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THE JOURNAL FOR GOVERNANCE PROFESSIONALS

**Responsible Investment for
Sustainable Future**



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE
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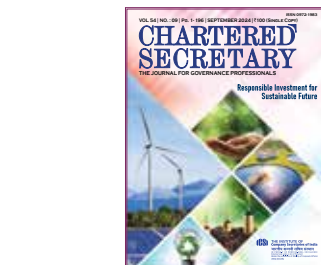
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EDITORIAL

The month of August reminded us of the profound observance of democratic heritage, as the entire nation celebrated its 78th Independence Day on 15th August. Addressing the nation from Red Fort, the Hon'ble Prime Minister focused on the significance of the theme of this year's Independence Day, i.e., 'Viksit Bharat 2047' and also urged all Indians to strive for the country's development. He also hailed the Indian Government's focus on reforming the banking sector, education system, and criminal laws and mentioned the significance of the 'lakhpati didi' scheme, world-class educational universities, capacity building for natural disasters, global promotion of Ayurveda, etc.

The month of September brings with itself significant days to celebrate and create conscious awareness within India as well as globally on the right to education and literacy for all and obeisance to those who spread the light of knowledge with celebrations across India on 'Teachers Day' as well as internationally with the ICSI Middle East Conference.

This month's issue of the Journal is focusing on one of the burning issues of discussions among professionals and business leaders all over the world 'Responsible Investment for Sustainable Future'. The section starts with an interesting write up titled 'Challenges and Risks in Responsible Investing' wherein, the authors have highlighted various challenges and risks tied to responsible investing, followed by another write up titled 'Building a Better Future with Sustainable Investments'.

In the article titled 'Strategic Integration of ESG in Investment Practices: Integrating Modern Investments Practices with Sustainable Governance', the authors emphasise on the integration of ESG factors as the core for sustainable economic growth. The author in an

article titled 'Sustainable Investments: Paving the Road to an Environmentally Friendly Future' points out that climate change and resource depletion goes apace to peak. Further, through the article 'Unleashing Fintech Potentials in India: Opportunities and Challenges', the author tries to cover various activities that Fintech companies undertake.

The articles on 'Green Banking' and 'Green Finance and Innovation' underscores the importance of these concepts in shaping the future of the financial sector. Adding further, the title 'Incorporation of AI into Ethical and Sustainable Investing Strategies and its Influence on Financial Results and Decision-making Pathways' focusses on strategic investment aspects with integration to AI.

The article on 'Governance Challenges in the Era of Digital Transformation and Automation' highlights the need to rethink business strategies and operations to harness the full potential of technological advancements.

The research section of the Journal is presented with an interesting manuscript titled 'A New Path to Sustainability: Leveraging Circular Economy for Waste Management in India'. The global connect section covers an interesting write-up on 'Evolving Global Trends and Best Practices of Corporate Governance: Balancing Profit with Purpose'.

This month's issue of the Journal also showcases an in-depth interaction with CS Sanjeev Grover, Executive Officer and Company Secretary of one of the leading Automobiles manufacturers, Maruti Suzuki India Limited.

Happy Reading!!

CS Asish Mohan
(Editor - Chartered Secretary)



1. ICSI delegation led by CS B. Narasimhan, President, The ICSI met Shri Shashi Tharoor, Member of Parliament, Lok Sabha and apprised him about the dynamic role a Company Secretary plays in fostering transparency and accountability in India Inc.
2. ICSI delegation led by CS B. Narasimhan, President, The ICSI met Dr. Niten Chandra, IAS, Secretary (ESW), Ministry of Defence and discussed developing capacity building programmes and short term courses for army personnel.
3. CS Asish Mohan, Secretary, The ICSI called upon Dr. Rajiv Mani, Secretary, Legislative Department & Law Secretary, Department of Legal Affairs, Ministry of Law and Justice.
4. ICSI congratulates Ms. Deepti Gaur Mukerjee, IAS for taking charge as Secretary, Ministry of Corporate Affairs.
5. ICSI delegation comprising CS Manish Gupta, Immediate Past President, CS Dwarakanath Chennur, Central Council Member and CS Asish Mohan, Secretary, met Sri Sri Ravi Shankar, Founder, The Art of Living Foundation.



6. CS Dhananjay Shukla, Vice-President, The ICSI addressed the Seminar on Significant Beneficial Owner (SBO) – The Latest Orders organized by Gurugram Chapter of ICSI on August 24, 2024.
7. CS B. Narasimhan, President, The ICSI, CS Dhananjay Shukla, Vice - President, The ICSI, Council Members from the Southern Region, CS Nagendra D Rao & CS Ranjeet Pandey, Former Presidents, The ICSI & CS Pradeep B Kulkarni, Chairman, SIRC graced the Interactive session organized for the members & students of Kochi Chapter.
8. An MoU was signed between ICSI led by CS Venkata Ramana R., Central Council Member and Dr. Sanjay Pandey, Joint Secretary (Senior Grade), The ICSI and NBCC official, Sh. P S Rao, Chief General Manager for construction of ICSI - Hyderabad Chapter building.
9. Glimpse of ICSI Service Award presentation held at ICSI Head Quarter, Lodi Road on the occasion of 78th Independence Day.
10. ICSI participated in 28th Delhi Book Fair, 2024 organised by India Trade Promotion Organisation from August 7-11, 2024 at Bharat Mandapam, New Delhi.



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11-14. Lucknow Chapter of ICSI organized a Seminar on the topic "Company Law - Yesterday, Today & Tomorrow - An Interaction" at Hotel Golden Tulip on September 1, 2024. CS B. Narasimhan, President, The ICSI was Chief Guest and CS Dhananjay Shukla, Vice-President, The ICSI was Guest of Honour to the Seminar. The Keynote Speaker for the program was CS Amit Gupta, Regional Council Member of NIRC.

15-18. Kanpur Chapter of ICSI organized a Seminar on the topic "Role of CS in Restructuring The Corporates @ 2047" on September 1, 2024. CS B. Narasimhan, President, The ICSI was Chief Guest and CS Dhananjay Shukla, Vice-President, The ICSI was Guest of Honour to the Seminar.

GLIMPSES FROM ICSI - CCGRTs



19. ICSI - CCGRT Kolkata organised a Full Day Conference on August 03, 2024 at Kolkata. Shri Sridhar Pamarthi, Regional Director, ER, MCA and Shri Anant Kumar Sethi, Registrar of Companies, MCA were the special guest. CS Sandip Kejriwal, Council Member and Convenor, ICSI - CCGRT Kolkata; CS Rupanjana De, Council Member, ICSI also graced the occasion.
20. Two-day research workshop on 'Critical issues under the Companies Act, 2013', jointly organized by the ICSI-CCGRT, Mumbai and Indore Chapter of ICSI from August 9 – 10, 2024 at Ujjain (MP). CS Makarand Joshi, Founder and Senior Partner, MMJC, Mumbai was the faculty and coordinator of the program and CS Ashish Karodia, Central Council Member and Convenor of ICSI-CCGRT Mumbai also graced the occasion.
21. ICSI-CCGRT, Hyderabad organized its 15th RCLDP from August 1- 15, 2024. Shri E Sairam, Chief Financial Officer, HBL Power Systems Ltd., Hyderabad was the Chief Guest and addressed the participants in the presence of CS R Venkata Ramana, Central Council Member of The ICSI.



कृत्स्नो हि लोको बुद्धिमतां आचार्यः शत्रुश्च अबुद्धिमताम्॥

“The entire world is the teacher to the intelligent and foe to those who are not.”



Dear Professional Colleagues,

Sitting in the Middle East (UAE) of a nation which holds abundant significance for the Indian nation for the economic ties shared and the synergistic collaborations made, it is a matter of great elation to be laying the foundation of a new legacy.

As we begin the ICSI Middle East Conference in the heart of the United Arab Emirates at Abu Dhabi, the feeling is par ecstatic. Being joined by our esteemed dignitaries – our Chief Guest, H.E. Dr. Abdelrahman Almuaini, Assistant Undersecretary for IP Sector, Ministry of Economy, UAE; our Guest (s) of Honour, Mr. A. Amarnath, Deputy Chief of Mission Embassy of India, UAE; Mr. Yusuff Ali M. A., Chairman & Managing Director, LuLu Group International; Mr. Abdulla Salem Alnuaimi, Group CEO, Abu Dhabi Securities Exchange; and Mr. Hamad Sayah Al Mazrouei CEO, ADGM Registration Authority – it is an absolute honour to not just share dais, thoughts and opinions but to have a common vision for the world. We together intend to build a sustainable future – one that is ready to serve the coming generations with its arms wide open – to help them realize their dreams, goals, hopes and aspirations.

