutive terms from the date of his first appointment provided that such person shall be deemed "independent director" after a lapse of one term.</li> </ul>	i(b)	_____	_____	_____

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
• He/she has complied all the requirements of the Companies Ordinance, for qualification/ eligibility criteria for appointment as independent directors of the Company.		_____	_____	_____
*1.4 Has it been ensured that a person nominated as a director under Sections 182 and 183 of the Ordinance, is not taken to be an "independent director" for the purposes mentioned in 1.3 above?	i(b)	_____	_____	_____
*1.5 Has the director representing an institutional investor been selected by such investor through a resolution of its Board of directors, either specifically or generally? and has the policy for selection of such person for election on the Board of directors of the investee company been annexed to the Directors' Report of the investor company?	i(b)	_____	_____	_____
*1.6 Has the professional indemnity insurance cover for independent directors been taken by the Company?	i(c )	_____	_____	_____
*1.7 Are executive directors, i.e. paid executives of the Company from among senior management, not more than one third of the elected directors, including the Chief Executive?	i(d)	_____	_____	_____
<b>MAXIMUM NUMBER OF DIRECTORSHIP</b>				
1.8 Are the directors of the Company not elected or nominated in more than seven listed companies, including a unlisted company which is a subsidiary of listed company, simultaneously? (except for listed subsidiaries of a listed holding company)	(ii)	_____	_____	_____
<b>RESPONSIBILITIES, POWERS AND FUNCTIONS OF BOARD OF DIRECTORS</b>				
1.9 Has the Board of Directors ensured the following :				
a) The professional standards and corporate values have been put in place in the form of 'Code of Conduct'?	v(a)	_____	_____	_____
If answer to the above is Yes, has the Company disseminate the Code of Conduct throughout the Company along with supporting policies and procedures and are these also put on the Company's website?		_____	_____	_____
b) Adequate systems and controls are in place for identification and redress of grievances arising from unethical practices?	v(b)	_____	_____	_____

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## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
c) A vision/ mission statement and overall corporate strategy for the listed Company has been prepared and adopted?	v(c)	_____	_____	_____
d) A system of sound internal control has been established, which is effectively implemented and maintained at all levels within the Company?	v(d)	_____	_____	_____
e) Within two years of coming into force of this Code, a mechanism has been put in place for an annual evaluation of the Board's own performance?	v(e)	_____	_____	_____
f) The decisions on the following material transactions or significant matters have been documented by a resolution passed at a meeting of the Board of Directors:	v(f)	_____	_____	_____
i) investment and disinvestment of funds where the maturity period of such investments is six months or more, except in the case of banking companies, non-banking finance companies and insurance companies		_____	_____	_____
ii) determination of the nature of loans and advances made by the listed Company and fixing a monetary limit thereof.		_____	_____	_____
g) The level of materiality has been defined by Board of Directors keeping in view the specific circumstances of the Company and the recommendations of any technical or executive subcommittee of the Board that may be set up for the purpose?	v(g)	_____	_____	_____
h) The significant policies along with standard operating procedures thereof have been formulated and their complete record along with the dates on which these were approved or amended by the Board of Directors have been maintained?	v(c )	_____	_____	_____
1.10 Is the Chairman and the Chief Executive Officer (CEO), by whatever name called, not the same person except where provided for under any other law?	(vi)	_____	_____	_____
1.11 Has the Chairman of the Company been elected from amongst the non executive directors of the Company?	(vi)	_____	_____	_____
1.12 Has the Board of Directors clearly defined the respective roles and responsibilities of the Chairman and CEO?	(vi)	_____	_____	_____

