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CORPORATE GOVERNANCE PRACTICES OF FMCG COMPANIES

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Abstract
The important aspect of corporate governance is to disclose events and protect investors. Codes and principles of corporate governance have positive impact on the performance of the firm. Various contrivance of corporate governance has been studied in relation to performance of the firms. Most of the contrivance was used to improve the code of Corporate Governance. The framework of Corporate Governance generates effective engagement with all the stakeholders of the firm. For transparency between the authority and stakeholders effective mechanism is vital. Generally all industry practices corporate governance mechanism. In this paper we present the principles framed by the different institution and their practices among the various FMCG Companies. FMCG constitutes the fourth largest economy of India. This study attempts to learn the corporate governance principles followed by the FMCG companies.

Key Word: - Corporate Governance, FMCG, Principles, Mandatory, Non- Mandatory, Board of Directors, Committee.

Introduction

Corporate governance has evolved into a crucial element of a wide range of issues, from business ethics to accounting standards, corporate social responsibility to supply chain management, and from a way to prevent a potential financial crisis to a tool for guaranteeing macro/microeconomic stability to a contributor to the advancement of the overall political economy. Since 1990 onward, corporate governance has been an increasingly popular topic. It only gained popularity as a result of the contemporary environment, which is characterized by liberalization, privatization, and globalization. To understand the meaning of corporate governance following definitions is quoted here that is neither mutually exclusive nor exhaustive:

1. ‘The systems by which companies are directed and controlled’ (Cadbury, 1992).
2. ‘Corporate governance is the system of rules, practices, and processes by which a firm is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. Since corporate governance provides the framework for attaining a company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure’ (CHEN, 2022).
3. ‘Corporate governance is about ethical conduct in business… corporate governance deals with conducting the affairs in a company such that there is fairness to all stakeholders and that its actions benefit the greatest number of stakeholders. It is about openness, integrity, and accountability’ (Clause 49. Corporate Governance - Amendments to the Listing Agreement, 2000).
4. Corporate governance refers to the ‘the whole set of legal, cultural and institutional arrangements that determine what public corporation can do, who controls them, how that control is exercised, and how the risks and return from the activities they undertake are allocated’(Blair, 1995).

From the above set of definitions it is evident that the manager who oversees the business and the stakeholders who are interested in it are the two most significant constituencies, and each action taken by the management has an impact on all of the stakeholders through their actions. When academics talk about ethical behavior, they refer to behavior that adheres to predetermined guidelines that are applicable to all corporate departments. Fairness to all, which requires that everything be just and accessible to all parties involved, is another factor. Fairness refers to managers making decisions in an objective manner. All actions must be disclosed to the parties involved in advance so that they may decide whether or not there is agreement. The manager should make all decisions in accordance with the law and take everyone's welfare into account. The aforementioned definitions also make it clear that stakeholders' interests shouldn't be hindered and that managers and stakeholders need to build strong relationships based on trust. The control action must be carried out within the predicted limitations. According to the broad discussion above, corporate governance is nothing more than a safeguard that securitizes the interests of all parties inside the corporation and the most important element, society.

Review of Literature

The term "corporate governance" originally gained popularity in the US in the 1970s. Within 25 years, investors, executives, regulators, and scholars from all around the world were debating the topic of corporate governance. The period covered by this study spans from the middle of the 1970s to the end of the 1990s, when "corporate governance" had become a common term in academic and legal contexts (Cheffins, 2011).(Aguilera et al., 2018) demonstrate that the fundamental determinant of corporate governance discretion is a firm's entrepreneurial identity and that the likelihood of corporate governance deviation depends on the range of socio cognitive governance discretion. Additionally, authors contend that the firm's overall governance capability and the scope of national regulatory enforcement are significant exogenous factors affecting the firm's eventual corporate governance deviance. Although corporate governance regulations have grown significantly over the world, there isn’t enough research looking at how well disclosure obligations are followed.

