



# Newsletter - 40

April 2007

Mysore Chapter

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*From the*

## Chairman's Desk



Dear Friends,

Good wishes to you all !

The March month activities at the Chapter were quite hectic. The Session on "**Union Budget- 2007-08**" conducted on 3rd march, 2007 was followed by the "**Foundation Day**" & Session on "**Creativity Skills**" on 11th March, 2007. The Chapter closed the month with "**Investor Awareness Program**" on 31st March, 2007. I take this opportunity to thank all the participants, faculties and members for rising to the occasion and shouldering the responsibilities for these programs. The good news is that the Chapter has been able to associate other professional and industry bodies for the programs. The program on Budget was co-sponsored by ICAI, Mysore Chapter; **Taxation Executives Association of Mysore & FIEO**. The Investor awareness program on 31st March 2007 was conducted in association with **Nanjangud Industries Association**.

The meeting of the Chapter Chairmen was held on 25th march, 2007 by SIRC. The target of 36 Career Counseling programs is fixed for the Chapter by Chairman SIRC. With first quarter of the year having already been over and for next 3 months the colleges having summer vacations, the target per week would work out to 2 career counseling programs. The Career Counseling Committee was therefore strengthened with the induction of Mr. Anshuman. In my view it is time we took Career counseling to neighboring Districts of Kodagu, Mandya, Hassan, Chamaraj Nagar etc. We feel that the Career Counseling presentations in local language may make better impact on rural Students.

The Chapter solicits full support and active participation of all the members in the Chapter activities. Contribution of members by way of ideas, advices, opinions, time & effort are welcome.

With Warm Regards,

**D D Bhat.**  
Chairman- Mysore chapter.

# BUDGET 2007

## Flash from Union Budget

### Income Tax:

- IT limit raised by Rs 10,000 giving every assessee a relief of Rs 1,000.
- Deduction in respect of medical insurance under Section 80 (D) increased to Rs 15,000 and Rs 20,000 for senior citizens
- Surcharge on Corporate income tax on companies below Rs one crore removed
- Tax free bonds to be issued by state-owned urban local bodies
- Minimum Alternate Tax being extended
- Benefits of investment in venture capital funds confined to IT, biotechnology, nano-technology, seed-research, and dairy among some others
- Dividend distribution tax raised from 12.5 to 15 per cent

### Indirect Tax:

- Excise duty on Pan Masala without tobacco as mouth fresheners reduced from 66 per cent to 45 per cent
- Excise duty on cement reduced from Rs.400 per tonne to Rs.350 per tonne for cement bags sold at Rs.190 per bag at retail market. Those sold above Rs.190 will attract excise duty of Rs.600 per tonne
- Two lakh people to benefit out of service tax exemption. Govt to lose Rs 800 crore as a result.
- Service tax on Residents Welfare Associations whose members contribute more than Rs 3,000.
- Excise duty for plywood reduced from 16% to 8%
- Food mixes to be fully exempted from excise duty
- Bio-diesel to be fully exempted from excise duty
- Water purification devices, small and big, fully exempted from excise
- Specific rates of excise duty on cigarettes increased
- Customs duty on polyester to be reduced from 10% to 7.5%
- Duty on lift irrigation, agricultural sprinklers and food processing equipment reduced from 7.5% to 5%
- Duty on pet food down from 30% to 20%

## Chapter News

### Investors' Awareness Program

Reported by Harish. B.N (CS Final)

Under the auspicious of Ministry of Company Affairs, Government of India, the Mysore Chapter of ICSI in association with Nanjangud Industrial Association (NIA), conducted an Investors' Awareness Programme at NIA Hall, Nanjungud, on March 31, 2007.



Mr. Anand Kumar, Executive Director, Bangalore Stock Exchange and the Chief Guest of Honour explained the substratum of Capital Market along with functioning of stock market. He also dealt about Initial Public Offer (IPO) and Book Building procedures and guided investors to be rational enough while investing.

The second session of the program was on Corporate Governance. Ms. Pracheta, CS Final Student, spoke about the fundamentals of the Corporate Governance and later on Mr. Sabareeshan, Executive Director (Finance) & Company Secretary, Automotive Axles Ltd., highlighted on emerging issues on Corporate Governance.

Mr. D.D. Bhat, Chairman of Mysore Chapter of ICSI, Mr. Ramprasad, President, NIA and Mr. P.C.S. Raghavan, Secretary, NIA graced the occasion.