Although, the detailed report of the numerous deliberations will be shared with you in the upcoming edition of this Journal, I am glad that the deliberations during each of the Plenaries – be it on Responsible Investments, Private Equity, Global Stewardship Codes, Sustainability landscapes, ESG Investment, Green financing or Carbon Credits – has brought forth copious thoughts to work upon and take forward the goal for attaining a sustainable future. The Institute along with its members and global partners intends to develop a stronger footing in the ESG arena.

The launch of the ICSI Guiding Principles of Stewardship for us is no less than the dawn of a new era where we shall be going about strengthening the concept of Responsible Investing and with that Corporate Governance, by solidifying the governance structures and building resilience in processes & Investment parameters for the Institutional investors and ensure healthy balance between them and Service Providers in Capital Markets.

Another publication released on the occasion is the second edition of the ICSI Handbook on Business Responsibility and Sustainability – a collation of best practices witnessed on the ESG front across the applicant companies of the ICSI BRS Awards. Apart from all of these, we have made a significant breakthrough by launching the Governance and Compliance Standard on the Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace,

to enhance the implementation of the PoSH Act, by harmonizing workplace practices. Alongside this, the ICSI publication – “CS-A Preferred Professional” has also been revised incorporating contemporary developments in the economic and regulatory arena, emerging areas for the profession, new recognitions to the profession, dedicated chapter on Overseas Avenues and opportunities for Company Secretaries and initiatives of the Institute aimed at promoting Good Governance.

We are hopeful that these initiatives will indeed prove to be game changers in the sustainability arena – instilling greater responsibility and accountability amongst industry players and thus creating a healthy ESG conscious world.

TEACHERS' CONFERENCE – EMPOWERING EDUCATORS

No Sanskrit shloka, quote or words of wisdom can ever come close to defining the role played by teachers, mentors, and educators in shaping the course of our life and destiny. The celebration of Teachers' Day is a reminder of the same and with that a moment to cherish the bond shared with our teachers all through our life journey till date.

Each year, at an individual level, to express these feelings of love and reverence, we send out calls, texts of gratitude, create social media posts filled with appreciation and where time and space permits us to try our luck with saying it better through flowers – all in an attempt to communicate our surging emotions to our mentors.

At an institutional level, we go a step further. Through our Regional Offices and Chapters, we aim to create a nexus between the Educators and the Institute by organizing dedicated Teachers' Conferences and building their capacities to align and update them of the recent developments. September 05 and the days surrounding is a time for us to empower those who have played instrumental roles in empowering us and elevating us to levels where we stand today.

This year, the Teachers' Conference on the theme Empowering Educators is being conducted between September 05-11, 2024 is an attempt to bring Teachers and Faculty Members of Schools and Colleges closer to the Institute of Company Secretaries of India, create an understanding of our vision and mission, make them aware of the latest updates in the arena of corporate and allied laws, sensitize them of the role of Company Secretaries and what the career entails – for it is them who will be the closest guides for the students as they make life altering career choices.

It is our firm belief that this legacy of honoring our educators shall be shaping the destinies of many a students guiding them on the road of serving the nation through this profession...

ICSI NCLT CONCLAVE : DECODING CORPORATE DISPUTE RESOLUTION

The NCLT and NCLAT have come to play a prime role in steering the course of corporate management. A reform that was a part of the transition from the 1956 Act to that of 2013, these bodies are a depiction of India's commitment to further strengthen its corporate governance structure, as well as its alignment with worldwide trends towards specialized corporate adjudication systems. Establishment of these Tribunals with all their Benches has accorded significant progressions in the efficiency and performance of corporate adjudication in India.

As an Institute which takes pride in working hand-in-hand with the Government and giving further impetus to its initiatives, the ICSI NCLT Conclave has germinated from the thought of bringing together the representatives and those who give them a fine ear and opportunity to represent and be heard, together. Last year when we had visited the President, NCLT, it was then and there that he had committed to be with us in the Delhi event. His blessing had led us to conduct 10 such events across the nation all in the presence of NCLT and NCLAT Judicial and Technical Members. This year, we have kickstarted the 2nd edition by hosting the Conclave at two locations simultaneously in Delhi & Kolkata. On behalf of the ICSI and the professional fraternity, I extend our heartiest gratitude towards Mr. Justice Ashok Bhushan, Hon'ble Chairman, NCLAT and Guest of Honour, Mr. Justice R. Sudhakar, Hon'ble President, NCLT for flagging off the NCLT Conclave 2024 in Delhi. I am equally thankful to Ms. Bidisha Banerjee, Hon'ble Member (Judicial), and CS Arvind Devanathan, Hon'ble Member (Technical), NCLT Kolkata Bench for steering the Conclave at Kolkata.

The theme “Corporate Dispute Resolution : Evolving a way forward” has been thoughtfully chosen to delve into deeper conversations wherein many a doubts are slayed and the professionals find better clarity to pursue their professional responsibilities – all in the presence of minds filled with years of experience and erudite – the Hon'ble Judicial and Technical Members of NCLT and NCLAT.

My best wishes to all the Chapters and Regional Offices gearing up to host the event portraying utmost commitment in the days to come.

INFRASTRUCTURAL EXPANSIONS : KNOCKING NEW DOORS

"Infrastructure is all about building assets. It is a part of nation building." And what better way to add to nation building than to do it at the hands of the one who understands its relevance and significance the most. I feel not only speechless but gratuitous beyond words to have shared stage with Shri Suresh Gopi, Hon'ble Minister of State for Tourism and Petroleum & Natural Gas, Govt. of India as we inaugurated the new premises of the Kochi Chapter of SIRC of ICSI along with CS Nagendra D. Rao, Former President, ICSI. As I extend my heartiest congratulations to all the members, students and stakeholders, I am delighted to mention that many more expansions, renovations, land acquisitions and constructions are underway. Our aim is to create ICSI premises as hubs of opportunity and to cater to the increasing needs of world class training and development. Needless to mention, these facilities – be it the CCGRTs or the ADR Centres or the Chapter premises - will also act as a support system to the Governments, Regulators, Statutory bodies and the industry at large, through their multifarious activities and will benefit the members in their professional pursuits.

MEETINGS, GREETINGS, VISITS AND ACHIEVEMENTS

Before I begin to express my joy of meeting various dignitaries and renowned personas, I am particularly delighted to have been accorded the opportunity to extend our warmest welcomes and best of regards to Ms. Deepti Gaur Mukerjee, IAS for taking charge as the Secretary, Ministry of Corporate Affairs. Having taken pride in partnering with the Ministry for the furtherance of compliance and governance alongside achievement of various government initiatives, the Institute of Company Secretaries of India, intends to continue with the journey ahead. On behalf of the Institute, I have been glad to extend our assurances of leading the nation to becoming a Viksit Bharat, sooner than envisioned. Many congratulations to the Hon'ble Secretary and best wishes to her for the times ahead....!!!

The month gone by also accorded me two wonderful opportunities in the form of meetings with Shri Shashi Tharoor, Member of Parliament, Lok Sabha and Dr. Niten Chandra, IAS, Secretary (ESW), Ministry of Defence. Sharing the role of ICSI and that of Company Secretaries in particular in India Inc., with the former and deliberating upon developing capacity building programmes and short-term courses for army

personnel apart from identifying areas for shoring up their resources through programmes being conducted with the latter. This has added greater gusto in our actions. My heartiest gratitude towards them.

"A leader is only as good as his team." This is a belief I have always lived by during my entire career as a professional. The ICSI Team is not only defined by the employees manning the posts but all our CCGRTs, Regional Offices and Chapters as well. The month of August ended and that of September begun with the WIRC Annual Regional Conference hosted by one of the oldest Chapters – Ahmedabad jointly with the newest Chapter – GIFT City Gandhinagar. The presence of Sh. K. Rajaraman, Chairman, IFSCA, his futuristic thoughts and the intended collaborations are portraying a much brighter future for the Institute and the professionals on the IFSC front. My delightful appreciations on the success of this event, needs a special mention.

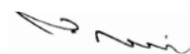
As we look into the past, we find memories created and plenty of small and big feats achieved. But it is the future that we really look up to which defines our journey forward. As they say, *"the end of a journey is the beginning of the next one"*, the times ahead are expected to be even more eventful, knowledge enriching, intellectually stimulating and professionally fulfilling for each one of us and our stakeholders.

