

General - Evaluation Criteria For Best Presented Annual Reports [Nepal]

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|--|-----------------------|--------------------|------------------|-------------------------|
| Name of the Evaluator: | | | | |
| Name of the Organisation: | | | | |
| Distribution of Marks under different criteria | | | | |
| Items | Break up Marks | Marks Given | Page Ref. | Comments, if any |
| Corporate Objectives, Values & Structure | 5 | | | |
| Vision, Mission Statement/Overall Strategic Objectives | 1 | | | |
| Core values and code of conduct / ethical principles | 1 | | | |
| Profile of the Company (including Group company, if any) | 1 | | | |
| Director's profiles and their representation on Board of other Companies and Organization Chart | 2 | | | |
| Management Report / Commentary and analysis including Director's Report / Chairman's Review/CEO's Review etc. | 12 | | | |
| Review of company's performance with the management's objectives and strategies | 3 | | | |
| Description of the performance of the various activities / products / segments of the company and its group companies during the period under review (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose). | 2 | | | |
| A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks | 2 | | | |
| Strategy of future prospects/outlook of the entity covering financial and non-financial issues | 2 | | | |
| Information on how the company contributed to its responsibilities towards the staff (including health & safety) | 1.5 | | | |
| Information on company's contribution to the National Economy | 1.5 | | | |
| Integrated Reporting | 8 | | | |
| Entity's Corporate Social and Environmental Policy | 2 | | | |
| Social Responsibility Initiatives (such as community investment & welfare scheme, consumer protection measures, energy conservations, national cause donations, education for brilliant students but poor students specially in remote areas, health etc.) | 3 | | | |
| Environment & Social Obligations and Related Initiatives | 1 | | | |
| Integrated Reporting initiatives including G4 Guidelines | 1 | | | |
| Business Ethics and Anti-Corruption Measures | 1 | | | |
| Appropriateness of Disclosure of Accounting policies and General Disclosures | 10 | | | |
| Disclosures of adequate accounting policies relevant to assets, liabilities, income and expenditure, in line with applicable financial reporting standards | 3 | | | |
| Specific accounting policies on applicable areas (such as revenue recognition, employee benefits, related party, events after reporting period, income tax, foreign exchange, lease, etc.) | 2 | | | |
| Impairment of Assets | 1 | | | |
| Compliance Statement of applicable Reporting Standards | 1 | | | |
| Segment Information | | | | |
| Comprehensive segment related information bifurcating segment revenue, segment results and segment capital employed | 1 | | | |
| Availability of information regarding different segments and units of the entity as well as non-segmental entities/units | 1 | | | |
| Segment analysis of | 1 | | | |
| Revenue/Turnover | | | | |
| Operating Profit | | | | |
| Net Segment Assets | | | | |