The association between board size and CEO duality on corporate social responsibility (CSR) in Malaysian listed firms is a significant discovery made by (Alabdullah et al., 2019) in the trading and service, construction, and real estate industries that listed on the Main Market of Bursa Malaysia. Generally speaking, a large and favourable association between CSR disclosure and board size is suggested. Although there is an unfavorable correlation between CEO dualism and CSR disclosure. According to (Choi et al., 2013), a company's long-term goals for operating sustainably in Korea are what drive CSR participation. They discovered some evidence that, as the percentage of shares owned by institutional investors rises, managerial opportunism-driven incentives for managers to engage in CSR become less strong. (Chauhan et al., 2016) provide evidence that corporate governance at the level of the company enhances firm performance, particularly market performance. In businesses with greater ownership percentages among founding owners, this effect is particularly noticeable. In line with the American context, (Chauhan et al., 2016) show that concentrated founder ownership boosts business success in India. Additionally, they demonstrate how improved corporate governance reduces founding owners' incentives to engage in self-dealing through related party transactions by raising the price of such activities.

(Bansal & Sharma, 2016) affirm that increasing board size has a significant impact on Indian enterprises' market success. Stock prices and investor trust in the company improve as the number of board directors increases. Additionally, a higher percentage of independent board members would

result in a poorer return on equity. Some corporate governance procedures function better when the audit committee is more independent and meets frequently. The level of compliance with the recommended and necessary annual-report disclosure criteria provided in Clause 49 for businesses listed on the BSE-100 index has been investigated by (Abraham et al., 2015). In comparison to the results of earlier study on Indian disclosure, a high degree of compliance with both the proposed and the obligatory corporate governance disclosures was discovered. The report also shows a rise in corporate governance disclosure following the SEBI's introduction of tougher sanctions for non-compliance. The study also discovers a conflict between government ownership and disclosure of company governance. (Habbash, 2016) discovers a substantial inverse relationship between Saudi Arabia's CSR disclosure and business leverage, and a large positive relationship between board independence, government ownership, family ownership, firm size, and firm age. Furthermore, (Habbash, 2016) contends that stakeholders shouldn't anticipate significant levels of CSR disclosure from highly leveraged companies because these companies seem to want to forgo the added expenses of disclosure in order to pay off debt and lower their high leverage rates.

(Saggar & Singh, 2017) concludes that the information supplied in the annual reports of the Indian listed businesses projects risk as an opportunity rather than a threat leading to discretionary disclosure since positive risk keywords outnumber negative risk keywords. It denies annual report readers trustworthy risk information they need to make wise decisions. (Saggar & Singh, 2017) proposed that board features like board size and gender diversity are significant predictors of risk disclosure in the Indian setting, in line with the prediction of the agency theory and signalling theory. Because each class of shareholder has different motivations, ownership concentration with the largest shareholder has a negligible influence on risk disclosure, whereas identification of the greatest shareholder having ownership concentration does not. (Claessens &Yurtoglu, 2013) summarizes current corporate governance studies with a particular emphasis on emerging economies and concludes that stronger corporate governance benefits businesses by increasing access to capital, lowering the cost of capital, improving performance, and treating all stakeholders more favourably. (Cuomo et al., 2016) highlights the growing significance of governance rules as well as the crucial contributions that supranational institutions and corporate frauds have made to their global proliferation and reform. It also discusses significant theoretical and methodological developments in current coding study.

Objective of The Study

1. To know the magnitude of corporate governance as per SEBI norms adapted by the selected companies.
2. To know the procedure of running corporate governance in the selected companies.