I am all the more eager to join the Directors as well as the Directors-to-be for the first ever ICSI Board Mentorship Programme being organized by the Institute of Governance Professionals of India (a section 8 company promoted by ICSI) in the heart of Ooty on the 12-13-14 of September, 2024. Simultaneously, the preparations are on in full swing for the 52nd National Convention of Company Secretaries being hosted in the business and financial hub of the country – Mumbai during 8-9-10 November, 2024. I would urge all of you to avail the early bird registration discounts which is now extended till 15th September and join us for some mind-boggling discussions on "India@2047: Expanding Horizons for Professionals".

To amazing times ahead !!!

Happy reading !

Yours Sincerely



CS B. Narasimhan
President, ICSI



Ms. Deepti Gaur Mukerjee, IAS **Secretary, Ministry of Corporate Affairs**

Ms. Deepti Gaur Mukerjee, a 1993 batch IAS officer of the Madhya Pradesh cadre, has taken over as the Secretary of the Ministry of Corporate Affairs (MCA), succeeding Shri Manoj Govil, who recently assumed the role of Expenditure Secretary. Before this, Ms. Mukerjee served as the CEO of the National Health Authority.

Heartiest Congratulations & best wishes from ICSI !

THIS MONTH THAT YEAR

2001



[LEFT] Release of "SEBI/Insurance Special Issue of Chartered Secretary—Dr. P.V.S. Jagan Mohan Rao handing over a copy of Chartered Secretary's Special Issue of SEBI/Insurance to D.R. Mehta (Chairman, SEBI) for release. [RIGHT] WIRC - RAIPUR SATELLITE CHAPTER: Foundation Day Celebration—Himabir Aggarwal (Chief Minister of Chhattisgarh) seen with Dr. S.P. Narang and Chapter office bearers.

2001



WIRC [LEFT]—Inauguration of Foundation Day Week long Celebrations—Dr. Anita Arya (Member of Parliament) lighting the inaugural lamp. [RIGHT] Inauguration of 64th SMTP—Girdish Ahuja lighting the inaugural lamp.

2003



NIRC & Jaipur Chapter [LEFT]—Rajasthan State Conference on Corporate Laws Updates—Sitting (l to r) G.P. Maddara, S.K. Sharma, M.K. Agarwal, M.S. Darda (Commissioner, IT), Pawan Kr. Vijay, Dr. K.L. Jain and Sanjay Agarwal. [RIGHT]—M.S. Darda, releasing the directory.

2003



NIRC [LEFT] — Seminar on Companies (Amendment) Bill, 2003 — Sitting (l to r) S. Dinavim, C. Sudhir Babu, V. Srinivasan, N. Narasimhan, V. Sreedharan and R. Sridharan. [RIGHT] COCHIN CHAPTER— Seminar on Companies (Amendment) Bill, 2003 —Sitting (l to r) V. Srinivasan, T.S.K. Menon, V. Sreedharan (addressing) and Henry Richard (ROC, DCA).

2004



[LEFT]— Meeting of the ICSI President and the Secretary with Union Minister of Defence— Mahesh Anant Athavale and N.K. Jain seen interacting with Pranab Mukherjee (Hon'ble Union Minister of Defence). [RIGHT]— Meeting of the Governing Council of National Foundation for Corporate Governance— Seen with Prem Chand Gupta (Hon'ble Union Minister of State for Company Affairs from (l to r, sitting) - S.K. Murthy (President, CII), N.R. Narayana Murthy (Chairman & Chief Mentor, Infosys Technologies Ltd.), M.M.K. Sardana (Secretary, MCA), Dr. Sheela Bhide (JS, MCA), Standing (l to r) N. Srinivasan (DG, CII), N.K. Jain, Ashok Haldia, Mahesh Anant Athavale, Sunil Goyal (President, ICAI) and C. Bonerjee (Sr Director, CII).

2005



[LEFT] - Visit of the ICSI President, the Council Member and the Secretary & CEO to the Office of the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) - Seen from Left: Nasir Ahmad, Grace S. H. Tan (EO, SAICSA), N.K. Jain & R. Ravi. [RIGHT] - Conference on India Singapore: Forging Strategic Alliances and Building Successful Partnerships: A view of the participants in the Conference.

Activity Highlights of August, 2024

MEETINGS WITH DIGNITARIES DURING THE MONTH OF AUGUST

- Shri Shashi Tharoor, Member of Parliament, Lok Sabha
- Dr. Niten Chandra, IAS, Secretary (ESW), Ministry of Defence
- Dr. Rajiv Mani, Secretary, Legislative Department & Law Secretary, Department of Legal Affairs, Ministry of Law and Justice
- Ms. Deepti Gaur Mukerjee, IAS, Secretary, Ministry of Corporate Affairs
- Sri Sri Ravi Shankar, Founder, The Art of Living Foundation

INFRASTRUCTURAL DEVELOPMENTS

- *NEW BUILDING OF ICSI KOCHI CHAPTER INAUGURATED*

The New building premises of Kochi Chapter of SIRC of ICSI was inaugurated at the hands of Chief Guest Shri Suresh Gopi, Hon'ble Minister of State for Tourism and Petroleum & Natural Gas, Govt. of India, and CS Nagendra D. Rao, Former President, The ICSI, Guest of Honour in the august presence of Shri B. Narasimhan, President, CS Dhananjay Shukla, Vice President and CS Asish Mohan, Secretary, The ICSI along with other Central Council and Regional Council Members (SIRC). The event was followed by an Interactive Session with the President and Vice President, The ICSI for members and students. A Technical session was also organized on the topic ESG-Emerging Opportunities for CS with faculty coordinator CS Ranjeet Pandey, Former President, The ICSI.

• *MOU SIGNED WITH NBCC*

Agreement signed on behalf of Institute by Dr. Sanjay Pandey, Joint Secretary (Senior Grade) and on behalf of NBCC by Sh. P S Rao, Chief General Manager for Construction of Hyderabad Chapter Building.

EEE4.0 – MASTER KNOWLEDGE SERIES

IN view of the overwhelming response received on the first 3 editions, the ICSI has launched the EEE 4.0- Master Knowledge Series on contemporary topics of professional interest. During the month following webinars were conducted under the Series:

Topic	Speaker	Date	YouTube Link
Significant Beneficial Ownership: Compliance and Implications	CS Kuldeep Ruchandani Practicing Company Secretary	August 07, 2024	youtube.com/watch?v=C2bPGXse3sI
Managing Commercial Contracts and Disputes	CS Kiran Chitale Country Head, Legal – Commercial, Barclays Global Service Centre Pvt. Ltd	August 14, 2024	youtube.com/watch?v=slfNFbBAyCQ
Mastering GST: Role of Company Secretaries	CS Kumar Gaurav Dhawan (IRS) Commissioner, CGST Jalandhar CS Sanjay Malhotra PCS	August 21, 2024	youtube.com/watch?v=I6_j8HFDmiQ

REPRESENTATIONS SUBMITTED

Date	Purpose	Authority
August 18, 2024	Comments of ICSI on SEBI Consultation Paper on proposed amendments to the SEBI (Prohibition of Insider Trading) Regulations, 2015 to rationalize the scope of the expression 'connected person', while not increasing compliance requirements	SEBI
August 23, 2024	Comments of ICSI on SEBI Consultation Paper on Streamlining the process and reduction in timelines of Bonus Issue (enabling T+2 trading of shares post record date where T being record date)	SEBI

NOMINATION OF ICSI ON VARIOUS COMMITTEES

- SEBI Advisory Committee on Listing Obligations and Disclosures (ACLOD)
- Standing Committee for development & regulations of professional services ecosystem (Ancillary Services and BATF Services) at GIFT-IFSC (Ex Officio Capacity)

JOINT PROGRAMMES

Topic	Organising entity	ICSI's Role	Venue	Date
Corporate Restructuring: Related Party Transactions	PHD Chamber of Commerce & Industry	Institutional Partner	PHD House New Delhi	August 23, 2024
Decoding Latest GST Amendments and Jurisprudence	PHD Chamber of Commerce & Industry	Knowledge Partner	PHD House New Delhi	August 29, 2024

ANNOUNCEMENT OF PMQ RESULTS

Result for PMQ Examination on Corporate Governance, Internal Audit and Arbitration held in June 2024 was released on 25th August 2024.