### LLP and Regn & Dissolution of Partnership

Mysore and Bangalore Chapters of ICSI jointly organized Half Day Seminar on "Limited Liability Partnership Bill, 2006 and Registration & Dissolution of Partnership Firms under Part IX of the Companies Act, 1956" on Saturday,



14th April 2007 at Rotary Hall, JLB Road, Mysore. Mr. C Sudhir Babu, Central Council Member of ICSI and Mr. Vivekananda, Practicing High Court Advocate and Company Secretary enlightened the delegates on the subjects. It was a lively interactive session and enlightened the audience on various aspects of these laws.

- Duty on sunflower oil to be reduced by 15 per cent
- Duty reduced on watch dials and movements and umbrella parts from 12.5 to five per cent
- Import duty of 15 specified machinery to be reduced from 7.5% to 5%.

## Spark from Karnataka Budget

### VAT

- Exemption of VAT on rice , paddy, wheat, products of rice and wheat and pulses extended by another year i.e. upto 31.3.2008
- VAT reduced to 4% on sale of Software Licenses, Rubber tires and tubes of tractors, and Sale of Diesel to industrial units located in Karnataka for use in captive power generating sets.
- Other Measures
  - Penalty for belated filing of monthly VAT returns reduced.
  - Principal contractors now eligible for deduction towards amounts paid to sub-contractors Contractors under composition scheme permitted to collect tax.
  - Annual Turnover limit for audit of accounts increased from Rs. 25 lakhs to Rs. 40 lakhs.
  - Penalty for non-maintenance of correct accounts reduced.
  - Authority for Clarification of rate of tax and Advance Rulings abolished.
- Rate of CST against Form C reduced from 4% to 3%.
- Tobacco and its products deleted from the Declared Goods list as well as from Additional Duties of Excise (Goods of Special Importance) Act, 1957 enabling states to levy VAT on Tobacco & tobacco products.

### SALES TAX:

- Permission for issue of self declaration for purchase of diesel at concessional tax of 4% for captive power generation

## Observer

# IICA: What is behind Curtains?

**HM Dattatri,  
Company Secretary, Essilor India**

On 1st February 2007, Economic Times published news titled "Centre trains focus on corporate affairs school". Here is an extract for your reading:

*"WITH over 8 lakh companies incorporated in the country and the body corporate becoming the most important vehicle for even erstwhile government functions, plans are afoot to set up a national institute for corporate law and governance- the Indian Institute of Corporate Affairs (IICA) in the Capital. As per a proposal mooted by the ministry of company affairs, the IICA will work with the objective of providing institutional support to corporates and their regulators in a wide gamut of subjects - economic and financial matters, accounting and auditing standards, use of technologies, knowledge management and (regulatory) delivery systems. The Planning Commission has agreed to allocate Rs 211 crore for its establishment cost during the 11th Plan, senior officials said."*

This came like a bolt from the blue for Company Secretaries, Chartered Accountants and Management Accountants.

It is the ICSI which was striving to create awareness for "Corporate Governance" among companies. It is this institute which pioneered the concept of corporate governance. The Corporate Governance Excellence award has been the brain child of ICSI, the core competency of the CS students is in the area of Corporate laws and Corporate management. Viewed against this background, What good does the IICA stand to serve?

As per the news, members of IICA are supposed to help companies in their financial and accounting matters too. They are supposed to be specialized in auditing as well. What does this mean? Whether the new stream of professionals coming out of this institute will replace chartered accountants and Management Accountants?

It is true that all new initiatives do raise lot of questions and anxieties in the beginning. It is the duty of the government to make clear the objectives to all those concerned before taking concrete steps. Government should have made at least following points clear, in the words of **Mr. B R Sachdeva, PCS Delhi:**

1. Whether the IICA is set up as a parallel institution or it means the merger of all the three professional bodies of CA, CA and CS.
2. Whether all the existing members of above 3 institutes shall be treated as member of the said new Institute.



### ENTRY TAX:

- Tax exemption on goods returned which were sent outside the State on inter-State sales and stock transfer
- Reduction of entry tax to 1% on crude oil

### ENTERTAINMENTS TAX:

- Tax on multi system operators reduced from 10% to 6%
- Tax on amusement parks reduced from 20% to 10%
- Dramas exempt from entertainments tax

### Excise

- To abolish the sale of arrack in the entire State with effect from 01-07-2007. In place of arrack shops, no new licenses for sale of Indian made liquor in retail will be granted.