Research Methodology

The study is based on the Corporate Governance Practices in different companies under the FMCG sector. The annual report of the leading Fast Moving Consumer Goods (FMCG) companies is studied and the similarities and differences in the practices followed by them are analyzed. The various Corporate Governance philosophy followed by them in this competitive environment is studied. Inferences and conclusions drawn are on the bases of secondary data. The sample for this study comprises of mega ten companies in the FMCG sector as per market cap. The companies are; Hindustan Unilever Ltd, Nestle India Ltd, ITC Ltd, Britannia Industries Ltd, Dabur India Ltd, Godrej Consumer Product Ltd, Marico Ltd, Colgate Consumers Palmolive (India) Ltd, Procter and Gamble

Hygiene & Health Care Ltd, Tata Consumer Products Ltd. All ten companies are listed in National Stock Exchange and Influence the index of Nifty 50 movement.

The Evolution of Corporate Governance

Due to its relative obscurity and a number of high-profile company failures, corporate governance came to the attention of the world's business community during the beginning of the twenty-first century. The size and duration of (Enron,2001; Tyco, 2002; WorldCom, 2002) unethical and unlawful behaviour shocked the corporate community. Enron is an energy powerhouse with headquarters in Houston, Texas; WorldCom is a telecom behemoth while a security systems firm called Tyco International plc was established in the Republic of Ireland and had its operating headquarters in Princeton, New Jersey, in the United States. Even worse, they appeared to represent simply the very top of the perilous iceberg. Corporate practices in US corporations were examined as a result, and it was discovered that the issue was far more widespread.Large and trusted company Parmalat, 2003 in Italy to the multinational newspaper group Hollinger Inc., 2003 revealed significant problem in their corporate governance practices. Even the prestigious New York Stock Exchange in the year 2003 had to remove its director, Richard A Grasso, amidst public outcry over excessive compensation. It was clear that something was muddled in the area of corporate governance all over the world.The high-profile corporate governance failure in the developed countries brought the subject to media attention. The issue of corporate governance has always been central to Finance and Economics. The issue has particular importance the public limited companies, because it is central to investors and stakeholders' protection. There have been several frauds and acts of corruption in the business world despite the existence of solid corporate governance laws; this was only made possible by a failure to put the laws into proper implementation. The absence of political will has also had an impact on the effectiveness of corporate governance. Corporate governance has been an important field of query within the Finance discipline, making quest for the protection and better treatment of all stakeholders. Whether of if a financial system is primarily market- or bank-based, an effective corporate governance structure encourages the development of robust financial systems. The idea that we should consider the new idea of good corporate governance is one that is now generating discussion. Lowered costs and risks lead to higher profits, which in turn boosts share value. This is the outcome of good corporate governance. Optimum profit appeases the stockholders and fosters confidence in the business, which draws more and more investment from domestic and international sources. The effort put out by the staff members is also appreciated. In addition, they receive appropriate compensation for lost pay. Corporate governance must be based on a solid framework since all corporate sector operations have a direct impact on a nation's economy; otherwise, the result might be catastrophic for the sector's growth. A country's economy grows when the business sector operates smoothly, which also lowers the fiscal deficit and boosts the balance of payments. As a result, good corporate governance is directly related to societal progress. Only a robust economic system—which can only be created by passing certain corporate governance laws—can lead to social progress.

The Corporate Governance Framework In India

The Indian business environment is characterized by family share ownership and money-tunneling among group enterprises. Since liberalization in the early 1990s, serious efforts have been directed at overhauling the system with SEBI instituting various regulations dealing with corporate governance. Through a series of measures commonly referred to as "liberalisation," the strict controls that had previously been in place started to be relaxed in the 1990s. Enhancing disclosure standards, creating a National Advisory Committee on Accounting Standards, and other changes were made to the corporate legal framework. In fact, many of the corporate governance changes existing today had their

roots in this era as a result of the suggestions resulting from a number of committee reports, as described below.