ONLINE CLASSES OF PMQ, CERTIFICATE AND CRASH COURSES

Online Classes of following Courses were organized in the current month:

- PMQ Course on Corporate Governance- Dec 2024 session
- PMQ Course on Internal Audit- Dec 2024 session
- PMQ Course on Arbitration- Dec 2024 session
- Certificate Course on GST- Batch 12
- Certificate Course on FEMA- Batch 7
- Certificate Course on Corporate Restructuring- Batch 5

ONLINE ASSESSMENT OF CRASH COURSE

The online assessment of Crash Course on NBFC and Crash Course on Bharatiya Nyaya Sanhita (BNS), Bharatiya Nagarik Suraksha Sanhita (BNSS) & Bharatiya Sakshya Adhinyam (BSA) was held between August 22-26, 2024 and subsequent assessment was held between August 29-31, 2024.

E-LEARNING FACILITY

The E-learning facility offered with anytime anywhere flexibility through online Learning Management System (LMS) to 204300 students and members. LMS Assessments configured and conducted for Crash course on NBFC and Crash Course on BNS. LMS assessments configured for Online CRT assessment for December 2024 enrolment. Online Company Law Quiz 2024 assessment configured. Online Pre-Examination Test, Online Classroom Teaching, Online ODOP, E-EDP, E-CLDP, PCS Orientation Program, KOD courses, PMQ courses LMS services continued.

PEER REVIEW CERTIFICATES ISSUED

During the month August 2024, Peer Review of 100 Practice Units was completed and accordingly Peer Review Certificate issued. The list of Peer Reviewed Units is updated on ICSI website from time to time and can be accessed at

www.icsi.edu/media/webmodules/List_Peer_Reviewed_Practice_Units.pdf

PLACEMENT OPPORTUNITIES FOR COMPANY SECRETARIES

The ICSI stands committed to help all the associated companies and availing the services extended by the cell to conduct their recruitment drives for the position of Company Secretary/ CS Trainee in a time bound, hassle-free and mutually beneficial manner, and to help the members and students in getting the right placement offer. The Institute receives requests from various offices of the Government/ PSUs/ Banks/ Corporates regarding the positions of Company Secretary/ CS Trainee from time to time and resumes of eligible Members and Students are sent to them.

(AUGUST 2024)

No. of Corporates/ MCA and other Government Bodies/ PSUs/ PCS Firms that Posted Jobs on the ICSI Placement Portal	128
No. of Openings available on the ICSI Placement Portal	171

For more details, kindly visit ICSI Placement Portal - placement.icsi.edu

STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL

(As on August 29, 2024)

Registered Users			Total no. of Vacancies
Members	Students	Corporates	Jobs / Trainings
19,499	27,912	6,668	14,023

ICSI-SECTION 8 COMPANIES**ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS**• **WORKSHOPS**

Date	Subject	Speaker(s)	YouTube link
August 03, 2024	Interplay of IBC with other Laws	IP and CS S. Dhanapal	youtube.com/watch?v=eYghiUCneWQ
		IP and CS Preeti Garg	
August 05, 2024	Perspectives on IBC - An Array (Series X)	IP and CS Madhusudan Sharma	youtube.com/watch?v=VuRDf-RekIo
		IP and CA Divya Somani	youtube.com/watch?v=2xhr_VXaenU
		IP and Advocate Manish Paliwal	youtube.com/watch?v=9MUgP2p5a6Q
		IP and Advocate Devvart Rana	youtube.com/watch?v=p1VNk1W7YWo
		IP and CS Amit Gupta	youtube.com/watch?v=FqdAkOnPmec
August 13-14, 2024	Future of Insolvency: Cross Border and Group Insolvency	IP and CS Partha Kamal Sen	youtube.com/watch?v=AdELIMFnslo
		IP and CS Anagha Anasingaraju	youtube.com/watch?v=Bud4oQu7dSI
August 24, 2024	Designing Effective Resolution Plan & Recent Important IBC Case Laws	IP and CS Sandeep Kulkarni	youtube.com/watch?v=3whaonLEByg
		CS Sucheta Gupta	

• **Webinars**

Date	Subject	Speaker(s)	YouTube link
August 10, 2024	Navigating PUF transactions under IBC	IP and CS Vinit Nagar	youtube.com/watch?v=gVHEaakcZg8
August 16, 2024	Anatomy of IBC Case Laws - 19	IP, CS and CMA Siva Rama Prasad Puvvala	youtube.com/watch?v=8fYuVQPvXLU
August 23, 2024	Sharing Life Experiences by Technical Member of NCLT & NCLAT	Dr. Ashok Kumar Mishra	youtube.com/watch?v=PN_JQjnYrFY

• **Joint Program**

- o IBBI jointly with ICSI Institute of Insolvency Professionals, Indian Institute of Insolvency Professionals of ICAI and IPA of Institute of Cost Accountants of India conducted:
 - 65th Batch Pre-Registration Education Course (Online Course) from August 08-14, 2024
 - Workshop for Insolvency Professionals on 12/08/2024.
 - Workshop for Insolvency Professionals on 20/08/2024.

ICSI REGISTERED VALUERS ORGANISATION

Programme	Topic	Date	Faculty
50 Hours Online Educational Course	Valuation of Securities or Financial Assets	August 06-12, 2024	Dr. Ajay Garg; Mr. Chaitanya jee Srivastava; CS Harish Chander Dhamija; CS K. Chandra Sekhar; CS Kanishk Arora; CS Preeti Garg; CS Rajesh Mittal; CA Raveesh Chaudhary; CS Sandeep Kothari; CA Sumit Dhadda; CA Tarun Mahajan
Online Continuing Professional Education (CPE) Programme	Qualitative Aspects in Valuation	August 23, 2024	CS Rajesh Mittal

ICSI – INTERNATIONAL ADR CENTRE

Programme	Date	Faculty	YouTube Link
Webinar on Recent Development in the Arbitration landscape in India with focus on Institutional Arbitration	August 30, 2024	Sh. Avnit Singh Arora Director, Dept. of Legal Affairs, Ministry of Law & Justice	youtube.com/watch?v=k9-zgMiZDbw

ICSI-CCGRTS**ICSI-CCGRT KOLKATA**

- Full Day Conference on August 03, 2024*

Full Day Conference organised on August 03, 2024 at CS Deepak Kumar Khaitan Auditorium of CCGRT Kolkata. Special Guests of the day were Shri Sridhar Pamarthi, Regional Director, ER, MCA and Shri Anant Kumar Sethi, Registrar of Companies, MCA.

CS Sandip Kejriwal, Council Member and Convenor, CCGRT Kolkata; CS Rupanjana De, Council Member, ICSI along with more than 75 members and students attended the programme.

Topic	Speaker(s)
Inquiry, Inspection and Investigation	CS Manoj Banthia, Past Chairman of EIRC
Corporate Restructuring Legal and Taxation Aspects	CS Anil Murarka, Past President, ICSI and CS Mohan Ram Goenka, Practising Company Secretary
SEBI LODR and Recent Amendments	CS Sankar Bhattacharya of Neelachal Ispat Nigam Limited (Tata Steel Group Company)
NBFC Compliance and complications involved	CS Hansraj Jaria, Practising Company Secretary

- Peer Reviewer's Training Programme on August 03, 2024*

Training Programme for empanelment of Peer Reviewer's on August 03, 2024 at CCGRT Kolkata campus. CS Shanti Kumar Jain, PCS apprised the participants about the overview of the Peer Review. CS Atul Labh, PCS clarified the doubts about the Office Administration and Systems in Office of PCS. CS Sushil Kumar Khemka, PCS and CS P. K. Chakravarty, PCS apprised participants about important points to be checked while carrying out review of actual attestation assignments of Annual Return Certification, Secretarial Audit, SEBI (LODR), Secretarial Audit, Share Capital Reconciliation and other important areas. CS S.M. Gupta, Past Chairman of EIRC, gave specific points on Peer Review reports and things to be kept in mind while giving qualification in the report.

- ICSI - Industry Connect Initiative*

As part of a delegation of Team CCGRT Kolkata met CS Bijay Prakash Dubey, Company Secretary, Coal India Limited on August 09, 2024 to organise capacity building / training programmes on Corporate Governance, Related Party Transactions, GST or any other core areas of Companies Act for the benefit of officials of Coal India.

- ICSI - Government Connect Initiative*

Delegation of CCGRT Kolkata went to 'Aaranya Bhawan' to meet Shri P Kamalakanth, IFS, Chief Conservator of the Forest, West Bengal and Member Secretary, WBSFDA proposing to organize training on GST, Income Tax, Corporate Governance for the officials of his department.

- ICSI - Academic Connect Initiative*

CCGRT Kolkata delegation met Prof. (Dr.) Sanjay Kumar, Vice Chancellor, Amity University Kolkata in the presence of Dr Amrita Saha, Registrar, Amity University, Kolkata for deliberating on the fact that joint programmes at regular intervals should be organised on contemporary topics /issues.