### Stamps and Registration:

- To introduce suitable e-stamping system in the State on pilot basis.
- To extend concession of 0.5% on Conveyance Deeds backed by valid Title Insurance policy, issued by an Insurance Company recognized by Insurance Regulatory and Development Authority.
- Computation of stamp duty on Awards, Trust Deeds involving Transfer of property, Development Agreements and Power of Attorney for development of commercial and residential properties on the market value of the property.
- A ceiling limit of Rs. 5 Five lakh on stamp duty will be fixed for Deposit of Title Deeds for the purpose of development of immoveable properties for commercial use and Rs. 50000 for the purpose of Residential use and advalorem rate for any other purpose.
- Anomaly in Article 20(4) in respect of "Amalgamation" of Companies would be removed. A new provision to levy Stamp Duty on Amalgamation of Subsidiaries with parent companies and De-mergers would be made to prevent evasion.

Or is this a new institute to compete with all these three institutes?

There was an effort from the government earlier to merge all these three institutes which could not be achieved. As far as I know, in other countries (from where India normally copies the systems), the three functions of corporate governance, Auditing and Management accounting are managed by three distinct institutes. Do we really need to have single institute for all these three functions?

The other fact is that the Indian Government has always tried to keep control over autonomous Institutes like ICSI, ICAI, ICWAI, IIMs and IITs. We have seen such efforts many times in the recent past. The establishment of advisory committee on accounting standards is one recent example. What is that the government is intending to achieve by doing so?

In the beginning few professional colleagues expressed hope that this institute must be only for imparting training to the government officials in corporate affairs. While we could not find any base for this hope, is it not possible for these three institutes to impart such training?

Mr. K K Singh, FCS wrote to ICSI for its explanation on the matter. In the reply received from the institute any one will be surprised to read following lines:

"The Institute has suggested to the MCA that the IICA should focus on high-end education and training to corporate professionals and higher level managements like Company Secretaries, Chartered Accountants, Cost and Works Accountants, MBAs, Advocates and senior management having five to ten years working experience."

According to un-confirmed news all three Institutes have advised in similar lines as an attempt to secure present position. But does it really secure their present position? Can't these three Institutes impart high end education and training to their senior members? Can't these Institutes gear up to meet the expectations of the corporate world?

While there is really a strong requirement to stand up and protest against any step by government to harm the future of these three institutes, we also need to work parallel to that on strengthening our professionalism and usefulness to the corporate world. In long run that makes us survive irrespective of any support from government.

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### Living Room:

"Mind!, So long you have faith in your GURU, nothing will be able to obstruct your way."

- Swami Vivekananda

# Legal Latest

## Income Tax

### Prosecution for non-payment or delayed payment of TDS

The Apex Court failure by a company and the directors / principal officer to deposit tax deducted at source (TDS) to the credit of the Central Government within due date would make the company and the directors / principal officer liable for prosecution proceedings.

Madhmilan Syntex Ltd. & Ors vs. Union of India & Another 2007-TIOL-44-SC-IT

## CENVAT

### Exemption of Education Cess on notified goods

Relevant notifications have been issued to exempt goods exported from payment of secondary and higher education cess as also to extend the benefit of rebate to this cess, in relation to exported goods.

Notification Nos. 17/2007 & 18/2007 dt 8/3/07

## Case Laws

### Manufacture under excise law.

The Tribunal has held that the activities of erection of base transceiver station and other equipment at site and connecting them by cable do not amount to manufacture under excise law.

BPL Mobile Communication Vs. CCE (2007) (209) ELT 67)

### Scrap - whether chargeable to Excise Duty

The Tribunal has held that scrap that is not generated as a result of the mechanical working of metal is not chargeable to excise duty.

Zuari Cement Limited Vs. CCE (2007) (79) RLT 140)

## Web Yaatra



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Chakri Hegde CS (Inter)

CBDT issues various notifications, circulars every day on various provisions of the Income Tax. Also now and then, the forms and the procedures are amended. But how to track all these changes?

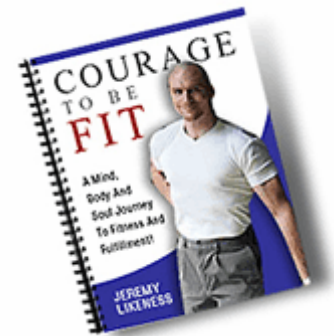
No need to worry! Just log on to [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in) which provides information relating to latest amendments in Income Tax and Wealth Tax Act and Rules recent forms, notifications, circulars from CBDT. In the home page itself, recent changes will be displayed. Other useful information regarding transfer pricing, taxation of non-residents, foreign companies is provided. It is user friendly and assessee can also download various return forms, challans from this web site. An assessee can also file his/her return electronically.