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

		Code Ref #	Yes	No	N/A
<b>MEETINGS OF THE BOARD</b>					
1.13	Have the written notices (including agenda) of meetings been circulated not less than seven days before the meetings, except in the case of emergency meetings, where the notice period might reduced or waived?	(vii)	_____	_____	_____
1.14	Has the Chairman of the Company ensured that minutes of meetings of the Board of Directors are appropriately recorded?	(viii)	_____	_____	_____
1.15	Is the Company Secretary also the Secretary to the Board of Directors ?	(viii)	_____	_____	_____
1.16	In the event that director has a dissenting note and in his views it has not been satisfactorily recorded in the minutes of a meeting of the Board of Directors, did he refer the matter to the Company Secretary?	(vii)	_____	_____	_____
<b>SIGNIFICANT ISSUES TO BE PLACED FOR DECISION BY THE BOARD OF DIRECTORS</b>					
1.17	Are the significant issues as detailed in the Code being placed for the information, consideration and decision of the Board of Directors of the Company and/or its Committees?	(ix)	_____	_____	_____
<b>RELATED PARTY TRANSACTIONS</b>					
1.18	Are the details of all related party transactions placed before the Audit Committee of the Company?	x(a)	_____	_____	_____
1.19	Are these recommended to the Board of Directors by the Audit Committee?	x(a)	_____	_____	_____
1.20	Are the recommended transactions placed before the Board of Directors for review and approval?	x(a)	_____	_____	_____
1.21	In case, related party transactions which are not executed at arm's length price, has the Board of Directors approved such transactions after recommendations of Audit Committee?	x(b)	_____	_____	_____
1.22	Has the Board of Directors of the Company approved the pricing methods for related party transactions that were made on the terms equivalent to those that prevail in arm's length transaction, only if such terms can be substantiated?	x(c)	_____	_____	_____
1.23	Has the Company maintained a party wise record of transactions with related parties for the year along with all relevant documents and explanations?	x(d)	_____	_____	_____

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	Code Ref #	Yes	No	N/A
1.24 Does the party wise record of related parties transactions includes the following?				
i) Name of related party;	x(d)	_____	_____	_____
ii) Nature of relationship with related party;		_____	_____	_____
iii) Nature of Transaction;		_____	_____	_____
iv) Amount of transaction; and		_____	_____	_____
v) Terms and conditions of transaction, including the amount of consideration received or given.		_____	_____	_____
<b>DIRECTORS' TRAINING PROGRAM</b>				
1.25 Did the Company make appropriate arrangements to carry out orientation courses for their directors to acquaint them with this Code, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the Company?	(xi)	_____	_____	_____
1.26 Has the company ensured that at the reporting date the number of directors required to obtain certification from prescribed Institutes' directors training programs been obtained?	(xi)	_____	_____	_____
<b>CHIEF FINANCIAL OFFICER (CFO), COMPANY SECRETARY AND HEAD OF INTERNAL AUDIT</b>				
<b>APPOINTMENT AND REMOVAL</b>				
1.27 Have the appointment, remuneration and terms and conditions of employment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit of the Company been determined by the Board of Directors?	(xii)	_____	_____	_____
1.28 Have the CFO and the Company Secretary of the listed Company been removed with the approval of Board of Directors?		_____	_____	_____
1.29 Has the Head of Internal Audit of the Company been removed with the approval of Board of Directors only upon recommendation of the Chairman of the Audit Committee?		_____	_____	_____
<b>QUALIFICATION OF CFO AND HEAD OF INTERNAL AUDIT</b>				
1.30 Is the CFO of a Company:	(xiii)			

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
(a) has at least five years of experience of handling financial or corporate affairs of a listed Company or a bank or a financial institution; and		_____	_____	_____
(b) a member of a recognized body of professional accountants; or		_____	_____	_____
(c) has a postgraduate degree in finance from a recognized university or equivalent.		_____	_____	_____

*Provided that individuals serving as CFO of a listed company for the last five years at the time of coming into effect of this Code shall be exempted from the above qualification requirement.*

1.31 Is the Head of Internal Audit has 5 years of relevant audit experience and is:	(xiv)	_____	_____	_____
(a) a member of a recognized body of professional accountants; or		_____	_____	_____
(b) a Certified Internal Auditor; or		_____	_____	_____
(c) a Certified Fraud Examiner; or		_____	_____	_____
(d) a Certified Internal Control Auditor		_____	_____	_____

*Provided that individuals serving as Head of Internal Audit of a listed company for the last five years at the time of coming into effect of this Code shall be exempted from the above qualification requirement.*

### REQUIREMENT TO ATTEND BOARD MEETINGS

1.32 Do the CFO and the Company Secretary of the Company (or in their absence their nominee) attend meetings of the Board of Directors?		_____	_____	_____
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### CORPORATE AND FINANCIAL REPORTING FRAMEWORK