- Independence Day Celebration on 15th August 2024*

EIRC and CCGRT Kolkata came together to celebrate the 78th Independence Day on August 15, 2024 with unmatched enthusiasm and unity. The event was a vibrant showcase of our shared commitment to ethical governance, national pride, and community engagement. Dr. Sanjay Kumar, Vice Chancellor, Amity University Kolkata presided over as Chief Guest.

- Crash Course on MSME on August 31, 2024*

Crash course on MSME organised on 31 August, 2024 – 01 September, 2024 at CCGRT Kolkata Campus. CS Shamik Dasgupta guided the participants about various provisions of MSMED Act. CS Mohan Ram Goenka, PCS discussed the Role of Company Secretary in MSME. CS Sandip Kejriwal, Council Member, The ICSI and Convenor, CCGRT Kolkata apprised participants about the nitty and Gritty about the MoU signed with Government of West Bengal. CS Hansraj Jaria, PCS deliberated on the disclosure norms, Reporting norms, Compliances and various schemes offered by various nodal authorities of ministries. CS Sushil Kumar Khemka, PCS apprised participants about the emerging trends in the MSME Sector.

- ICSI NCLT Conclave organised on August 31, 2024*

ICSI CCGRT Kolkata organized NCLT Conclave 2024 on the theme "Corporate Dispute Resolution: Evolving a way Forward" on August 31, 2024 at CS Deepak Kumar Khaitan Auditorium of CCGRT Kolkata. Chief Guest, Ms. Bidisha Banerjee, Hon'ble Member (Judicial), NCLT Kolkata Bench and Guest of Honour, CS Arvind Devanathan, Hon'ble Member (Technical), NCLT Kolkata Bench addressed the delegates virtually and appreciated the initiative taken by ICSI to conduct such programme for the benefit of its members.

CS Sandip Kumar Kejriwal, Council Member, ICSI and Convenor, CCGRT Kolkata welcomed the delegates to the programme. The technical sessions were deliberated upon as follows:

Topic	Speaker(s)
NCLT and NCLAT: Insolvency, Restructuring and Voluntary Liquidation	CS Anil Murarka and Dr. (H.C.) Mamta Binani, Past Presidents, ICSI
NCLT and NCLAT: Role of Professionals	CS Akhilesh Srivastava, Company Secretary and Practising Advocate
Adapting to Change: Resilience and Agility in NCLT Practices focusing on Oppression and Mismanagement	CS Anjan Kumar Roy, Past Chairman, EIRC of ICSI and CS Mohan Ram Goenka, Practising Company Secretary
Corporate Restructuring	CS Hansraj Jaria, Practising Company Secretary and CS Gopal Khetan, Practising Chartered Accountant
NCLT and NCLAT: Ethics and Integrity with decoding NCLT Rules	CS Kiran Sharma

ICSI-CCGRT MUMBAI

- 23rd RCLDP from 22nd July to 6th August, 2024

The 23rd RCLDP was conducted at CCGRT, Mumbai from 22nd July to 6th August 2024. This program was attended by 26 participants from different states across the country. CS Pramod Shah, Practising Company Secretary, Mumbai graced the valedictory ceremony as Chief Guest and CS Ashish Karodia, Central Council Member & Convenor of ICSI-CCGRT, Mumbai was also present for the ceremony.

- 24th RCLDP organised from 20th August to 4th September, 2024

The 24th RCLDP is being conducted from 20th August to 4th September 2024 at ICSI-CCGRT, Mumbai. This program is being attended by 26 participants from different states across the country. CS Vazifdar N.J.N, Past President, The ICSI graced the inaugural session and shared his perspectives on achieving success, essential skills, and core values necessary for advancing in a professional career.

ICSI-CCGRT HYDERABAD

- 15th RCLDP organised between August 01-15, 2024

ICSI-CCGRT, Hyderabad organized its 15th Batch of Residential Corporate Leadership Development Program at its campus from 01st to 15th August, 2024. 20 participants from all corners of the country participated in the program. Shri E Sairam Chief Financial Officer, HBL Power Systems Ltd., Hyderabad graced the inaugural ceremony as the Chief Guest in the presence of CS R Venkata Ramana, Central Council member. During the valedictory of

the program, CS R Venkata Ramana, Central Council member graced the program.

ICSI REGIONAL OFFICES

ICSI-EIRC

- 18th Regional Conference of Practising Company Secretaries held on August 17, 2024

The 18th Regional Conference of Practising Company Secretaries on the theme “Digdarshak - A journey of CS from Compliance Officer to Globally Preferred Professional” was held on August 17, 2024. Sessions were conducted on the following topics:

- o Future Opportunities and Challenges for Professional Growth
- o Expectations of a Listed Company from Practitioners
- o The Evolving Role of Company Secretaries in the Digital Era
- o RERA – Unexplored Opportunities

During the event, the July 2024 issue of e-Newsletter was also released.

- “Ujjiban Charcha”- webinar series on “Career Opportunities in Company Secretaryship Course

A live webinar “Ujjiban Charcha” - Webinar series on Career Opportunities in Company Secretaryship Course was conducted on August 24, 2024 by Higher education Department of West Bengal in coordination with Dte. of Student Services of ICSI wherein more than 40,000 students and parents and teachers participated.

ICSI-NIRC

- BI-ANNUAL CONVOCATION 2024 - NORTH

The first bi-annual Northern Region Convocation for FY 2024-2025 was held on August 07, 2024, at Eros Hotel, Nehru Place, New Delhi. Membership certificates were awarded to 19 Fellow members and 257 Associate members. 01 Associate Member was also awarded the PMQ Certificate.

- ICSI NCLT Conclave organised on August 31, 2024

ICSI-NIRC organized NCLT Conclave 2024 on the theme “Corporate Dispute Resolution : Evolving a way Forward” on August 31, 2024 at SCOPE Complex, Lodi Road, New Delhi. Chief Guest, Mr. Justice Ashok Bhushan, Hon’ble Chairman, NCLAT and Guest of Honour, Mr. Justice R. Sudhakar, Hon’ble President, NCLT addressed the delegates in the presence of CS Dhananjay Shukla, Vice President, The ICSI.

CS Jatin Singal, Chairman, ICSI-NIRC extended the welcome address and Vote of thanks was shared by

CS Himanshu Harbola, Secretary, ICSI-NIRC. The technical sessions were deliberated upon as follows:

Topic	Speaker(s)
Keynote Session	Special Address: <ul style="list-style-type: none"> Adv. Sanjeev Sehgal, Additional Advocate General & Standing Counsel, Supreme Court of India Keynote Address: <ul style="list-style-type: none"> CS Dr U K Chaudhary, Past President, ICSI and Senior Advocate
NCLT & NCLAT Practice under IBC	<ul style="list-style-type: none"> CS Ranjeet Pandey, Past President, ICSI & Practicing Company Secretary, New Delhi CS Vineet Chaudhary, Practicing Company Secretary, New Delhi CS G S Sarin, Practicing Company Secretary, Chandigarh
NCLT & NCLAT Practice under Companies Act, 2013	<ul style="list-style-type: none"> CS Nesar Ahmad, Past President, ICSI CS NPS Chawla, Council Member, ICSI CS Gaurav Kumar, Practicing Company Secretary, Chennai

ICSI-WIRC

- WIRC Annual Regional Conference at GIFT City, Gandhinagar

The Annual Regional Conference (ARC) of WIRC of ICSI was successfully held at Hotel Radisson, GIFT City Club, GIFT City, Gandhinagar on 31st August and 1st September, 2024 on the theme "Unlocking New Opportunities: Role of Company Secretaries in India's Maiden IFSC" jointly by Ahmedabad and Gandhinagar (GIFT City) Chapters. More than 350 delegates attended the Conference in person while 200 registered virtually.