Birla Committee, 1999 and clause 49 of listing agreement

To promote and strengthen the standards of corporate governance, the Securities and Exchange Board of India (SEBI) established a committee in 1999. Kumar Mangalam Birla, one of the SEBI Board members, served as the committee's chairman. The Committee was established with the main goal of examining corporate governance from the viewpoint of shareholders and investors in order to create a "Code" that would be compatible with the Indian corporate environment. This Committee's Report stands out because it defines corporate governance as involving other stakeholders besides shareholders. The Report's main emphasis is on the organization of proposals that address the responsibilities and commitments of boards and administration in setting up frameworks for good corporate governance and places an emphasis on shareholders' rights to demand the effective implementation of such framework and standards. The majority of these suggestions are required in nature.The SEBI Board examined the Committee's suggestion at its meeting on January 25, 2000, and resolved to make the revisions to the listing agreement. In accordance with the Board's decision, a new clause, namely clause 49, was incorporated into the listing agreement (Clause 49. Corporate Governance - Amendments to the Listing Agreement, 2000). The clause 49 was updated from time to time and amended clause 49 was announced on October 29, 2004 (Corporate Governance in Listed Companies – Clause 49 of the Listing Agreement, 2004).

The revised clause 49 of the SEBI Corporate Governance rules was applicable to listed companies, in accordance with the following schedules of implementation

1. All entities seeking listing for the first time, at the time of listing,
2. All listed entities having a paid-up share capital of Rs 3 Crores and above or net worth of Rs25 Crores or more at any time in the history of the company.

The new clause would only apply to the extent that it does not conflict with specific legislation for other listed firms that are not bodies corporate but are nonetheless listed (such as private and public sector banks, financial institutions, insurance companies, etc.) that are formed under other legislation. The Mutual Fund schemes were not covered by the new provision.

According to the updated clause 49, the independent Director must periodically evaluate legal compliance reports generated by the firm and any corrective actions it has taken. According to the new provision, the independent director cannot claim ignorance of this duty as a defense in any legal action brought against him related to the company's business. On or before March 31st, the corporations must abide by the clause's obligations. According to sub clause (IX)(ii) of the amended clause 49, the firms that must abide by its requirements have been required to submit a quarterly compliance report to the stock exchange within 15 days of the quarter that ended on March 31, 2004. After receiving the necessary permissions, the report must be filed by the company's chief executive officer or compliance officer.

Naresh Chandra Committee, 2002

The Naresh Chandra Committee was established by the Department of Company Affairs on August 21, 2002, to look into different corporate governance-related concerns. The report specifically discusses the issue of disclosure of contingent liabilities and suggests that management should provide a clear description of every material contingent liability and its risks in plain English. Additionally,

this should be supplemented by the auditor's concise comments on the administration's views. Wherever considered necessary, the section should be noted in the key accounting policies, notes on accounts, and auditor's report. This is crucial because shareholders and investors need to have a comprehensive understanding of an organization's contingent liabilities since they may represent significant risks that might adversely affect the company's future financial position and operational results.

Narayana Murthy Committee, 2003
A committee was then established by SEBI under the leadership of N.R. Narayana Murthy, the Chairman and Chief Mentor of Infosys Technologies Limited, to evaluate the current corporate governance norms and to strengthen and improve such practices in line with the development of the market economy as a whole. The committee has dealt with the shareholders' rights in a number of different ways. Under risk management, board disclosures have been mentioned. The Committee has emphasized the significance of the board being fully aware of the risks facing the business as well as the need for investors to consider the method the company chooses to use to deal with the various roadblocks in its way. In this regard, the Committee did investigate a further helpful idea, namely, nominated directors, removing them from the definition of independent directors. The Report further indicates that the standard shareholder election procedure must be used in the event that a nominee for the Board is appointed.

JJ Irani Expert Committee, 2005
On December 2, 2004, a committee was established with the responsibility of recommending to the government any suggested amendments to the Companies Act, 1956. J J Irani, a director of Tata Sons, served as the committee's head. The report stated that the final decision to appoint/remove directors should be that of the shareholders with regard to controversial matters such the procedure of appointment, removal, and resignation of Directors. The Committee felt that, in the case of Directors' compensation, the matter needed to be determined by the shareholders in light of the current conditions inside the firm, including but not limited to its financial health. It was crucial to subject this component to a robust corporate governance structure on the basis of precise and transparent disclosures to enable appropriate decision-making in this respect.