1.33 Have the directors of the Company annexed statements to the following effect with the Directors' Report, prepared under section 236 of the Companies Ordinance, 1984:	(xvi)			
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\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
(a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.		_____	_____	_____
(b) Proper books of account of the Company have been maintained.		_____	_____	_____
(c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.		_____	_____	_____
(d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.		_____	_____	_____
(e) The system of internal control is sound in design and has been effectively implemented and monitored.		_____	_____	_____
(f) There are no significant doubts upon the Company's ability to continue as a going concern.		_____	_____	_____
(g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.		_____	_____	_____
1.34 Has the Directors' Reports of the listed Company also annexed the following, where applicable:-				
(a) If the Company is not considered to be a going concern, the fact along with reasons have been disclosed.		_____	_____	_____
(b) Significant deviations from last year in operating results of the Company have been highlighted and reasons thereof explained.		_____	_____	_____
(c) Key operating and financial data of last six years has been summarized.		_____	_____	_____
(d) If the Company has not declared dividend or issued bonus shares for any year, the reasons thereof have been given.		_____	_____	_____
(e) Where any statutory payment on account of taxes, duties, levies and charges is outstanding, the amount together with a brief description and reasons for the same have been disclosed.		_____	_____	_____
(f) Significant plans and decisions, such as corporate restructuring, business expansion and discontinuance of operations, have been outlined along with future prospects, risks and		_____	_____	_____

\* Not Mandatory



## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
uncertainties surrounding the Company.		_____	_____	_____
(g) A statement as to the value of investments of provident, gratuity and pension funds, based on their respective audited accounts has been included.		_____	_____	_____
(h) The number of Board and committees' meetings held during the year and attendance by each director has been disclosed.		_____	_____	_____
(i) The details of training programs attended by directors;		_____	_____	_____
(j) The pattern of shareholding reported to disclose the aggregate number of shares (along with name wise details) Where required, held by:		_____	_____	_____
(i) associated companies, undertakings and related parties (name wise details);		_____	_____	_____
(ii) mutual funds (name wise details);		_____	_____	_____
(iii) directors and their spouses and minor children (name wise details);		_____	_____	_____
(iv) executives;		_____	_____	_____
(v) public sector companies and corporations;		_____	_____	_____
(vi) banks, Development Finance Institutions, Non-Banking Finance companies, Insurance companies, Takaful, Modarabas and Pension funds; and		_____	_____	_____
(vii) shareholders holding five percent or more voting rights in the listed Company (name wise details).		_____	_____	_____
(k) Information about loans, TFCs, sukuks or any other debt instruments in which the Company is in default or likely to default.		_____	_____	_____
(l) Disclosure of all trades in the shares of the listed Company, carried out by its directors, executives and their spouses and minor children.		_____	_____	_____

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

*For the purpose of this sub-clause (l) and clause (xxiii) of this Code, the expression “executive” means the CEO, COO, CFO, Head of Internal Audit and Company Secretary by whatever name called, and other employees of the company for whom the board of directors will set the threshold to be reviewed on an annual basis and disclosed in the annual report.*

Code Ref #	Yes	No	N/A
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### DIRECTORS' REMUNERATION

1.35	Is there a formal and transparent procedure for fixing the remuneration packages of individual directors?	(xvii)	_____	_____	_____
1.36	Has it been ensured that the director is not involved in deciding his/her own remuneration?	(xvii)	_____	_____	_____
1.37	Is the director's remuneration subject to prior approval of shareholders/ Board of Directors as required by the Company's Articles of Association?		_____	_____	_____
1.38	Has the Company's Annual Report contained details of the aggregate remuneration of executive and non-executive directors separately?		_____	_____	_____

### FREQUENCY OF FINANCIAL REPORTING

1.39	Are the quarterly unaudited financial statements of the Company being published and circulated along with directors' review on the affairs of the Company?	(xviii)	_____	_____	_____
1.40	Are the half-yearly financial statements of the Company subject to a limited review by the statutory auditors in accordance with terms and conditions determined by the Institute of Chartered Accountants of Pakistan (ICAP) and approved by the Securities and Exchange Commission of Pakistan (SECP)?	(xix)	_____	_____	_____
1.41	Has the Company immediately disseminated all material information relating to the business and other affairs of the listed Company to the SECP and the stock exchange on which its shares are listed that would affect the market price of its shares in accordance with the mode of dissemination of information as prescribed by their respective stock exchange?	(xx)	_____	_____	_____
1.42	Has the material information been disseminated to the SECP and Stock Exchange as soon as any decision or any other significant issue is taken by the Board or a significant matter requiring disclosure has come into the knowledge of company's management?	(xx)	_____	_____	_____