Topic	Speaker(s)
Inaugural Session	<ul style="list-style-type: none"> Sh. K. Rajaraman, Chairman, IFSCA CS B. Narasimhan, President, ICSI CS Mehul Rajput, Chairman, WIRC CS Abhishek Chhajed, Member, WIRC & Programme Director
Creating Global Financial Landscapes: The Evolution of International Financial Services Centers	<ul style="list-style-type: none"> CS (Dr.) Dipesh Shah, Executive Director, IFSCA

Topic	Speaker(s)
Transforming Vision into Reality: Rise of GIFT IFSC	<ul style="list-style-type: none"> Mr. Sandip Shah – Head - IFSC Department, GIFT City, Gandhinagar, Gujarat
From Challenges to Triumphs: Shaping the Future of GIFT IFSC's Alternative Investments Ecosystem	<ul style="list-style-type: none"> Mr. Anand Lalla - SVP & Head - Domestic Institutional Clients Group, Nuvama Asset Services Mr. Mihir Shirgaonkar - VP - Alternative Investments, Phillip Ventures IFSC Mr. Nehal Sampat - Partner, Price Waterhouse & Co. LLP
Connecting Local with Global: The Influence of GIFT IFSC on Capital Market and Payment Services	<ul style="list-style-type: none"> CS Savitri Parekh – Group CS, Reliance Industries Limited, CS Ashok Singh – Interim CRO, India Intl. Exchange IFSC Limited Mr. Meet Pandya – Chief Business Officer, NSE IFSC Limited CS Nevil Savjani – Co-Founder, Beeline Capital Advisors Pvt. Ltd. Mr. Mayuresh Kini – Chief Financial Officer, Zinc Money
Value Driven Governance: An Ethical Conundrum	<ul style="list-style-type: none"> Dr. I.P. Gautam, IAS (Retd) – Ex. Member, Lokpal of India
Building a Global Leader: The Strategic Role of Governance Professionals in Viksit Bharat @ 2047	<ul style="list-style-type: none"> CS Keyoor Bakshi - Former President, ICSI CS Jatin Jalundhwala - CS & Group Legal Head, Adani Group CS Rajendra Chopra - Company Secretary, Cipla Limited CS Shilpi Thapar - Practicing Company Secretary
Regulatory Insights: Navigating Anti Money Laundering and Know Your Customer regime in the Evolving GIFT IFSC Environment	<ul style="list-style-type: none"> Smt. Samta Ahuja, CS, CA - Regulatory Compliance and AML Expert
Navigating the Employment Opportunities in GIFT IFSC	<ul style="list-style-type: none"> Mr. Meet Thakkar – InCorp Advisory,

Topic	Speaker(s)
Navigating the Opportunities for Governance Professionals	<ul style="list-style-type: none"> CS Devendra Deshpande - Former President, ICSI CS Chirag Shah - Practicing Company Secretary CS Amita Desai - Practicing Company Secretary CS Sachin Jain- General Manager- Listing, BSE Limited

INITIATIVES FOR EMPLOYEES

SERVICE AWARD FUNCTION ON 15TH AUGUST, 2024

On the occasion of 78th Independence Day, a Service Award Function was organized alongside Independence Day Celebrations, to recognize the employees who have rendered 15, 20 & 25 years for their relentless and dedicated service to the Institute. In the function, 12 employees received the Award at the hands of CS B Narasimhan, President, The ICSI, under different categories. The event was aired live across India.

WEBINAR ON “GUT BANDHAN” BY DR. REDDY’S FOUNDATION

Considering the rising cases of gut health related issues prevalent nowadays, a webinar was organized on August 23, 2024 on the topic “Gut Bandhan” by Dr. Reddy’s Foundation for the benefit of ICSI employees and pensioners. All employees/veterans participated in the webinar presented by Dr. Prashanth Gandhi, Gastroenterologist.

INITIATIVES FOR STUDENTS

EVENTS

• ALL INDIA COMPANY LAW QUIZ 2024

The Company Law is a core subject under the Company Secretaryship Course. All India Company Law Quiz facilitates enhancing participation levels and the competitive spirit among the students. The objective of this competition is to upgrade the knowledge levels of students in Company Law and allied areas and to generate interest among the students for in-depth study of the subject including greater conceptual clarity.

The Preliminary Round of the Competition was held via Online/ Physical Mode on August 30, 2024. The next rounds will be conducted as per the following schedule:

Quarter Final Round	September 27, 2024 (10 AM - 5 PM)	Online Mode (MCQ pattern)
Semi-Final Round	October 22, 2024 (10 AM - 5 PM)	

Final Round	Saturday, November 16, 2024	Physical/Virtual as decided by Institute
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• ONLINE QUIZ ON CURRENT AFFAIRS AND GENERAL KNOWLEDGE 2024

The Institute, through a novel initiative, for creating awareness about the profession is organising Online Quiz on Current Affairs & General Knowledge. There is no participation fee and the winners in each Category will be awarded with cash prizes.

Students pursuing 11th Class / Class 12th / Passed 12th Class/ pursuing Graduation of any stream/Students registered for CSEET (CS Executive Entrance Test) are eligible to participate.

IMPORTANT DATES

Registration opens	16 th August, 2024 at 10.00 AM
Registration closes	30 th October, 2024 at 05.00 PM
Preliminary Round	01 st November, 2024
Semi-final Round	14 th November, 2024
Final Round	22 nd November, 2024

FACILITATION AND RELAXATION

• CS MITR SCHEME:

ICSI has recently introduced CS Mittr incentive Scheme wherein any person who is above 18 years of age is eligible to become CS Mittr under the scheme. Incentive @ ₹500 will be paid per student to the CS Mittr for each student registered in Executive Programme (subject to applicable tax deduction). Further, the above incentive will only be valid for the registration categories wherein concession in fees is not applicable. Persons willing to become CS Mittr will be required to apply through online process. After their credentials are verified and they are registered with ICSI as CS Mittr, they will be allotted a code number. Students will be required to mention the code as a referral code, while registering themselves for the Executive Programme. All payments will be transferred by the Dte of Finance and Accounts to the bank account. of beneficiary through NEFT

The link to register for CS Mittr scheme is placed below:

https://smash.icsi.edu/Scripts/Registration/Mitr_Registration.aspx?rmode=1#

• CENTRALIZED FREE ONLINE CLASSES FOR EXECUTIVE AND PROFESSIONAL PROGRAMME

ICSI is conducting free online Centralized classes for the students of Executive Program (New Syllabus) and Professional Programme (New Syllabus) from July 01, 2024 onwards. These Classes are being conducted free of cost for the students. The classes are being conducted for the students eligible to appear in

December 2024 examination and the duration of the classes will be 4-5 months. Students registered for these classes will be eligible to get exemption from pre-exam test subject to clearing of tests of respective group/s. Further, students registered for these classes will also be given free access to online doubt clearing classes conducted by the Institute.

- **ALLOWING EXECUTIVE & PROFESSIONAL PROGRAMME STUDENTS ONE MORE ATTEMPT UNDER OLD SYLLABUS: DECEMBER 2024 & JUNE 2025 SESSION OF EXAMINATION RESPECTIVELY**

The Institute has decided that the students of Executive & Professional Programme (2017 old syllabus) shall be allowed one more attempt during the December, 2024 & June 2025 session of examinations respectively. The detailed information is hosted at: www.icsi.edu/media/webmodules/Announcement_One_More_Attempt_13062024.pdf

CS Course	Last Session of Examination under Old Syllabus (2017)	Additional Attempt under Old Syllabus (2017)	All Examination (Executive under New Syllabus 2022)
Executive Programme	June 2024	December 2024	June 2025
Professional Programme	December 2024	June 2025	December 2025

All students of Executive & Professional Programme (Old Syllabus 2017) shall be compulsorily switched over to 2022 (New syllabus) from June, 2025 & December 2025 respectively.

- **DEDICATED HELPLINE NUMBER FOR STUDENT QUERIES**

The ICSI has introduced a dedicated helpline number to handle queries related to Student Registration, Post Registration, Class Room Teaching and Enrolment. Students can contact at 0120-4082170 (From Monday to Friday 9.30 A.M. to 5.30 P.M.).

- **DECLARATION OF CS EXECUTIVE & PROFESSIONAL PROGRAMME RESULT**

The Result of CS Executive Programme Old (2017) & New Syllabus (2022), & Professional Old Syllabus Old (2017) & New Syllabus (2022) for June 2024 Session of Examination was declared on 25th August, 2024. The result along with individual candidate's subject-wise break-up of marks has been made available on the Institute's website: www.icsi.edu

- **SUCCESSFUL CONFIGURATION OF DECEMBER 2024 ENROLMENT SETUP FOR EXECUTIVE & PROFESSIONAL NEW SYLLABUS (2022), EXECUTIVE & PROFESSIONAL OLD SYLLABUS 2017**

The first exam for Professional Programme New Syllabus (2022) took place in June 2024.

Consequently, the system has been successfully configured to enrol students for December 2024 session of examination. Subsequently Enrolment Setup also activated for Executive Old (2017) & New Syllabus (2022) & Professional Old Syllabus (2017) students with revised Examination Fee.

