



March 2022
215th Edition

SIRC-Mysuru Chapter e-Magazine

Vision

"To be a global leader in promoting good corporate governance"

Motto

सत्यं वद। धर्मं चर। *Speak the truth, abide by the law.*

Mission

"To develop high calibre professionals facilitating good corporate governance"

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Word Search

New Column for Mental Exercise
Review, Revise and Rejoice



CS A HARSHA
*Chairperson
Mysuru Chapter*

From the Desk of Chairman

Dear Professional colleagues,

With Parmatma's grace and blessings, I would like to share with you some of the best experiences I've had and what I learnt from them. The 4th ICSI Leadership Summit on February 12, 2022, in Delhi was the beginning. I was taken aback by how beautifully the entire meeting was planned, organized, and executed to the point that the host team ensured that everyone was comfortable and at ease. It was a great opportunity to see how well the president had planned the events for the entire year for all the chapters during his presentation. This made me realize the strength in unity which can bring in so much change. The power of unity can change the course of how an institution works and how people can adopt small changes to make a big difference in the society as a whole. I am glad to announce that ICSI Mysuru chapter has been awarded the 4th Winner Chapter in the Yuvotsav 2022, and I congratulate each and every student for your stunning performances. I really wish to see all the members and students of ICSI Mysuru Chapter unite and support each other to plan a golden future for our Institution. Indefinitely, my takeaway from the Leadership Summit is that "Unity is Strength" and that "Planning makes tasks easier and makes results more effective."

Chapter conducted an online session on Understanding Information and Fake Content on Social Media for the benefit of the community on February 18, 2022, which proved to be very helpful for both members and students to assess the authenticity of the content.

On February 26, the results of the Executive level and Professional level exams were announced. I would like to extend a warm welcome to those students who have upgraded themselves and have now become Members of this esteemed Institution. My hearty congratulations on becoming a part of the CS Fraternity. I congratulate all those who have cleared the levels with their hard work and dedication. For those who could not clear the exams this time, do not worry, there is always a next time, but prepare with a little more dedication, success is just one step away.

Keeping the power of unity in mind, we conducted a webinar in association with the Mangaluru Chapter, on Corporate Governance - Awareness, Accountability and Implementation on March 3, 2022, both for the members and students which went on very well.

This year while celebrating the International Women's Day, I would like to appreciate, recognize and thank each and every woman for playing all your roles, be it as a daughter, sister, friend, colleague, wife, professional or a mother exceptionally well and congratulate you for keeping alive the spirit of womanhood.

Before concluding, I would like to make this announcement that "It is time to bounce back after the lazy online pandemic mode into the Super active mode," as we will soon be commencing the physical sessions again from this month onwards. Let us all work together in a united way while adding more glory to this Institution forever.

Thanking you,



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

Mysuru Chapter

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CS Vijaya Rao
CS PhaniDatta D N
CS Parvati K.R
CS Ajay Madhaiah
CS Madhur N Agrawal
CS Harsha A. - chairperson

-: Support Team:

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Chapter Activities

1. Career Awareness Program

Chapter organized two Career Awareness Program during the month. The details are as follows.

S. No	Date	College Name	Resource Person	No of Students
1	04.02.22	Marimallappa Women's College	CS Harsha A, Chairperson	75
2	05.02.22	Maharani Commerce & Management College for Women	CS Phani Datta D N., Vice Chairman	150



2. Study Circle Meeting - Students

Chapter organized one online Students Study Circle meeting during the month. The details are as follows..

S. No	Date	Topic	Resource Person	No of Students
1	04.02.22	Ethics & Compliance	Ms. Jagruthi Bhora	30



3. Session on Union Budget with MCCI

Chapter in association with Mysore Chamber of Commerce & Industry organized a session on Union Budget 2022-2023 on 05.02.2022 through virtual mode. CS Harsha A., Chairperson of Mysuru Chapter welcomed the gathering and introduced the Speaker. CA (CS) Ujjwal Jindal, Founder - UJ & CO. and CA (CS) Annapurna Srikanth, Member, State GST Committee FKCCI were the speakers for the session. The speakers highlighted the important aspects of the Budget. Mr. A S Satish, President MCCI proposed the vote of thanks. The session was attended by around 75 members & students



4. Session on Understanding Information and Fake Content on social media

On 18th February, 2022 Chapter organized a session on “Understanding Information and Fake Content on Social Media” through virtual mode. CS Harsha A., Chairperson welcomed the gathering. Prof. Sapna M S., Professor, Department of Journalism, University of Mysore was the speaker for the session. In her address she explained the importance of identifying the genuineness of the messages posted in the social media pages. CS Parvati K R, Past Chairperson of Mysuru Chapter proposed the vote of thanks. Around 25 members & students of Mysuru Chapter attended the session

5. One Day Orientation Program

S No	Date	Topic	Speaker	No of Participants
1	28.02.2022	Online One Day Orientation Program for Executive Students	CS Vijaya Rao CS Harsha A CS Keerthana Gopal CS Phani Datta D N	36





Over a Cup of Coffee With...

Abridged and Edited



CS Padmavathi.K
FCS,LLB
Practicing Company Secretary
Founder: Prozone Advisors Pvt. Ltd



CS Pracheta M
Practicing Company Secretary

Concept & Compilation:



CS Dr Shobha Sridhar
Practicing Company Secretary

CS Pracheta - Going down the memory lane, who / what inspired you to pursue CS as your career? Please share your CS journey.

CS Padmavathi: The profile of CS which I read while doing my Diploma in Commercial Practice from Women's Polytechnic in Mangalore inspired me very much that I was cut out for this profession.

Later, as a pre-requisite for this course, I pursued Graduation in Besant Women's College, Mangalore, where the curriculum involved Secretarial Practice as one of the subjects. My interest was so overwhelming that I started looking out for some material about this course, discussed with my college lecturers about my interest, who gave me some books on this subject. At that time, Mangalore Stock Exchange Ltd., had come up in Mangalore, and my father had taken up the membership. He gave the agreement which a share broker had to execute with the Stock Exchange for my study when I came to know that the Stock Exchange had a Company Secretary, by name Mr. Umesh Maskeri. Later on, he moved on to Konkan Railways, CDSL etc., and now he is a Practicing Company Secretary at Mumbai, & calls me up at times to discuss the practical issues he is facing, which is a different subject matter altogether. Then I expressed my desire to meet the Company Secretary with my father, who took an appointment with him and took me to Stock Exchange, who later on helped me to get the Prospectus from the ICSI, helped me to fill up the Application, attested my documents and Identity Card and helped me to courier the originals to the Institute.