Advanced search engine is also available within the website. FAQ's on PAN, TAN, e-TDS, AIR etc, help us to get comprehensive information at one place.

## Book Review

# The Courage To Be Fit

Nimmo Kinger PCS, Mysore



This month I have another eBooks which I downloaded only yesterday. I subscribe to a few ezines/newsletters from some spiritual/self help websites and from there I get links to several free eBooks which can be life changing. The Courage To Be Fit is one such book. Written by Jeremy Likness, it records one man's journey towards fitness and health. Obese, Jeremy finally lands up being an international health coach with a body that is trim and fit, a veritable pin-up!

His saga of courage and a leap of faith is very moving and convincing. In this ebook he not only chronicles his growth into leanness and muscle (!), he literally holds and coaxes and coaches the reader into attaining his goals. These goals need not necessarily be that of weight loss alone; the principles Jeremy inculcates can be applied to any goal and any area in the reader's life. You can download the free e-book at <http://www.mpowerfitness.com/freegifts>.

Happy Reading!

## Valuation of Goods cleared for free distribution.

The High Court of Bombay has held that goods cleared for free distribution are required to be valued on the basis of the independent price available under Rule 4 of the Valuation Rules and the cost construction method as envisaged under Rule 8 would not apply in such cases.

Indian Drugs Manufacturers Association Vs. UOI (2007 (78) RLT 799)

## Service Tax

### Service tax on money changing per se

The CBEC has clarified that service tax is not leviable on money changing per se, as such activity does not fall under the category of foreign exchange broking, which is included in the taxable category of banking and other financial services.

(Circular No. 92/3/2007 dt 12/3/07)

### Service tax Liability on gross amount

The Tribunal in has held that service tax liability is required to be discharged on the actual amount received and not on the gross amount due from customers.

Tempest Advertising (P.) Ltd Vs. CCE (2007 (8) STJ 354)

### Marketing activity provided by distributor - Whether service?

The Tribunal has held that marketing activities carried out by a distributor in relation to the goods which he has purchased from the manufacturer cannot be construed as services rendered by him to such manufacturer and hence the special discount granted by the manufacturer to such distributor cannot be charged to service tax.

Pratap Singh & Sons Vs. CCE (2007 (5) STR 389)

# Carry forward of loss when there is delay in filing return of Income 139(1)

Raghuveera ACA, ACS(Final)

Section 71B and 72 of the Income Tax Act 1961 allows assessee to carry forward the loss of one assessment year to subsequent assessment years to be set off against future incomes if such loss cannot be set off against the income of the current assessment year.

However to avail this benefit the assessee has to file a return of loss within the time limits prescribed U/S 139(1) of the income Tax Act.

The question, which arises, is when there is a delay in filing the return whether such loss is lost forever or is there any remedy is available to the assessee under the Act.

There is a remedy available to the assessee. The Central Board of Direct Taxes (CBDT) can condone the delay.

The Karnataka High Court in the case of Associated Electro Ceramics vs. Chairman, Central Board of Direct Taxes (1993) 201 ITR 501 (KAR) has held that the CBDT has the power to condone the delay in filing the return of income in cases having claim of carry forward of losses.

The CBDT has also clarified that delay in making claim of carry forward of losses can be condoned in cases where the returned income is a loss. The ministry of Law has also agreed with the CBDT that the CBDT has the power to condone the delay in filing the return under section 119(2) (b) of the income Tax Act 1961, in a case having claim of carry forward of losses. The CBDT has issued a circular in this regard (Circular no 8/2001, dated 16-05-2001).

The CBDT has prescribed various monetary limits for the condonation of delay by different income tax authorities. The monetary limits prescribed for condonation of delay are as under:

Sl. No	Amount of loss	Officer empowered to condone the delay
1	Where the loss does not exceed Rs 10000	The assessing officer with the prior approval of commissioner of Income Tax
2	Where the loss exceeds Rs 10000 but does not exceed Rs 100000	The assessing officer with the prior approval of Chief commissioner of Income Tax or Director General of Income Tax
3	Where the loss exceeds Rs 100000	The power of condonation lies with CBDT

Therefore, the assessee can carry forward the loss to subsequent assessment years even if there is delay in filing the return of Income if the prescribed authority condones the same.