- **ENCOURAGING STUDENTS TO COMPLETE CS COURSE AFTER PASSING EXECUTIVE PROGRAMME**

Many students started their CS Course with enthusiasm and ambition, but due to some personal reasons, the students discontinued their studies after passing the Executive. However, completing CS Course can be one of the best decisions they will ever make for their future. Considering this we are regularly communicating with the students via bulk mail/bulk sms who have passed Executive but not registered for Professional to complete their CS Course. As a result, more than 3761 students registered in Professional Programme up to August 2024.

- **ICSI WAIVER/ CONCESSION SCHEME FOR INDIAN ARMED FORCES, PARAMILITARY FORCES, AGNIVEERS AND FAMILIES OF MARTYRS**

The Institute in alignment with the various initiatives of Govt. of India has launched ICSI Waiver/ Concession scheme for Indian armed forces, paramilitary forces, Agniveers and families of Martyrs. Under the scheme, 100% concession will be given to the following categories in full Fee payable at the time of Registration in CS Executive programme. While all other fees, including those for trainings be applicable in full as per their respective category:

- o Wards and widows of martyrs (who have died during service; either during battle casualty or due to any other reason) of Indian Army, Indian Air Force, Indian Navy and all para-military forces.
- o In Service/ Retired personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces (including defence personnel who have taken retirement under short service commission).
- o Wards of all personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces (including wards of defence personnel who have taken retirement under short service commission).
- o Candidates who are inducted as "Agniveer" under AGNEEPATH Scheme of the Government of India after completing four years under the Scheme (upon submission of documentary evidence for the same).

- **ICSI SAMADHAN DIWAS**

ICSI successfully conducted the 46th Samadhan Diwas, on Wednesday, August 14, 2024. Samadhan

Diwas is a unique initiative of the ICSI wherein “on-the-spot” resolution is provided on issues/grievances of trainees and trainers. The purpose of the Samadhan Diwas is to facilitate the stakeholders to resolve their queries on the spot. In the Samadhan Diwas students get opportunity to present their cases and directly interact with the ICSI officials.

- **ACTIVATION OF SWITCHOVER OPTION ALONG WITH PRE-EXAMINATION FEE FOR PROFESSIONAL PROGRAMME OLD SYLLABUS (2017) STUDENTS**

The Institute has notified that candidate who have registered under the CS Professional old syllabus (2017) can switch over to CS Professional new syllabus (2022) comprising 7 papers. Accordingly, the portal for switchover from old syllabus (2017) to New Syllabus (2022) along with Pre-Examination Fee has been activated for Professional Programme Students w.e.f., November 20, 2023.

- **TRANSCRIPTS & EDUCATION VERIFICATION**

It has been observed that on completion of Course the professionals are also applying for Foreign Courses / degrees /or immigration based on CS Qualification. During the month, 21 Transcripts were issued.

Likewise, on request of the employer/PSU/government authorities and other Education verifier agencies, 05 Education Verification requests of CS students were processed.

- **REGISTRATION FOR CLASSES BY REGIONAL/ CHAPTER OFFICES AT THE TIME OF EXECUTIVE PROGRAMME REGISTRATION**

Institute has facilitated Executive Programme students to register directly for the Executive Programme classes at the time of Executive registration. Executive Programme students can now register directly for the Executive Programme classes conducted by the Regional/Chapter Offices at the time of Executive Programme registration. This will help the students to join classes at their nearest Regional/chapter Office.

- **PAPER WISE EXEMPTION ON THE BASIS OF HIGHER QUALIFICATIONS**

The Institute has decided that the students enrolling into the Company Secretary Course under New Syllabus, 2022 shall be eligible for paper-wise exemption (s) based on the higher qualifications acquired by them. Accordingly, necessary announcement including process of claiming paper-wise exemption has been shared for information to all concerned:

www.icsi.edu/media/webmodules/ATTENTION_STUDENTS_RECIPROCAL_EXEMPTION_NEW_SYLLABUS_2022_Updated.pdf

- **PROFESSIONAL PROGRAMME PASS CERTIFICATE OF ICSI IN DIGILOCKER**

The Institute decided to issue Professional Programme Pass Certificate online via DIGILOCKER. The same initiative was Launched at 50th National Convention of ICSI at Kolkata with the support of the National e-Governance Division (NeGD), Ministry of Electronics and Information Technology (MeitY), Govt of India. The students who passed on or after June 2021 Session of Examination can download Professional Pass Certificate from DIGI Locker. Announcement hosted and Communication via Bulk Mail has been sent to students for extracting their Professional Pass Certificate for June 2023 & December 2023 Session of Examinations.

- **REAL TIME GUIDANCE FOR STUDENTS**

The Institute has prepared Frequently Asked Questions (FAQs) on the queries received from Stakeholders / Students to give more clarity on the issues and real time guidance. The FAQs are hosted on website at:

- o **FAQ for Executive Switchover**

www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf; www.icsi.edu/media/webmodules/Declaration_to_cater_switchover_Request_of_executive_&_professional_old_syllabus_students.pdf

- o **FAQ for Professional Switchover to New Syllabus:**

www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf

- **TRAINING OPPORTUNITIES**

During the month, following training opportunities were posted on the Placement Portal:

No. of Corporates/ MCA and other Government Bodies/ PSUs/ PCS Firms that Posted Training Opportunities on the ICSI Placement Portal	111
No. of Training Opportunities available on the ICSI Placement Portal	208

For more details, kindly visit ICSI Placement Portal - placement.icsi.edu/PlacementApp/

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

During the month, following initiatives were taken for the CSEET students:

- **Centralized free online Classes of CSEET – November Session**

ICSI shall be conducting online Centralized classes for the students of CSEET registering for November

2024 Session of CSEET. Faculties with vast experience will be taking these classes.

- *Registration for CSEET Classes at the time of CSEET Registration*

CSEET students can register directly for CSEET classes conducted by Regional/Chapter Offices at the time of CSEET registration. This will help the students to join classes hassle free at their nearest location.

Link to register smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

- *Exemption to Graduates and Post Graduates from appearing in CSEET and enabling them to take direct admission in CS Executive Programme*

The Institute has decided to grant exemption to the following categories of students from appearing in CSEET enabling them to take direct admission in CS Executive Programme.

Graduates (having minimum 50% marks) or Post Graduates (without any criteria of minimum % of marks) in any discipline of any recognized University or any other Institution in India or abroad recognized as equivalent thereto by the Council.

To get exemption from CSEET on the basis of above qualification, such students shall be required to pay applicable exemption fees along with the requisite registration fees for the Executive Programme. For more details, please click

www.icsi.edu/media/webmodules/granting_exemption_230621.pdf

- *CSEET Guide – I and CSEET Guide – II to be provided mandatorily to all students*

The Institute has decided that the CSEET Guide – I and CSEET Guide – II will be sent to all the students registering for CSEET by post, for which ₹500 will be taken at the time of registration from the students registering for CSEET in addition to ₹1000 (CSEET Registration fee).

- *CSEET Reference Reading Material (I and II) for all students at the time of CSEET registration on optional basis*

CSEET Reference Reading Material (I and II) will be provided optionally to all the students at the time of CSEET registration. Students are required to remit ₹1000 in addition to ₹1500. The same is available at: www.icsi.edu/reference-reading-material/

KNOWLEDGE UPGRADATION

- *Student Company Secretary and CSEET Communique*

The Student Company Secretary e-journal for Executive/ Professional Programme students of ICSI and CSEET Communique covering latest updates on CSEET subjects have been released for the month of **August, 2024**. The journals are available on the Academic corner of the Institute's website at the link: www.icsi.edu/e-journals/

- *Research Tab under Academic Portal for students*

A new research tab has been added under the Academic Portal to sensitize the students on emerging issues through research based academic outputs. The Research Tab can be accessed at www.icsi.edu/student-n/academic-portal/research-corner/.

- *Recorded Video Lectures*

ICSI has been recording video lectures of eminent faculties for the students of ICSI which help them to prepare for the examination. Students of the Institute can access recorded videos available on the E-learning platform by logging in to elearning.icsi.in

Login credentials are sent to all registered students at email. After successful login, go to "My courses" or "My Communities" section, where you can find the recorded videos and other contents.

- *Info Capsule*

A Daily update for members and students, covering latest amendment on various laws for benefits of members & students available at www.icsi.edu/infocapsule/

CAREER AWARENESS

- **Career Awareness Programmes in Army Public Schools across the country**

ICSI through the support of Ministry of Defence conducted extensive Career Awareness Programmes in more than 40 Army public Schools in the country to sensitise the students, parents and teachers about the CS Profession.