CS Shobha: You have been in the profession for the past 3 decades. What are the positives and negatives you see in our profession?

CS Padmavathi: I think when you are enjoying something, you only see the positives side!

Nevertheless, the positive sides of the profession which motivate me to keep going on are:

- I. The various segments of the professional assignments - varieties of job
- II. The discussion processes with the management/management team
- III. The approval processes we go through for the event - Board Meeting participation; general meeting participation; discussion with the lawyers and statutory auditors to put forward our points of view; the quick results of our efforts - fund raising, legal formalities completion, certificates issued etc
- IV. The protection of interest of various stakeholders of the Company: Survival of the Company is in our hands due to the legal framework we provide to our , benefits to the shareholders, employment generation; ideas conceived

to form different companies, service providers and consultants engaged by the Company, lawyers, auditors, accountants, engineers, clerical staff etc., we create under the corporate banner, ability of their families to run their life, education and other needs of children unending.

- V. The staff we maintain in our offices, the creation of future torch bearers of our profession by training our trainees, their life cycle management during training and creating a life for them, the corporates who take benefit of their knowledge and expertise again another whole cycle of people who get benefited
- VI. The various approval machineries created - from the erstwhile department of company affairs, now it is a Ministry created for administering our activities!
- VII. The compassion we have with our fellow professionals, the support we derive from others, and we give to others - the close knit relationship we enjoy in our society is another privilege we have as CS

Negative sides which I can think of:

- i. The people who perceive this course are not top cream. Still Engineering & Medical rule the game. This is an obstacle in getting the right blend of people to our profession to enhance our profession as the highest privileged one.
- ii. The offences committed by people get unnoticed many a times. We need a little better review mechanism to our work, so that all the positives which I mentioned are in fact being ensured as the ground reality. If the wrong doer is identified and punished/reprimanded to resist him repeating the offence, then our profession will get its due recognition.
- iii. The spread of corporate sector across PAN India, & the non-availability of qualified professional, leaving our professional assignments to be handled by other professionals, who do not have the requisite handholding by our Institute

CS Pracheta: *You are called as a perfectionist amongst the fraternity. We also know you have an eye for detail. Do you aspire to be a perfect in the work? How do you actually plan and execute the assignments?*

CS Padmavathi: I think, it is the quality of every woman to be a perfectionist!! Yes. I would like to take every minute detail of the assignment, legal provision, read the provision multiple times to understand what is required and implement it. It may or may not be noticed by the client or my staff or even regulators for that matter, but my interest to be very close to the subject matter as if I am going through the matter is very fascinating to me.

Planning: Clarity of thought process about the deliverables required

Understand the situation

Understand the statutory requirements

The Purpose of requirements of the regulations

The industry standards as I have perceived

Execution - level of scrutiny - 2 reviews at the minimum

CS Shobha: *Challenges are what makes us strong and help us grow. What is the biggest challenge you faced professional career and how did you overcome the same? Please share your experience.*

CS Padmavathi: While in this professional career, I have faced both professional challenges as well as personal challenges. The biggest one probably is the one which I faced in the initial period of my career as an employee CS & spreading up to the initial few years of my practicing profession.

CS Pracheta : *What according to you are the core values that have it shaped your outlook towards life and profession?*

CS Padmavathi: Commitment, Hard work, At-your-service attitude, Perfection, which you just asked earlier about Clarity of thought and my deliverables at office & at home - completely dedicated professional, & less of a family person. Clearly stating about my expectations from my family

CS Shobha: *You are an inspiration to all of us in the CS fraternity. You have been a topper in academics and in your practice too. Please share some tips on how to excel.*

CS Padmavathi: Thank you very much for these appreciations. I was always grabbing attention when I was a kid due to my sisters being excelled in their student life, and the same schooling that we all had, resulting in high expectations from my teachers. I was enjoying that limelight and felt that only if I am good at my academics, I would continue to enjoy it & not otherwise. This attitude continued up to my graduation. Having won many prizes and recognitions, I was considered to be a leader and a trend-setter, which started getting transpired in a similar manner in my professional life too.

Tips to excel: I don't chase victory; I just focus on the end result and the path towards it. I keep all my people informed about the process I follow. I don't intend to remain in dark, but very transparent and straight forward. I don't look at my gains but look at the reason why my services have been hired. If I don't feel satisfied with the remuneration I got for my efforts, I may discontinue from my services in the future, but will never undertake any short-cuts to the process in pursuit of chasing money. I don't keep any negative incidents of life in memory but may cautiously plan to engage myself with some people if I did not like any past relationships.

Fundamentally, a fun-loving person. Hence, I look at everything positively. This positivity of my approach may be a contributing factor to see me as a most contented person.

CS Pracheta: *What does Success mean to you? Do you have any role models? If so, who and what are the attributes you would like to emulate?*

CS Padmavathi: I relate Success with satisfaction. End of the day, if you get sound sleep, that is satisfaction. Very early in life, I realized that chasing dreams should not be in terms of money, prestige, status, etc., of physical things, but it is much to do with emotional quotient. So, only mingled with limited people other than my profession, who brought cheer and respect to me.

Have so many role models: Dr. D K Prahlada Rao, our Past President, who is one of my Gurus, along with his counterparts, Mr. H L S Rao & Mr. H S N Rao, where I got trained

My teachers in schools & college, especially Mr. Tapas, who was our English teacher in Diploma, when I could start picking up my English

Mr. B. S. Rao, who was consultant Company Secretary in my first job as CS

CS Shobha: *Your views on work life balance.*

CS Padmavathi: It is mostly work balance for me - as the work is my life. I feel happier and energetic and full of life when I am involved in the work. I have set the expectations straight at my family and they also respect. Fortunately, all 3 members in our family are equally busy in our lives and hence there are no much expectations. I dedicate my complete time for the profession.

However, on Sundays, I completely dedicate to my family. I call up my loved ones. I also take an off once a year for vacation with the family and spend time with the family.

CS Pracheta: *We are proud to be your counterparts of the early morning study group. We have seen the commitment and dedication you bring to the group. What drives you to consistently join the study groups?*

CS Padmavathi: I am very happy to be part of this group. Many members of the group a different expertise and experience on the table which I may not be having. When I have an opportunity coming my way, I feel that if I do not take it, I will be loser.