Companies Act 2013
Various sections of Companies Act, 1956 were amended during last six decades to accommodate the changed business environment as well as the globalized accounting and reporting framework. Even after amendments, there was a need to systematically overhaul the regulations especially for a better disclosure towards the corporate governance. For example, the law governing the distribution of annual reports to shareholders has been virtually unaltered since 1913. Copies of annual reports were to be sent to every member at least twenty-one days before any general meeting at which the report was to be given, according to Section 219(1) of the 1956 Act. The right to acquire balance sheets, profit and loss statements, and other financial information was extended to members, debenture holders, and depositors under clause (2) (COMPANIES ACT, 1956, 1956). The provision's scope is widened by Section 136 of the 2013 Act to encompass a variety of documents, including financial statements, consolidated financial statements, auditors' reports, and "every other document required by law to be annexed or attached to the financial statements," as well as a variety of recipients, including members, trustees for debenture holders, and other entitled persons (THE COMPANIES ACT, 2013, 2013). Regarding whistleblowers, the 2013 Act implements a major shift from the legal framework of

1956. The earlier statute makes no reference to such an idea. These suspicions are somewhat supported by the 2013 Act. The creation of a vigil system "for directors and staff to raise real concerns" is required under Section 177(9) (THE COMPANIES ACT, 2013, 2013). The 2013 Act is noteworthy for how it addresses corporate social responsibility, or CSR. In addition to giving the idea legal status, Section 135 makes it mandatory for businesses larger than a particular size to set aside at least 2% of their net income for this purpose.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Securities Exchange Board of India (SEBI) published the listing regulations known as Listing Obligations and Disclosure Requirements on September 2, 2015, with the intention of combining and streamlining the rules pertaining to disclosures that listed businesses must provide. The firms listed on a recognized stock market, such as the National Stock Exchange (NSE), Bombay Stock Exchange (BSE), or Small or Medium Enterprise Exchange(SME), are required to make the disclosures (SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, 2015).Sub regulation (2) of regulation 4 outlines the corporate governance requirements that listed firms that have listed their specified securities must adhere to. Clause 49 of the earlier listing agreement was revoked and regulations 15 to 27 dealing with disclosure requirement and corporate governance was introduced under chapter IV of this regulation enumerated as below:

1. Composition of the Board of Directors of the listed companies which has listed its specified securities. (Regulation17)
2. Constitution of the Audit Committee (Regulation18)
3. Nomination and Remuneration Committee (Regulation19)
4. Stakeholders Relationship Committee (Regulation20)
5. Risk Management Committee and its composition. (Regulation 21)
6. Formulation of Vigil Mechanism. (Regulation 22)
7. Formulation of policy regarding the Related Party Transactions. (Regulation 23)
8. Corporate governance requirements with respect to subsidiary of listed entity. (Regulation 24)
9. Obligations with respect to independent directors. (Regulation 25)
10. Obligations with respect to employees including senior management, key managerial persons, directors and promoters. (Regulation 26)
11. Corporate governance requirements. (Regulation 27).

Under the direction of Shri Uday Kotak, the Committee on Corporate Governance issued a number of recommendations. As a result, with effect from the quarter ended September 30, 2019, the compliance format that was previously applicable was only amended to the extent that the format for compliance report on Corporate Governance (Modification of Circular Dated September 24, 2015 on 'Format for Compliance Report on Corporate Governance to Be Submitted to Stock Exchange(s) by Listed Entities, 2019).