### RESPONSIBILITY FOR FINANCIAL REPORTING AND CORPORATE COMPLIANCE

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

		Code Ref #	Yes	No	N/A
1.43	Were the financial statements presented to the Board of Directors duly signed by the CEO and CFO of the Company and issued and circulated after Board of Director's approval?	(xxi)	_____	_____	_____
1.44	Were the second quarterly and annual accounts (both separate and consolidated where applicable) initialed by the external auditors before presenting it to the Audit Committee and the Board of Directors for approval?	(xxi)	_____	_____	_____
1.45	Has the Secretarial Compliance Certificate been filed by the Company Secretary on the prescribed form along with the annual return of the Company?	(xxii)	_____	_____	_____
<b>DISCLOSURE OF INTEREST BY A DIRECTOR HOLDING COMPANY'S SHARE</b>					
1.46	Where any director, CEO or executive of a listed company or their spouses sell, buy or transact, whether directly or indirectly, in shares of the listed company of which he is a director, CEO or executive, did he/she immediately notified in writing to the Company Secretary of such transaction?	(xxiii)	_____	_____	_____
1.47	Did the Director, CEO or executive also delivered a written record of the price, number of shares, form of share certificates within the Central Depository System, and nature of transaction to the Company Secretary within four days of effecting the transaction?	(xxiii)	_____	_____	_____
1.48	Has the notice of the director, CEO or executive been presented by the Company Secretary at the meeting of the Board of directors immediately subsequent to such transaction?	(xxiii)	_____	_____	_____
1.49	In the event of default by a director, CEO or executive to give a written notice or deliver a written record, did the Company Secretary placed the matter before the Board of Directors in its immediate next meeting?	(xxiii)	_____	_____	_____
1.50	Did the director, CEO or executive whether directly or indirectly, not made any deal in the shares of the Company in any manner during the closed period?	(xxiii)	_____	_____	_____
<b>COMPOSITION OF THE BOARD</b>					
1.51	Has the Board of Directors of the Company established an Audit Committee comprising of at least three members who are non-executive directors?	(xxiv)	_____	_____	_____
1.52	Is the chairman of the Committee an independent director and not the chairman of the Board?	(xxiv)	_____	_____	_____

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
1.53 Did the Board satisfy that at least one member of the audit committee has relevant financial skills and experience?	(xxiv)	_____	_____	_____
1.54 Has the Board formed a Human Resource and Remuneration (HR&R) Committee comprising of at least three members of which majority are non-executive directors, including an independent director preferably?	(xxv)	_____	_____	_____
1.55 Is the CEO a member of the HR&R Committee and not the chairman of Committee?	(xxv)	_____	_____	_____
1.56 Did the HR&R Committee fulfilled the following responsibilities:				
(i) recommending human resource management policies to the Board of Directors;	(xxv)	_____	_____	_____
(ii) recommending to the Board of Directors, the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;		_____	_____	_____
(iii) recommending to the Board of Directors the selection, evaluation, compensation (including retirement benefits) of COO, CFO, Company Secretary and Head of Internal Audit; and		_____	_____	_____
(iv) consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO or COO.		_____	_____	_____
1.57 Are the names of members of the Committees of the Board of Directors disclosed in each Annual Report of the listed Company?	(xxvi)	_____	_____	_____
<b>AUDIT COMMITTEE</b>				
<b>FREQUENCY OF MEETINGS</b>	(xxvii)			
1.58 Does the Audit Committee of the Company meet at least once in every quarter of the financial year?		_____	_____	_____
1.59 Have the above meetings been held prior to the approval of interim results of the listed Company by its Board of Directors and before and after completion of external audit?		_____	_____	_____
1.60 Has the meeting of the Audit Committee been held with the external auditors or the Head of Internal Audit? (if requested)		_____	_____	_____
<b>ATTENDANCE AT MEETINGS</b>	(xxviii)			