Also, it is such a wonderful thing that the first thing in the morning we do, is look at the books which for us is Saraswathi. So, what can be better start for a day! This feeling makes me stay committed and consistent with the study group sessions.

We extend our heartfelt gratitude to you for taking time out of your busy schedule and sharing your awesome journey with us.

Each one of us experience a fair share of setbacks and hardships. But there is much to learn from the challenges. The secret of success is determined by our daily agenda. We should not give in to difficulties. It is the courage to continue that counts. However difficult life may seem, there is always something we can do and succeed. Passion + dedication leads to excellence and success follows excellence.

Thank you!!!

Click this link to hear the interview recording: <https://bit.ly/CSPadmavathiInterview>

"A unique opportunity to CS Students
Dear Students,
We hope you are going through the interviews with the stalwarts of the profession. You too may have few questions in mind to ask these eminent Company Secretaries. Here is a unique opportunity for you to ask your questions directly to them!!! You have to send us the takeaways from the interview published in this month's magazine (please go through the excerpts published as well as the video link) and send your responses to enewsletter.icsimysore@gmail.com. The student who gives us the 'best takeaway/s', will get an opportunity to ask a question to our guest in the next series of the interview."

Independent Directors Board Room intruders to be tolerated for the sake of compliance or Crusaders of Good Governance – A Compilation



CS Dr S K Gupta
Managing Director
ICMAI Registered Valuers Organization
Email ID: cbst.skgupta@gmail.com

The Perspective

Corporate Governance, an almost outlandish subject till a few decades ago, has become the most important part of the corporate realm today. In fact, it is believed that there exists a strong relationship between the Corporate Governance and Financial Performance of an entity. The board and the management of any company are expected to act as trustees in order to ensure the safety of capital along with a rate of return that is higher than the cost of capital.

However, the corporate world has witnessed umpteen crises of confidence and credibility as a corollary of the vicious scandals, frauds, and epic failures of many large corporations recently. In view of this the increased presence of Independent Directors in the boardroom has been gauged as an effective deterrent, emerging as a cornerstone of corporate governance

Board independence is one of the cornerstones of corporate governance. Independent board directors are key to mitigating the agency problem of corporations in which ownership and control are separated. They monitor and counterbalance executive management or controlling shareholders on the board by ensuring that decisions are made in the best interest of the company and are fair to all shareholders. When independent directors fall short or breach their duties and responsibilities, the quality of decision making by the board and its overall competence and effectiveness become impaired.

Inability of the Independent Directors to participate to the extent of their potential is mainly due to

- Lack of a conducive Board Room atmosphere
- Presence of well-mannered people who are unlikely to raise a voice against the flow of the current
- Professing their expertise without appreciating the conduct of the affairs

Independent Directors - A Crown or a Thorn

- The role of an independent director is not easy as you are always confronted with the need to balance professional association with your fellow board members and the courage of respectful dissent borne by independence of mind which can be fettered by the fear of alienation.
- The cliché of “this is the way we do things around here” or the debilitating effect of “groupthink” stifles reasoned decision-making founded upon transparency and accountability. It is difficult to comprehend why highly qualified and supposedly competent businesspeople do not have independent courage to address the most basic moral dilemmas and why they allow corporate entities to engage in conduct that is at best immoral or worst illegal.

Role of Independent Directors (IDs)

- Play the role of whistle-blowers on the board;
- Bring a degree of objectivity to the board's deliberations in monitoring executive management;
- Assist the board in achieving consensus on important issues;
- Work with the CEO to prioritize issues, set the agenda and enable it to focus on substantive issues;
- Determining remuneration/appointment & removal of executive directors, key managerial personnel and senior management;
- Bring an objective view in the evaluation of the performance of board and management;
- Balance the conflicting interest of the stakeholders;
- Safeguard the interests of all stakeholders, particularly the minority shareholders.



IDs can be classified in 3 categories

- Who are nominees of the Chairman and who perform the role of “Nodders” They nod whenever the Chairman says anything. They are technically independent, but They echo the sentiments of the Chairman.
- Directors who are truly independent and they express their views clearly, fearlessly and frankly regardless of what the Chairman thinks.
- The vast majority of independent Directors fall between these two extremes. These are people conditioned by culture of not expressing dissent forcefully and are therefore intimidated or unsure how their criticism will be taken.

True Independence

Most independent directors are ‘independent’ from a legal standpoint; however, independence in substance is a different ballgame. The lack of ‘true’ independence also stems from the fact that most companies utilize the promoters’ or other board members’ personal network to search and appoint independent directors. Independence stems from professionalism both at a corporate level in terms of how the company approaches the subject of board composition and processes at an individual level in terms of how an independent director gears himself or herself for effective board service.

Specific questions the board should consider regarding a potential candidate

- Has the board identified the skills required in terms of expertise, background and types of personalities?
- Has the board ensured that a wide net has been cast for directors?
- Does the candidate understand the business/industry of the company?
- Can the candidate work as part of the board?
- Can the candidate work effectively with a diverse group of people - can he disagree without being disagreeable?
- Does the candidate demonstrate a high level of integrity and honesty?
- Is the candidate able to commit sufficient time to discharge board duties?

Checklist for new director appointments

- What is the business requirement going forward?
- What skills, knowledge, experience are we looking for or feel we are missing?
- What's the overall balance of the board in terms of age, profile, gender, and geographical spread?
- How does any new appointment relate to longer term succession planning?
- What is the availability of people with the right skill sets, experience and market credibility we need?
- Select the best available candidate.

To leave everything to the Independent Directors would not be fair....

Independent Director is a part of the team. Being an ID is a collective responsibility in carrying out the common purpose of oversight and governance. IDs are not a homogeneous group, they have to complement each other but avoid 'group think', must not feel constrained to speak their minds, able to disagree without being disagreeable and speak for each other if required.

The Board is a group of individuals, and we all have frailties. Only the collective conscience of independent and executive directors can ensure proper governance. To assume that only Independent Directors can ensure governance is a myth

The danger of Independent Directors

The typical board of directors of major U.S. publicly held corporations now includes a greater number and percentage of "independent" directors than ever before. That sounds like a good thing, and in some respects it is. But like most benefits, the independent director wave carries with it corresponding costs.