## Sales Tax

### Turnover in Inter-state works contract

The Supreme Court has held that, the absence of any provision on determination of turnover in relation to inter-State works contracts under the Central Sales Tax Act, 1956 would not mean that such inter-State works contracts are per se not chargeable to tax and that the provisions applicable under the relevant State legislation, in relation to such works contracts, would be applicable.

Mahim Patram Pvt. Ltd Vs. Union of India  
[(2007) 6 VST 248]

### Goods procured from outside the State in works contract - Whether local sale?

The Allahabad High Court has held that goods procured from outside the State after inspection by the contractee at the manufacturer's site and in accordance with the specifications under a contract for use in the execution of the works contract cannot be treated as a local sale and would be covered by Section 3 of the Central Sales Tax Act, 1956.

Commissioner of Trade Tax Vs. Indian Railway  
Construction Company [(2007) 6 VST 374]

## News of Use

### PDP for Members - 6 Hrs p.a or 20 hrs in a block of 3 years

The Perspective Planning Group constituted by the Council had recommended compulsory attendance by members at Professional Development Programmes as a means of ensuring constant updation of knowledge and skills of members. The Council of the Institute, accordingly, formulated Guidelines for Compulsory Attendance of Professional Development Programmes by Members which hitherto required every member in practice of the

# Spectrum Space

## Spectrum this month . . . ,

Hi Friends,

This month was filled with lotz and lotz of activity. We had a great start with our Foundation Day Celebrations - Umang. We did show the umang that we all have within us. With the examinations around the corner, we did focus on the academics as well. The study circles had several sessions including Income Tax Authorities, Assessment Procedure under the Income Tax Act, Financial Instruments, Winding up of Corporate bodies and many many more. We also had the Investor Awareness programme which received a good response. We will be back with lotz more in the next month .....!!!!

Spectrum Friends

## Annual Information Return under the Income Tax Act, 1961

Raghuveera ACA, ACS(Final)

The Income Tax department requires information about material financial transactions to find out the fraudulent transactions and to find out tax evaders. To enable the department to have access to such information Section 285BA was introduced in the Income Tax Act 1961 from 01/04/2004.

Section 285BA casts obligation on:

- an assessee or
- the prescribed person in the case of an office of government or ;
- Certain other authorities; to furnish annual information return in respect of specified financial transaction, which is registered or recorded by him during any financial year.

Such obligation arises if such person is responsible for registering or maintaining books of account or other documents containing a record of any specified financial transaction, under any law for the time being in force.

The annual information report shall be furnished within prescribed time after the completion of the financial year in the prescribed form and manner including computer readable media.

Specified financial transaction means any of the following transactions, which may be prescribed by the CBDT-

- transaction of purchase, sale or exchange of goods or property or right or interest in a property; or



Institute, to secure 6 Program Credit Hours (PCH) in a year or 20 Program Credit Hours in a block of 3 years by attendance of approved learning programs.

The Updated Guidelines are available on the website of the Institute [www.icsi.edu](http://www.icsi.edu).

## VAT Implementation

Pondicherry will implement VAT in the Union Territory from June 1, 2007. The Chief Minister made the announcement on the implementation while presenting the annual budget for FY.2007- 08 in the State assembly.

Newspress.com dt 28/3/07

## SEBI moots watchdog for investment advisors

SEBI is in favour of creating a private sector self-financing regulatory organisation (RO) as the first level regulator for investment advisors. The RO should develop principle-based regulations with risk-based examinations and implement regulation of discrete market segments in phases, said a consultative paper from SEBI on investment advisors. SEBI intends the RO to publish regulations defining the process for regulation and registration, entry and exit, reporting and market conduct.

SEBI has invited public comments and suggestions on this issue.

## Taxpayers advised to use new return forms

The CBDT has advised all taxpayers to wait for the notification of the new return forms for the assessment year 2007-08 and not to file their returns of income in the old forms. IT forms are assessment year-specific and are, therefore, required to be notified separately for each assessment year. For the AY 2007-08, the return forms are under preparation.

Press Information Bureau, April 1, 2007

- transaction for rendering any service
- transactions under a works contract
- transaction by way of an investment made or an expenditure incurred
- transaction for taking or accepting any loan or deposit.