| Items | Break up Marks | Marks Given | Page Ref. | Comments, if any |
|---|----------------|-------------|-----------|------------------|
| Financial Statements (Including Formats) | 15 | | | |
| Statement of Financial Position / Balance Sheet and relevant notes | 2 | | | |
| Statement of Comprehensive Income/ Income Statement / Profit and Loss Account and relevant notes | 2 | | | |
| Statement of Cash Flows | 1 | | | |
| Statement of Changes in Equity / Reserves & Surplus Notes | 1 | | | |
| Consolidated Financial Statement (CFS) - if applicable | 1 | | | |
| Disclosure of Type of Share Capital | 1 | | | |
| Disclosures / contents of Notes to Accounts | 1 | | | |
| Comprehensive Related Party Disclosures | 1 | | | |
| Disclosures of all Contingencies and Commitments | 1 | | | |
| Disclosures of remuneration and facilities provided to Directors & CEO | 1 | | | |
| Extent of compliance with the National Standards [NAS/NFRS] | 3 | | | |
| Information about Corporate Governance | 10 | | | |
| Board of Directors, Chairman and CEO | 1 | | | |
| Audit Committee (Composition, Role, Meetings, Attendance, etc), Internal Control & Risk Management | 1 | | | |
| Ethics And Compliance | 1 | | | |
| Remuneration and other Committees of the Board | 1 | | | |
| Human Resource Management Policies including Succession Plan | 1 | | | |
| Policy for the maintenance and back-up of records of the entity | 1 | | | |
| Communication To Shareholders and Stakeholders | | | | |
| - Information available on website | 0.5 | | | |
| - Other information | 0.5 | | | |
| Boards review on Internal Control Systems | 1 | | | |
| Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports | 1 | | | |
| Any other investor friendly information | 1 | | | |
| Risk Management & Control Environment | 5 | | | |
| Description of the Risk Management and Control Environment Framework | 2 | | | |
| Risk Control and Mitigation Methodology | 2 | | | |
| Disclosure of Risk Reporting | 1 | | | |
| Stakeholders Information | 3 | | | |
| Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc) | 1 | | | |
| Shares held by Directors/Executives and relatives of Directors/Executives | 1 | | | |
| Redressal of investors complaints | 1 | | | |
| Graphical/ Pictorial Data | 3 | | | |
| Earnings per Share | 0.5 | | | |
| Net Assets | 0.5 | | | |
| Stock Performance | 0.5 | | | |
| Shareholders' Funds | 0.5 | | | |
| Return on Shareholders Fund | 0.5 | | | |
| Market Capitalisation | 0.5 | | | |
| Horizontal/Vertical Analysis/Trend Analysis including following. | 5 | | | |
| General Criteria | | | | |

| Items | Break up Marks | Marks Given | Page Ref. | Comments, if any |
|--|----------------|-------------|-----------|------------------|
| Operating Performance / Income Statement (2.5 Marks) | | | | |
| Total Revenue | 0.5 | | | |
| Operating profit | 0.5 | | | |
| Profit Before Tax | 0.5 | | | |
| Profit after Tax | 0.5 | | | |
| Earning Per Share | 0.5 | | | |
| Statement of Financial Position / Balance Sheet (2.5 Marks) | | | | |
| Shareholders Fund | 0.5 | | | |
| Property Plant & Equipment | 0.5 | | | |
| Net Current Assets | 0.5 | | | |
| Current Liabilities | 0.5 | | | |
| Long Term Liabilities | 0.5 | | | |
| Profitability / Dividends / Performance and Liquidity Ratios | 3 | | | |
| Gross Profit Ratio/ Operating Profit Ratio | 0.5 | | | |
| Earning before Interest, Depreciation and Tax | 0.5 | | | |
| Price Earning Ratio | 0.5 | | | |
| Current Ratios | 0.5 | | | |
| Return on Capital Employed | 0.5 | | | |
| Debt Equity Ratio | 0.5 | | | |
| Statement of Value Added and Its Distribution | 4 | | | |
| Government as Taxes | 0.5 | | | |
| Shareholders as Dividend | 0.5 | | | |
| Employees as Bonus/Remuneration | 0.5 | | | |
| Retained by the Entity | 0.5 | | | |
| Market share information of the Company's Product/Services | 1 | | | |
| Economic Value Added | 1 | | | |
| Presentation of Financial Statements | 4 | | | |
| Quality of the Report/ Layout of Contents | 1 | | | |
| Cover and printing including the theme on the cover page | 1 | | | |
| Clarity, simplicity and lucidity in presentation of Financial Statements | 1 | | | |
| Effectiveness of photographs and their relevance | 0.5 | | | |
| Effectiveness of Charts and Graphs | 0.5 | | | |
| Timeliness in issuing Financial Statements and holding AGMs | 10 | | | |
| 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks | | | | |
| Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month | | | | |
| If the period is over 6 months – no marks shall be awarded | | | | |
| Additional Disclosures | 3 | | | |
| For Example | | | | |
| Human Resource Policy (Including significant Changes in HR during the period) | 1 | | | |
| Other Disclosures (Independence certification Eg GNV / GRI) | 0.5 | | | |
| Achievement and corporate awards received during reporting period/Prior period | 0.5 | | | |
| Share Price Sensitivity Analysis | 0.5 | | | |
| Geographical Presence/Network | 0.5 | | | |
| Total Marks | 100 | | | |