The typical board of directors now includes a greater number of directors who lack detailed operational knowledge about the firms they serve, and a greater percentage of directors who lack firm-specific commitment to their companies and all their stakeholders. That is the danger of independent directors.

What is needed is a thorough rethinking of the optimal board composition. The drive for independent directors has proven itself suspect, even dangerous. the constitution of the board of directors of most Indian companies is tilted towards promoters as many independent directors are not really effective

Independent directors: Underpaid & unappreciated

It may also be noted that various countries (US, UK, Canada, Australia, Singapore, Hong Kong to name a few) do not prohibit stock options for independent directors. Considering that stock options are growing in popularity, it may be more relevant to place restrictions either on the total amount of options or on the manner in which these options are exercised (stock options exercised and converted to shares by an independent director may not be sold for a certain predetermined period after exiting from the board) instead of completely prohibiting stock options.

The UK Corporate Governance Code suggests that levels of remuneration for non-executive directors should reflect time commitment and responsibilities of the role and remuneration should not include share-options or other performance-related elements. If, in exceptional cases, options are granted, the code suggests that approval should be sought in advance and any shares acquired by exercise of the options should be held until at least one year.

Remuneration structure in other parts of Europe varies vastly with countries such as Sweden, Denmark and Switzerland having over 95 percent of the total remuneration as fixed fees and countries such as France and Germany having less than 60 percent of the total remuneration as fixed. Companies in some European countries typically include other layers of fees, the most common of which are: attendance fees, variable fees based on company performance, basic fees for committee membership and Chairmanship, and committee attendance fees

Conclusion

The concept of the institution of IDs is simple. They are expected to be independent from the management and act as the trustees of shareholders. This implies that they are obligated to be fully aware of and question the conduct of organizations on relevant issues. After the break out of some of the largest corporate frauds in the country in recent times and the subsequent increase in the number of resignations by IDs, there is a heightened focus on their role and responsibilities as custodians of stakeholders' interests. The IDs can play the crucial role of bringing objectivity to the decisions made by the board of directors by playing a supervisory role. While they need not take part in the company's day-to-day affairs or decision-making, they should ask the right questions at the right time regarding the board's decisions.

Raising the appropriate red flags at the right time would help them in avoiding the occurrence of unwanted situations and their consequences largely with a clearer understanding of industry and company economics, boards can have the kinds of informed dialogue with senior managers that ultimately help them prepare smarter options. Every board member does not necessarily need to have industry experience. But they must have the courage in the boardroom to ask difficult questions.

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Women, Sustainability and Crisis Management



CS Kavitha Krishnan

Manager- Compliance and Legal
Email ID: Kavithakrishnan.in@gmail.com

“A woman is like a tea bag - you can’t tell how strong she is until you put her in hot water.”- Eleanor Roosevelt

The 1987 Bruntland Commission Report defined Sustainable Development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Society, environment, culture and economy are the four important and interdependent pillars of sustainability. Businesses depend on basic resources and infrastructure to function and need a thriving economic community to support their operations. With growing brand consciousness among consumers, businesses are striving to reduce their environmental footprint. Many of the start-ups are beginning their operations with a social purpose in mind.

In the year 2015 the United Nations (UN) member states adopted the 2030 agenda for sustainable development with prominent commitment to gender equality. The UN 2030 Agenda makes it clear that “development will only be sustainable if its benefits accrue equally to both women and men; and women’s rights will only become a reality if they are part of broader efforts to protect the planet and ensure that all people can live with respect and dignity”.

Women from all walks of life play an important role in achieving the sustainability goals of businesses and nations (whether in rural or urban areas). Women are known to be resilient in challenging times as they forge tight knit community connections. They are a treasure trove of cultural and indigenous wisdom which is the need of the hour in a world facing climate crisis and increasing inequality.

Women leaders, Corporate Crisis and Sustainability

When Indira Nooyi, the erstwhile Pepsi Co-Chairperson and CEO took charge of the Company she asked a team of senior executives to identify future trends that would affect the business. Among the several megatrends reported were the changes in people's outlook towards health and wellness, need to conserve water and rise of activism towards global climate change.

Nooyi realized that the financial goals cannot be met if these megatrends are not addressed. She merged the Company's sustainability goals with the core business model by coining a new approach called Performance with Purpose. This helped the Company achieve the following:

- a) Expand its product portfolio to more nutritionally healthier products by dealing down the sugar, salt and fat contents over a period of time (human sustainability). The brands Tropicana and Quaker Oats are some examples.
- b) take steps towards water conservation and reducing plastic waste (environment sustainability)
- c) ensuring support to women inside the Company and in the communities the Company served (talent sustainability).
By the year 2018 women held 39% of senior management roles in the Company.¹
- d) Delivering superior financial returns (financial sustainability).

Other examples of women leaders who focused on sustainable long-term growth are Anne Mulcahy who joined as CEO of Xerox in 2001 when the Company was on the brink of bankruptcy. She focused on innovation and higher spending on Research and Development turning Xerox into an innovative digital technology and services enterprise.

Mary Barra, first female CEO of General Motors and pretty much the first for a major automobile company in the U.S is leading the Company's transition to electric vehicles by 2035.

The above approaches evidently came with their own challenges and resistance, but studies have proved that women are better at bringing forth new initiatives with a cause for sustainability and effective crisis management compared to their male counterparts. It is increasingly seen that struggling companies promote women to senior management roles.

A study published by the Harvard Business Review found that 63% of the test subjects thought that woman should take over a Company in crisis.²

It is believed that women possess qualities that can make them more suitable in difficult situations. These kinds of findings have led some to conclude that when we think crisis – we think female.

Women and COVID 19 Crisis Management

The World faced one of the most unprecedented crises of all times recently. The COVID 19 Pandemic turned the world upside down and has pushed thousands of people into extreme poverty. Studies have shown that Global health emergencies like Pandemics and disasters affect men and women differently.³

It is a known fact that women help build community resilience and maximize positive outcomes for other women, which ultimately helps close the global gender gap. In view of this it is interesting to note the contribution of women leaders who made a difference by addressing the challenges posed by the Pandemic.