The CBDT may prescribe different value for different transactions of different persons having regard to the nature of such transaction. However, the value or the aggregate value of such transactions during a financial year so prescribed shall not be less than Rs 50000.

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## Readers' Voice...

“Thanks for the ICSI Mysore newsletter, which I always find very informative, best presented and worth keeping in records. Such efforts at Chapter level are really commendable and make the profession proud.

I wish to congratulate the entire team at Mysore Chapter for the same and wish them all the best in further endeavors”.

**BR Sachdeva, PCS, New Delhi,  
Former Chairman, NOIDA Chapter of ICSI.**

It is informative and useful. Keep it up.

**CA Govindaraju M R  
Past Chairman, ICAI, Mysore Chapter**

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## Corporate social responsibility

**Veena Bhat (C.S. Inter)**

Corporate Social Responsibility (CSR) refers to the obligations of businessmen to pursue those policies, to make those decisions or to follow those lines of action, which are desirable in terms of the objectives and values of our society.

In the current globalised scenario, the recognition of Corporate Social Responsibility (CSR) has become buzzword. To have better Corporate Governance the company has to fulfill the social responsibilities which, may lead as to customers satisfaction, better employer and employee relations, maximize shareholders value, a satisfied community and a better environment.

Followings are the few exceptions of various stakeholders from the company.



## RBI unveils draft guidelines for mortgage guarantee firms

RBI unveiled a draft guidelines for mortgage guarantee firms, stipulating minimum net owned funds of Rs.100 crore at the time of commencement of business, to be augmented to Rs. 300 crore within 3 years from the date of commencement of business.

A mortgage guarantee company will also have to maintain at least 8 per cent. of its aggregate risk weighted assets as Tier 1 capital. No single guarantee or guarantee for a housing project can exceed 10 per cent. of the company's Tier I and Tier II capital.

The Financial Express, April 3, 2007

## RBI liberalises export proceeds refund norm

Category-I banks-through whom the export proceeds were originally realised-may henceforth consider requests for the refund of export proceeds of goods exported from India and being re-imported into the country on account of poor quality.

Such banks will have to exercise due diligence regarding the track record of the exporter and verify the bona fides of the transactions and obtain a certificate from the exporter issued by DGFT/custom authorities to ensure that no incentives have been availed by the exporter against the relevant export or the proportionate incentives availed, if any, for the relevant export have been surrendered and obtain an undertaking from the exporter that the goods will be re-imported within three months from the date of remittance.

[Source The Financial Express, April 6, 2007]

- 1) Shareholders expect fair and regular dividend along with increase in the market capitalization in the of their investments.
- 2) Employees expect fair wage along with proper and safe working conditions and job security
- 3) Customers expect the quality of goods or services at fair prices and fair terms along with fair prompt delivery and satisfactory after sales services.
- 4) Creditors expects company to make timely payments of interests and pay off the principles as per the contracts.
- 5) Competitors expects that a company shall not engage it self into unfair or restrictive trade practice so as to oust the market.
- 6) Community expects it is to be engaged in the number of social welfare programmes.

Corporate Governance is the system by which corporate entities are directed and controlled. It attempts to put in place a system of checks and balances between the shareholders, directors, auditors, management and the society. It seeks accountability and transparency in the corporate sector. It refers to set of rules that are designed to govern the behavior of corporate enterprises. CG aims to redefine business goals in such a manner that business become socially more relevant CG is needed to create a corporate culture of social consciousness and openness.

CG deals with conducting the affairs of a company such that there is fairness to all stakeholders and its action benefit the greatest number of the stakeholders. Key to better corporate governance lies in maximizing value for the shareholders, customers, employees, general public and government at large.

In India only a few large corporations are fulfilling their social responsibilities effectively like Tatas, Birlas, Dalmias, Reliance. Infosys, Wipro NTPC etc.

Infosys has undertaken a large rural education program titled "A library for every school" under which 5500 libraries have been set up in government schools spread across many villages. Other activities include the reconstruction of old school buildings, setting up of rural Science Centers and schemes to provide support to dying traditional art and culture forms.

NTPC believes in growth with a human face, and pursuing people-centred development. NTPC is a socially committed organisation and a socially responsible corporate citizen.

It attaches great importance to discharging its overall social responsibilities to the community and the society at large where its projects and stations are located. In this regard Resettlement and Rehabilitation (R&R) program becomes an area of sharp focus, a program that addresses people affected directly or indirectly in the wake of the projects undertaken by NTPC.