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
1.61	Has the CFO, the Head of Internal Audit and external auditors represented by engagement partner (or in his absence any other partner designated by the audit firm) attended meetings of the Audit Committee at which issues relating to accounts and audit were discussed?	_____	_____	_____
1.62	At least once a year, has the Audit Committee met the external auditors without the presence of CFO and the Head of Internal Audit?	_____	_____	_____
1.63	At least once a year, has the Audit Committee met the Head of Internal Audit and other members of the internal audit function without the CFO and the external auditors?	_____	_____	_____
1.64	Has the chairman of the Audit Committee and engagement partner of external auditor (or in his absence any other partner designated by the audit firm) presented at the AGM for necessary feedback to the shareholders?	_____	_____	_____
<b>TERMS OF REFERENCE</b>				
1.65	Has the Board of Directors of the Company determined the terms of reference of the Audit Committee as detailed in paragraph (xxix) of the Code?	(xxix)	_____	_____
<b>REPORTING PROCEDURE</b>				
		(xxx)		
1.66	Has the Audit Committee of the Company appointed a Secretary of the Committee who is either the Company Secretary or Head of Internal Audit but not the CFO?	_____	_____	_____
1.67	Were the minutes of meetings of the Audit Committee circulated by the Secretary to all members, directors, Head of internal Audit and the CFO prior to the next meeting of the Board of Directors?	_____	_____	_____
1.68	If the above 1.67 is not practicable, did the Chairman of the Audit Committee communicated a synopsis of the proceedings to the Board of Directors and circulated the minutes immediately after the meeting of the Board of Directors?	_____	_____	_____
<b>INTERNAL AUDIT</b>				
		(xxxi)		
1.69	Is there an internal audit function in the Company?	_____	_____	_____
1.70	If answer to above is yes, does the Head of internal Audit report functionally to the Audit Committee and administratively to the CEO?	_____	_____	_____

\* Not Mandatory

## CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012

	Code Ref #	Yes	No	N/A
1.71	Is a director appointed in any capacity in the internal audit function to ensure independence of the Internal Audit function?	_____	_____	_____
<b>Outsourcing of Internal Audit Function</b>				
1.72	If the internal audit function is outsourced by the Company, has the due care been exercised to ensure that suitably qualified and experienced persons, who are conversant with the Company's policies and procedures, are engaged in the internal audit?	_____	_____	_____
1.73	Has the Company appointed a fulltime employee other than CFO, as Head of Internal Audit, to act as coordinator between firm providing internal audit services and the Board of Directors?	_____	_____	_____
1.74	Is the Head of internal audit has same qualification in case of outsourcing?	_____	_____	_____
1.75	Are the Company's existing external auditors appointed as internal auditors, while outsourcing?	_____	_____	_____
1.76	Have internal audit reports been provided for external auditor's review? Have any major findings in relation to the reports been discussed with the Audit Committee?	_____	_____	_____
<b>EXTERNAL AUDITORS</b>				
1.77	Has the external audit firm obtained a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP)?	(xxxiii) _____	_____	_____
1.78	Is the firm of external auditor or a partner in compliant with the International Federation of Accountants' (IFAC) Guidelines on Code of Ethics, as adopted by the ICAP?	(xxxiv) _____	_____	_____
1.79	Has the external auditor performed services in addition to audit except as required in the IFAC Guidelines on Code of Ethics, as adopted by the ICAP?	(xxxvi) _____	_____	_____
1.80	If the Company is in financial sector, does it change their external auditors every five years?	(xxxvii)(a) _____	_____	_____
1.81	If the Company is in non-financial sector, does the Company, at a minimum, rotate the engagement partner after every five years?	(xxxvii)(b) _____	_____	_____
1.82	Has the Company appointed a person as an external auditor or a person involved in the audit of a listed Company who is not a close relative, i.e., spouse, parents, dependents and non-dependent children, of the CEO, the CFO, an internal auditor or a director of the listed Company?	(xxxviii) _____	_____	_____

\* Not Mandatory

**CHECKLIST FOR REVISED CODE OF CORPORATE GOVERNANCE 2012**

		Code Ref #	Yes	No	N/A
1.83	Did the external auditors furnished a Management Letter to its Board of Directors within 45 days of the date of audit report?	(xxxix)	_____	_____	_____
1.84	Did all the significant matters communicated in writing to the Board by the external auditor prior to the approval of the audited accounts by the Board?	(xxxix)	_____	_____	_____
<b>COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE</b>					
1.85	Has the Company published and circulated a statement along with its annual report to set out the status of their compliance with the best practices of corporate governance set out above?	(xl)	_____	_____	_____
1.86	Has the statement of compliance with the best practices of corporate governance been reviewed and certified by the statutory auditors?	(xli)	_____	_____	_____
1.87	In case of material non-compliance with the CCG which is disclosed in the Statement of Compliance, has it been properly highlighted in the review report?	(xli)	_____	_____	_____

\* Not Mandatory