- Nita Ambani, founder and chairperson of Reliance Foundation, set up India's first dedicated 250 bed COVID 19 treatment facility in Mumbai which has over time increased to over 2000 beds with uninterrupted oxygen supply. The treatment was provided free of cost to help the marginalized and the poor of which women form the majority. Along with this the foundation has done commendable work on launching COVID 19 testing lab and vaccination drives with the help of digital platform Jio Health Hub.
- Kiran Mazumdar Shaw Executive Chairperson of Biocon forged a strategic long-term collaboration with Serum Institute Life Science (SILS) by acquiring 15% stake in SILS. Bicon Biologics, a subsidiary of Biocon will supply 100 million doses of vaccines annually for 15 years and has commercialization rights of SILS' vaccine portfolio for global markets.
- Suchitra Ella is the Co-founder and Joint MD of Hyderabad based Bharat Biotech International Ltd which developed the home grown Covaxin to fight the pandemic. The Company produces 4 crore doses a month. Covaxin was recently approved by regulators for use in Children between 2 and 18 years.

Women supporting Corporate Teams during Crisis

In times of crisis, more stereotypical feminine qualities, like being collaborative or good with people, are often seen as particularly important. Thus, it may be that women are thought to be more suitable in certain types of crisis situations, since they are believed to possess these kinds of social qualities more so than men.

Women do more as compared to men in similar positions in supporting the people on their teams—for example, by helping team members navigate work-life challenges,

ensuring that their workloads are manageable, and checking in on their overall well-being. Women also spend more time than men on work that falls outside their formal job responsibilities, such as supporting employee resource groups and recruiting employees from underrepresented groups.

According to the Women in Workplace 2021 report published by McKinsey & Company Employees with women managers are more likely to say that their manager has supported and helped them during difficult times.

These companies take advantage of a larger talent pool, engage in better decision-making, and have workforces that are more reflective of and responsive to their customer base.

Women, Rural Sustainability and Crisis Management

In many communities, women are responsible for household decisions that affect whether their families and communities thrive. Women are more likely to contribute to climate adaptation measures because of their community and household responsibilities, including their responsibility for household spending, their role in collecting water and firewood. Also,



in some countries including India women comprise nearly half of all small holder farmers and possess critical skills and knowledge about land and agricultural techniques.

Women can play ground-breaking roles in transforming food systems, as shown by improved nutrition outcomes when agricultural interventions focus on women's access to and control over resources. Women play a key role in food production and form a large proportion of the agricultural work force globally. According to the United Nations if women farmers (43 per cent of the agricultural labor force in developing countries) had the same access as men, agricultural output in 34 developing countries would rise by an estimated average of up to 4 per cent. This could reduce the number of under nourished people in those countries by as much as 17 per cent, translating up to 150 million fewer hungry people.⁴

Trinity Saioo also known as Turmeric Trinity hails from a remote village in Meghalaya. She worked with the Lakadong Variety of turmeric and assisted uneducated women of the village in learning the methods of organic farming which helped them triple their earnings. To attain a profitable income from turmeric, Saioo engaged the women of the village in the grading and processing of turmeric which ultimately led to better marketing of turmeric and its value-added products. The efforts of Saioo have enabled her to extend her marketing networks to several states across the country like Kerala, Karnataka, Haryana, Punjab, West Bengal, Maharashtra, Assam, Mysore, Bihar, Uttar Pradesh, etc. Her aim is to reach out to overseas markets as well. In this way she is meeting ecological, social and financial sustainability goals. The Government of India honored Saioo with the Padma Shri award in 2020 for her invaluable contribution to the cultivation of turmeric and to promote farming.

In many societies, women are responsible for household water supply, sanitation, and health. The wealth of knowledge on the environment that indigenous people and communities possess preserves Biodiversity. Indigenous knowledge comprises: an understanding of wild ancestors of food, medicinal plants, and domestic animals; symbiotic relations with ecosystems; an awareness of the structure of ecosystems and the functionality of specific species; as well as the geographic ranges of said species.

In many developing countries especially in the poorest areas, most energy currently comes from traditional biomass fuels such as wood, charcoal, animal, and agricultural wastes - and culturally collecting and managing these fuels is strictly the responsibility of women even when this involves long hours performing heavy physical labor or travelling longer distances. Women also form a major part of the village co-operative societies of dairy farming, traditional weaving, horticulture, and fish farming to name a few. These co-operative societies generate income and make the village communities self-sufficient.

It makes good business sense to include and empower women in the development and implementation of climate strategies, policies, and programs. This is a good approach that will tackle climate risk and gender inequality simultaneously, with clear benefits for businesses, women, and communities.

Conclusion

Women are a treasure trove of cultural and indigenous wisdom. Empowering and investing in women are key to combating the effects of climate change and paving the way for poverty alleviation.

To conclude the suitability goals of United Nations to be achieved by the year 2030 can only become a reality if companies, both struggling and successful, start to promote women in leadership positions and become inclusive.

End notes

1 Harvard Business review “Becoming a better citizen” by Indira Nooyi and Vijay Govindaraj, Mar-Apr 2020.

2 Harvard Business review “How Women end up on Glass Cliff” by Susanne Bruckmüller and Nyla R. Branscombe Jan-Feb 2011

3 &4 Spotlight on gender, COVID 19 and SGD issued by the United Nations, COVID 19 brings into light the gendered impact of the pandemic.



Women - A Global Contributor or a Global Sufferer?



CS Shukla Bansal
FCS,FCMA, M.Com
Practicing Company Secretary
Email ID: shuklabansal@yahoo.com

Both men and women are God’s creation on this Earth. God never differentiated among any of those creations - it is we, humans, who have developed all these differences.

You may have heard several arguments justifying that “gender” is a western concept, which we do not need in India, since as the legends have it, India is the original home of the several “Mother Goddesses”. Our ancient history stands testimony to the innumerable women scholars and rulers who have stood the tests of the time and have proven their mettle repeatedly. Such stories from mythology and folklore are recounted to prove that women in India have always been honored and respected - much as what the famous shloka from Manusmriti -

“Yatra naryastu puhyante ramante tatra Devata, yatra itaastu na puhyante sarvaastatrafalaah kriyaah” (divinity blossoms where women are honoured, while all actions, no matter how noble, remain unfruitful where women are dishonored.)

Even Globally, women are the primary caretakers of children and elders. As per international studies, women take the lead in helping the family to adjust to new realities and challenges. Women also play the role of the educators-it is the mother in the family who often urges children of both genders to attend and stay in school. Further women play a significant role in the workforce. Despite significant obstacles, women’s small businesses in rural developing communities

not only can be an extended family's lifeline but can form a networked economic foundation for future generations. As per the Harvard Chan School News (5th June 2015), Women's contributions to health care are nearly 5% of global GDP.