It was decided to require such disclosures every six months in the Compliance Report on Corporate Governance in order to increase transparency and strengthen the disclosures surrounding loans, guarantees, comfort letters, and securities given by the listed entity, either directly or indirectly, to entities in the promoter or promoter group or to any other entity under their control. The structure of disclosure in this respect was described in Annex-IV of the aforementioned report and came into effect

from the financial year of 2021-22 (Format of Compliance Report on Corporate Governance by Listed Entities, 2021). Therefore, the corporate governance compliance report format must be as follows:
i. Annexes I and II are updated regularly and annually, respectively.
ii. Annex III, Six months after the conclusion of the fiscal year.
iii. Annex-IV, every six months (w.e.f. first half year of the FY 21-22).

Analysis of Report

Annual reports of top 10 FMCG Companies have been studied. The findings of reports are summarized in the given table. Meeting of different committees, number of total directors and division of directors as per the SEBI norms were studied and shown in different tables.

Hinduatan Unilever Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non-Executive Directors		
	11	2	4	6	1		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Committee	Risk Mgmt. Comt.
	6	5	4	2	Held	2	2

Compiled from Annual Report 2022.

Nestle India Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non-Executive Directors		
	8	3	3	5	5*		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	6	7	4	4	Held	3	4

Compiled from Annual Report 2022.

ITC Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non-Executive Directors		
	16	2	4	8	4		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	10	6	5	12	Held	4	3

Compiled from Annual Report 2022.

Britannia Industries Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non Executive Directors		
	11	1	2	7	2		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	7	6	3	1	Held	1	2

Compiled from Annual Report 2022.

Dabur India Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non Executive Directors		
	14	1	2	8	4		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	5	5	5	4	Held	4	4

Compiled from Annual Report 2022.

Godrej Consumer Products Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non Executive Directors		
	12	1	2	6	4		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	4	4	3	1	Held	2	2

Compiled from Annual Report 2022.

Marico Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non-Executive Directors		
	7	NM	1	3	3		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	4	4	4	NM	Held	NM	NM

Compiled from Annual Report 2022.

Colgate Palmolive (India) Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non-Executive Directors		
	11	1	4	6	1		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	4	4	5	1	Held	2	2

Compiled from Annual Report 2022.

Procter & Gamble Hygiene & Health Care Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non Executive Directors		
	10	2	2	4	4		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	4	5	3	3	Held	2	4

Compiled from Annual Report 2022.

Tata Consumer Products Ltd.

Directors	Total Director	Women Directors	Executive Director	Independent Directors	Non Executive Directors		
	8	1	2	4	2		
Meeting of Different Committees	Audit Committee	Board Meeting	Remuneration Committee	Investors Grievance Committee	Statutory Meeting	CSR Comt.	Risk Mgmt. Comt.
	8	7	4	3	Held	2	3

Compiled from Annual Report 2022.

Conclusion

In the research, the disclosures practices and corporate governance of FMCG companies were studied. Mandatory and Non-Mandatory norms of corporate governance were disclosed by all the selected FMCG companies. Among all the FMCG companies ITC Ltd. were found to follow and disclose significantly more information than others. Nestle has highest numbers of women directors. ITC has more representation of women directors in different committees. All companies have formed investors grievance committee but Marico didn’t disclose the numbers of Investors grievance meeting. ITC Ltd. has maximum number of directors 16. Marico has smallest number of directors 7. Marico has not specially shown the women directors. It has been observed that all companies have followed significantly all mandatory and non- mandatory norms. Most of the companies only maintained the number of women directors. Number of women directors must be increased in board and different

committees. The clear picture is that there is no significantly difference in the corporate governance and disclosure norms among all FMCG companies.

It is evident from the above discussion that SEBI has brought in encouraging reforms and companies are motivated to take up and implement the good corporate governance practices. No company amongst the selected companies is acting in breach of laid down corporate governance principles. The idea of women directors is very remarkable. Hence, SEBI is putting on remarkable efforts to protect the investors and keep the Indian Capital Market running in a smooth and sustainable gear.

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