On the one hand, women are a contributor in various spheres of life, be it home, office, economy, or nation. On the other hand, women are a sufferer, a victims of gender inequality in various spheres of life, which is being highlighted below:

1. Covid-19 Impact on Women Employment/Work

It is no secret that COVID - 19 has wreaked havoc on employment, however, the gendered inequality of loss of employment is known to a much lesser extent. To worsen the existing labor force participation rates, the female labor force in India has contracted by approximately 14% as against a mere 3% for males. Further, Women with children less than 5 years old, have experienced a sharp 63% fall in employment between April 2019-April 2020. The corresponding figure for men is 43%. Similarly, women with school-age children have seen a 41% drop in employment during the same period, but for men, this number stands at 31%.

Another crucial thing to note is that as economic activity has restarted, a large proportion of men have started working again, however, the loss of jobs has been much more "permanent" in the case of women owing primarily to the increased household work burden and reduced mobility. Thus, male employment is expected to be back at the April 2019 levels very soon, however, the "recovery" is much more uncertain in the case of women. This is only going to lead to a more pronounced labor force participation gap.

Employed women, in Indian history, have always had two jobs, their official job and their "homemaker" job. The seeping down of patriarchal ideas in the distribution of household labor is a horrific reality. At a time, when access to household help has been limited as a COVID - 19 preventive measures, both urban and rural women have been suffocated under the pressure of managing home and office. This has also taken a toll on the mental and physical health of women.

2. According to National Statistical Office (NSO) data India's average literacy rate is 77.70% & male literacy at the India level in 2021 stands at 84.70% & female literacy stands at 70.30%.

3. The share of women's participation at work was around 36 percent in 2021, compared to 64 percent by men. Overall, the share of men's participation at work was much higher compared to women in India.

4. Women often face Sexual Harassment at workplaces in India. There is a sharp decline in the cases as the organizations have shifted to remote and hybrid work models in the corona outbreak.

The total number of sexual harassment complaints at workplaces in 44 Nifty companies fell 38.26% in FY21.

5. Women in India earn 19% less than men, reflecting the high gender pay gap in the country, according to the latest Monster Salary Index survey (March 2019) The gap has narrowed merely by 1% in 2018 from 20% a year ago.

The latest data from the online career and recruitment solutions provider indicates that the current gender pay gap in India stands at 19%, where men (Rs 242.49) earned Rs 46.19 more in comparison to women (Rs 196.3).

The data shows gender pay difference widening with higher skill levels - while there is no gender pay gap in semi-skilled work, the gap touches 20% for skilled women and 30% for highly skilled occupations. The gap increases with experience and is highest at 15% in favor of men for talent with 10 and more years of experience, showed the MSI index.

6. Over 2,300 domestic violence complaints were filed with the National Commission for Women between January and May in 2021, the highest for any year since 2000. Most complaints were received from U.P., while the highest complaint rate was recorded in Delhi. However, according to NFHS-5 data, 70% of women in the major States who faced physical violence did not inform anyone about it. Even among those who sought help, very few reached out to the relevant authorities.



7. Women are more likely to be injured in car crashes than men because vehicle safety features are designed primarily for men (University of Virginia Study)

The study, Vulnerability of Female Drivers Involved in Motor Vehicle Crashes, found the odds of a seatbelt-restrained female driver sustaining severe injuries were 47 percent higher than those for a seatbelt-restrained male driver involved in a comparable crash.

8. India has a total of 58.5 million entrepreneurs and 8.05 million of those are women entrepreneurs, which adds up to only 14% women entrepreneurs in Indian Business settings. It also highlights that 79% of women-owned businesses are self-financed and are relatively smaller in size and scale. This justifies the low contribution of Indian women to the GDP (17%) which is far below the global average of 37%

8. Women are more likely than men to be affected by climate change. Over 70% of those displaced by flooding in Pakistan in 2010 were women and children (Source: BBC News)

UN figures indicate that 80% of people displaced by climate change are women.

Roles as primary caregivers and providers of food and fuel make them more vulnerable when flooding and drought occur.

In the wake of the 2004 tsunami, an Oxfam report found that surviving men outnumbered women by almost 3:1 in Sri Lanka, Indonesia, and India.

At the most basic level, mortality rates for women and men are often different in natural disasters. The vulnerability of women to disasters is increased for several reasons. Post-disaster, women are usually at higher risk of being placed in unsafe, overcrowded shelters, due to lack of assets, such as savings, property, or land. In the context of cyclones, floods, and other disasters that require mobility, cultural constraints on women's movements may hinder their timely escape, access to shelter, or access to health care. Exacerbating this effect, women often avoid using shelters out of fear of domestic and sexual violence and become even less mobile as primary family caregivers.

Conclusion:

As we can notice some positive changes like the sex ratio has tipped in favor of females (As per National Family Health Survey-5, for every 1000 males, there are 1020 females for the period 2019 and 2021). Further, the 17th Lok Sabha has 14.39% of the elected women MPs as against 12.5% women representation in the previous Lok Sabha.

While increasing representation of women in the public spheres is important and can potentially be attained through some form of affirmative action, an attitudinal shift is essential for women to be considered “equal” within their homes and in the broader society- A step towards gender equality.

We have come a long way and the day is not far when we will be equal. The bridge between men and women in the world of business has been built to a considerable extent and with time, we will only see more improvement. In this regard, educating the children from an early age about the importance of gender equality and framing female-friendly National policies /laws could be a meaningful start in that direction.

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Female employability data, by Statista

Report by Nasrin Sultana on Sexual Harassment cases data.

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Climate change 'impacts women more than men'- By Mary Halton

Women Entrepreneurship: Unsung saga of economic warriors- By Molishree



**INDIAN WOMEN WHO WERE THE
'FIRSTS' IN THEIR FIELD**



HELP YOURSELF *Food for Thought*



Aparna U

Executive Student

Email ID: aparnaukumar14@gmail.com

How to Win Friends and Influence People

-By Dale Carnegie

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Dale Carnegie is an author who needs no introduction to all booklovers especially to those who read self-help books. The author, born in the year 1888 was one of the most popular, successful bestselling authors of his times. His popularity continues to this day as his books are often regarded as timeless masterpieces.

Under this column, earlier, we have discussed 'The Art of Public Speaking' by the same author, in this e-magazine issue for the month of November 2020.

In this book, the author takes a deep dive into the subject of dealing with people in the best way possible. The title may seem like it is only for leaders, influencers, or politicians but this is a quintessential skill that everyone needs almost all the time! The author lays down various simple but game-changing principles for you to keep in mind, implement and reap benefits of, while dealing with people so as to bring out the best out of everyday tasks- for the simplest to the complex ones. The book is categorized into four parts containing various chapters under each of them.

By reading this book one gets a fair idea of how to become a good conversationalist, what to keep in mind while writing letters, (so that they are most respectful, appealing and precise) confront arguments, avoid criticism and many more such skills that come handy in many inexplicable ways in almost every place we go as part of our profession or otherwise.

The book also draws attention to the 'don'ts' that one should keep in mind while expressing one's thoughts and opinions. For example, being shallow in conversations, praise etc. will only bring detrimental results sooner or later. The author presses on the importance of genuinity and sincerity.


The book is full of true events taken as examples by the author in order to impart the skill. Events and situations from American history, like examples from the life of Abraham Lincoln, Theodore Roosevelt, John D. Rockefeller, even from the author's own experiences and from those of his friends and acquaintances that enlighten us. It is very interesting to read how great personalities like the aforementioned and many more, dealt with people professionally and even otherwise. There are many surprising excerpts in how seemingly complicated situations were dealt gracefully with simple

solutions. These have been narrated by the author and inferred from these are the principles, your biggest takeaways from the book.

I usually share a small idea from the book in every article, but this book contains wonderful lessons that sound best when read directly from the book. So, I have only touched upon what you get by reading the book. Like we all know, mere knowledge may not be power, but knowledge when applied definitely becomes power. So, as the author also mentions that this is an action book. Therefore, read well and implement.


If you are here for the first time, this column intends to impart bite sized knowledge from self-help books, biographies, autobiographies and other related genres, relevant specifically to corporate professionals and aspiring professionals. Not every learning that a book enshrines can be fit in here, so writing a summary or a book review is not the aim of this column. The intent is to give you a touch of acquaintance to a new book, in every issue of this e-magazine, hoping that it will make you want to grab it and read for yourself. So, help yourself!





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MYSURU
CHAPTER



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"To be a global leader in company secretarial services"

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"To develop high calibre professionals (with high moral values)"

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"Latest Amendments, Compliance and Governance"**

Date - 19th March, 2022, Saturday
Time – 10.00 am onwards
Venue – Hotel Rio Meridian, New Sayyaji Rao Road, Mysuru

CHIEF GUEST
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Commissioner of Police, Mysuru

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Looking forward to your active participation


For more details, contact
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With warm regards
For Mysuru Chapter Managing Committee


CS Harsha A
Chairperson

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TOPICS & SPEAKERS

Day 1	Day 2
10.00 am – Inaugural Session	10.00 am – Bird's Eye View on Recent Adjudication
11.30 am – Schedule III – What a CS Should Know? by CS Dattatri H M & CS Padmanavathi K	Orders by CS Pracheta M 11.45 am – Contemporary Issues in Companies Act by CS Abhishek Bharadwaj B B
02.00 pm – Discussion on LLP Amendment Act, 2021 and Report on CSR (CSR-2) by CS Divesh Goyal	2.00 pm – A Well Balanced Diet – Dr. Gangam Nanaiah

PCH – 08 (Structured)
PDP – 16 (For Students)

Registration Fees (Including GST)
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*Seats will be confirmed only after receiving the payment
*Fee once paid will not be refunded or adjusted
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WORD SEARCH



Compiled by:
CS Hema Gaitonde
Practicing Company Secretary
Email ID: hemagaitonde.cs@gmail.com

Word Search Clues (Based on Responsible Business Conduct and Sustainability)

1. Development that meets the present needs without compromising on the needs of the future generations; emphasising on the balance between Environment, Economy and Social objectives. (11)
2. The ESG reporting is based on the _____ (6) Reporting Initiatives (GRI) standards and the _____ (10) reporting framework respectively.
3. Period for which Business Responsibility and Sustainability Report (BRSR) is prepared. (9,4).
4. Businesses should promote _____ (9) growth and _____ (9) development (one of the principles laid down under National Guidelines for Responsible Business Conduct).
5. In BRSR reporting, indicators which are expected to be disclosed by every entity which is required to file BRSR report - _____ (9) indicators.
6. In BRSR reporting, _____ (10) indicators are those which may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.
7. Businesses should govern themselves with _____ (9).
8. _____ (5) producer is where the owner herself/himself is a worker and includes SHG and home-based workers.
9. Perform _____ (7) and Trade (PAT) scheme has been launched by Bureau of Energy Efficiency.
10. The UN Sustainable _____ (11) Goals 2030 is a plan of action for the people, planet and prosperity.

Note: Figures in the bracket indicate number of alphabets in the answer word

F	A	F	G	T	Y	H	U	J	K	O	L	I	M	U	D
E	I	E	D	E	V	E	L	O	P	M	E	N	T	L	E
R	Z	N	B	N	M	J	U	I	E	R	T	C	T	P	T
Y	L	E	A	D	E	R	S	H	I	P	Q	L	Y	O	A
I	T	Y	F	N	K	H	N	S	X	C	W	U	U	B	R
O	G	M	G	S	C	D	F	M	P	S	D	S	I	H	G
P	S	U	S	T	A	I	N	A	B	L	E	I	O	Y	E
I	W	E	L	X	V	C	A	L	H	J	K	V	L	N	T
N	T	R	A	Z	A	Q	W	L	E	R	T	E	Y	M	N
T	H	J	I	K	A	L	O	P	Y	A	S	D	F	E	I
E	W	K	T	D	F	C	H	B	G	E	S	D	F	A	G
G	S	J	N	B	N	I	H	L	K	J	A	H	G	L	N
R	X	M	E	O	M	D	E	I	C	X	Z	R	O	F	S
I	C	T	S	M	N	B	V	C	E	Z	D	B	H	E	E
T	D	G	S	H	R	Y	Z	X	T	V	A	G	T	R	W
Y	E	B	E	Q	U	I	T	A	B	L	E	M	U	V	Q

Answers: Page 30



Delhi Diaries



Vikram Hegde, Advocate

Advocate on Record
Supreme court of India
Co- Founder, VH Law Chambers
vikramhegde87@gmail.com

Companies Formed for Charitable Purpose - Creative Museum Designers V. Income Tax Officers Exemptions.

Our usual understanding of a company is of a business where the capital comes from several persons, who may either be natural persons or juristic persons, with their liability limited by their investment in shares but hope to partake in such profit as the company may derive from its business. As with any business, there is always the risk that a company may not turn out a profit at all, despite its best efforts. But there is an underlying presumption of intention to generate profit. What happens when a company does not intend to make a profit at all, but rather has been formed for a charitable purpose? The Companies Act, 1956 provided for such a Company under Section 25 and a somewhat analogous provision is to be found in Section 8 of the Companies Act, 2013.

Section 25(1) in The Companies Act, 1956

(1) Where it is proved to the satisfaction of the Central Government that an association-

(a) is about to be formed as a limited company for promoting commerce, art, science, religion, charity or any other useful object, and

(b) intends to apply its profits, if any, or other income in promoting its objects, and to prohibit the payment of any dividend to its members, the Central Government may, by license, direct that the association may be registered as a company with limited liability, without the addition to its name of the word " Limited" or the words " Private Limited".

The corresponding provision in Section 8 of the Companies Act, 2013 is more stringent, in that it imposes additional restrictions on the operation of the Company and also provides for a fairly elaborate mechanism of revoking the license of the Company. Thus, the very fact of registration of a Company under Section 25 of the 1956 Act, or Section 8 of the 2013 Act, implies that there is at least one level of scrutiny that the company is being operated without a profit motive.

However, this is not sufficient to claim the benefits that accrue under law to such entities, for the purposes of the Income Tax Act. But what is the scope of the activity that can be considered as non-profit activity that deserves the relevant exemptions under the Income Tax Act? The Calcutta High Court in Creative Museum Designers v. Income Tax Officer, Exemptions had occasion to dwell upon the nature of a company that seeks such a status.

In this case, the Petitioner was a company registered under Section 25 of the 1956 Act and was engaged in dissemination of knowledge in Indian society by way of development of knowledge centres such as museums, planetariums etc. It is also pertinent to note that the company had been set up by the National Council for Science Museums, Ministry of Culture, Government of India. They also claimed that they were unique in the services they provided and also listed out some of the high profile projects they had completed. It is pertinent to note that the Company had been registered under Section 80G(5)(vi) of the Income Tax Act.

Despite all the above official recognitions of the charitable nature of the activities of the Petitioner company, the income tax department sought to disallow any exemption on the basis that the surplus generated by the Petitioner company was commercial in nature. The Income Tax department would argue that bid of the Company for some of the projects demonstrated a profit element. Further, the work done by the Petitioner in the years under consideration were not educational in nature but more in the nature of a contractor for hire.

The court examined the nature of a company registered under Section 25 of the 1956 Act and the eight conditions of the license under Section 25. The court specifically noted the requirement to apply any profits to the purpose of the company and the restriction against paying a remuneration to its members. The court also considered the objectives of the company as enumerated in the Memorandum of Association.

The Court then drew a distinction between other types of contracting and the specialized work the Petitioner was engaged in, in a succinct manner by stating - “A museum is not constructed but conceived and developed.”

The next argument of the income tax department that the museums, after construction by the Petitioner, were handed over to the respective owners and this showed their status as Contractors who were no longer in the picture at the time of actual dissemination of knowledge. The Court negated this by stating that the role of the Petitioner was one of a “Master curator” responsible for conceiving and developing museums.

The court then concluded that the mere fact of generation of surplus would not change the nature of the activity which was undoubtedly educational. Thus the Petitioner was held to be engaged in a charitable pursuit.

In the midst of all these give and take, we should not lose sight of the fact that the Petitioner in this case was a government company engaged in a multi-level dispute about paying taxes to the government. In a sense it was much ado about transfer of money from one pocket of the government of India, to another. No doubt these are distinct juristic entities and are at liberty to urge contrary positions of law. But at the same time, we should not forget that some administrative clarity on this issue might have obviated the adversarial proceedings that ensued, saved the legal costs to the government (at both ends), and spared the burden on the judicial time of the courts.





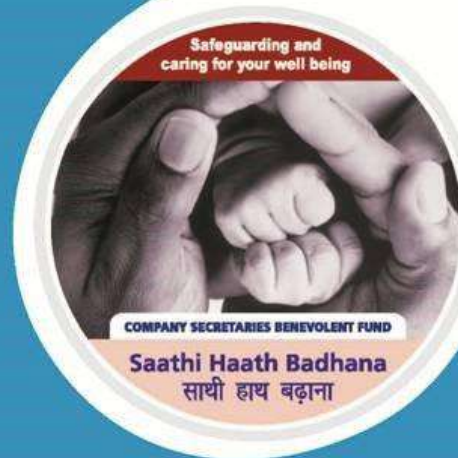
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WORD SEARCH ANSWERS
(Based on Responsible Business Conduct and Sustainability)

CS Hema Gaitonde, PCS Mumbai
hemagaitonde.cs@gmail.com

F	A	F	G	T	Y	H	U	J	K	O	L	I	M	U	D
E	I	E	D	E	V	E	L	O	P	M	E	N	T	L	E
R	Z	N	B	N	M	J	U	I	E	R	T	C	T	P	T
Y	L	E	A	D	E	R	S	H	I	P	Q	L	Y	O	A
I	T	Y	F	N	K	H	N	S	X	C	W	U	U	B	R
O	G	M	G	S	C	D	F	M	P	S	D	S	I	H	G
P	S	U	S	T	A	I	N	A	B	L	E	I	O	Y	E
I	W	E	L	X	V	C	A	L	H	J	K	V	L	N	T
N	T	R	A	Z	A	Q	W	L	E	R	T	E	Y	M	N
T	H	J	I	K	A	L	O	P	Y	A	S	D	F	E	I
E	W	K	T	D	F	C	H	B	G	E	S	D	F	A	G
G	S	J	N	B	N	I	H	L	K	J	A	H	G	L	N
R	X	M	E	O	M	D	E	I	C	X	Z	R	O	F	S
I	C	T	S	M	N	B	V	C	E	Z	D	B	H	E	E
T	D	G	S	H	R	Y	Z	X	T	V	A	G	T	R	W
Y	E	B	E	Q	U	I	T	A	B	L	E	M	U	V	Q