- **Career awareness Programmes, Career Fairs being conducted across the country by ICSI-HQ and Regional Chapter offices**

ICSI-HQ and Regional/Chapter offices are conducting Career awareness programmes and Career Fairs across the country on regular basis to create awareness regarding CS Profession amongst the prospective students.

ICSI-HQ organised and conducted following Career Fairs and Career Awareness Programmes in the month of August, 2024 in addition to the other programmes being conducted by RC/Chapter offices across the country.

Career Awareness Programmes				
S. No.	Region	Name of Institution	Date	Venue
1.	EIRC	Hirapur M.C.T. Girls' High School	August 20, 2024	West Bengal
2.	EIRC	St Mary Goretti Girls' High School	August 21, 2024	West Bengal
3.	EIRC	Raniganj Basanti Devi Goenka Vidyamandir	August 21, 2024	West Bengal
4.	EIRC	Manimala Girls' High School (HS)	August 21, 2024	West Bengal
5.	EIRC	Nepali Para Hindi High School	August 22, 2024	West Bengal
6.	EIRC	Barakar Sree Marwari Vidyalaya	August 22, 2024	West Bengal
7.	EIRC	Bari Vidyalaya High School HS	August 23, 2024	West Bengal
8.	EIRC	Benachity Bharatiya Hindi High School	August 23, 2024	West Bengal
9.	NIRC	Maheshwari International School	August 08, 2024	Ajmer
10.	NIRC	All Saints Sr. Sec. School	August 08, 2024	Ajmer
11.	NIRC	Birla Public School	August 09, 2024	Ajmer
12.	NIRC	Central Public School	August 08, 2024	Lalitpur-UP
13.	NIRC	SDPS International School	August 08, 2024	Lalitpur-UP
14.	NIRC	Jawahar Navodaya Vidyalaya	August 09, 2024	Lalitpur UP
15.	NIRC	PM Shri Kendriya Vidyalaya	August 09, 2024	Lalitpur UP
16.	NIRC	Govt. Girls Sr. Secondary School	August 08, 2024	Moga, Punjab
17.	NIRC	Govt. Senior Secondary Smart School	August 08, 2024	Moga, Punjab
18.	NIRC	Govt. Sr. Secondary School, Mehron	August 09, 2024	Moga, Punjab
19.	NIRC	S D Public School	August 09, 2024	Moga, Punjab
20.	SIRC	Devangar Hr. Sec. School	August 01, 2024	Chinnalapatti
21.	SIRC	Devangar Girls Hr. Sec. School	August 01, 2024	Chinnalapatti
22.	SIRC	Holy Cross Girls Higher Sec. School	August 02, 2024	Batlagundu
23.	SIRC	Rajus' College	August 19, 2024	Rajapalayam
24.	SIRC	Kalasalingam University	August 19, 2024	Rajapalayam
25.	SIRC	Christian Matriculation Hr. Sec. School	August 21, 2024	Oddanchatram
26.	SIRC	Swami Matric Higher Sec. School	August 21, 2024	Palani
27.	SIRC	Little Flower Hr. Sec School	August 21, 2024	Palani
28.	SIRC	V.H.N.S.N. College	August 23, 2024	Tamil Nadu
29.	SIRC	V.V.V. College for Women	August 23, 2024	Tamil Nadu
30.	SIRC	Velammal Bodhi Campus	August 23, 2024	Kanchipuram
31.	WIRC	J P Thakkar high School	August 03, 2024	Vadodara
32.	WIRC	CP Patel & FH Shah Commerce College	August 03, 2024	Vadodara
33.	WIRC	SEMCOM	August 03, 2024	Vadodara
34.	WIRC	Hanifa School	August 05, 2024	Vadodara
35.	WIRC	Kendriya Vidyalaya 02 Vasco	August 06, 2024	Goa

Career Fairs				
S. No.	Region	Name of Institution	Date	Venue
1.	NIRC	Vidya Mandir School	August 10, 2024	Faridabad
2.	NIRC	Aster Public school	August 23, 2024	Noida Extension
3.	NIRC	Cambridge Foundation school	August 24, 2024	Rajouri Garden Extn.
4.	NIRC	Delhi Public School	August 31, 2024	Mathura Road

• Career Guidance Invites Received

Career guidance programme involves providing comprehensive information about the admission criteria, application procedures, and the wide array of professional opportunities awaiting those who successfully complete the CS Course. The same helps the students, their families, teachers, and peer groups make informed decisions regarding their career paths. During the month invites were received from the following for conducting Career Guidance Sessions:

- o Navodaya Vidyalaya Smiti for conducting Career guidance sessions across their schools
- o Higher Education Directorates of various states viz: Directorate of School education, Mizoram, Indore, Thane, Vadodara

Convocation 2024- NIRC held on August 7, 2024



78th Independence Day

Pan India Celebrations held on August 15, 2024



ICSI HQ - Lodi Road



NIRC



EIRC & ICSI-CCGRT Kolkata



Kota



Belagavi



Pune



Gurugram



Thane

INAUGURATION CEREMONY - NEW PREMISES OF KOCHI CHAPTER OF THE ICSI



Chief Guest - Shri Suresh Gopi, Minister of State for Petroleum & Natural Gas & Ministry of Tourism, Govt. of India

Guest of Honour - CS Nagendra Rao, Former President, The ICSI



18th Regional Conference of Practising Company Secretaries held on August 17, 2024 at Kolkata

Theme - Digdarshak (दिग्दर्शक), A journey of CS from Compliance Officer to Globally Preferred Professional

Inaugural Session



Technical Session - I



Technical Session - II



Technical Session - III



Technical Session - IV



Annual Regional Conference of WIRC held on August 31 - September 1, 2024



ICSI NCLT CONCLAVE 2024

Theme - Corporate Dispute Resolution : Evolving a way Forward

Date & Venue - August 31, 2024 at ICSI - CCGRT, Kolkata

Chief Guest - Ms. Bidisha Banerjee, Hon'ble Member (Judicial), NCLT Kolkata Bench

Guest of Honour - CS Arvind Devanathan, Hon'ble Member (Technical), NCLT Kolkata Bench



ICSI NCLT CONCLAVE 2024

Theme - Corporate Dispute Resolution: Evolving a Way Forward

Date & Venue - August 31, 2024 at SCOPE Complex, Lodi Road, New Delhi

Chief Guest - Mr. Justice Ashok Bhushan, Hon'ble Chairman, NCLAT

Guest of Honour - Mr. Justice R. Sudhakar, Hon'ble President, NCLT



EEE 4.0 - MASTER KNOWLEDGE SERIES

WEBINAR ON

Significant Beneficial Ownership: Compliance and Implications
held on 07.08.2024



Speaker:
CS Kuldeep Ruchandani
Practicing Company Secretary



Moderator:
CS Yogesh Jha
The ICSI

WEBINAR ON

Managing Commercial Contracts and Disputes held on 14.08.2024



Speaker:
Mr. Kiran Chitale
Country Head,
Legal – Commercial, Barclays Global
Service Centre Pvt. Ltd.



Moderator:
Dr. Neeraj Kumar
The ICSI

WEBINAR ON

Mastering GST: Role of Company Secretaries held on 21.08.2024



Speaker:
**CS Kumar Gaurav
Dhawan (IRS)**
Commissioner, CGST
Jalandhar



Speaker:
CS Sanjay Malhotra,
PCS



Moderator:
CS Rajesh Tarpara
Central Council Member,
The ICSI

ICSI International ADR Centre

WEBINAR ON

**Recent Development in the Arbitration landscape in India with
focus on Institutional Arbitration** held on 30.08.2024



Speaker:
Sh. Avnit Singh Arora
Director, Dept. of Legal Affairs
Ministry of Law & Justice



Moderator:
Mr. Ritesh Kumar
Joint Director
ICSI International ADR Centre



**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)

www.icsi.edu

ARTICLES INVITED FOR GLOBAL CONNECT IN CHARTERED SECRETARY JOURNAL

Dear Member,

The ICSI invites articles for its prestigious Chartered Secretary Journal - a monthly compendium of the critical aspects of the Company Secretary Profession from across the globe.

As the new age Governance Professional, it is imperative for Company Secretaries to enhance their knowledge and skills to effectively manage investor expectations and thrive in environment of disruption, uncertainty and change.

We therefore request you to kindly share your valuable insights and expertise, and enrich the coveted Chartered Secretary Journal with diverse perspectives on contemporary issues relevant to Company Secretaries globally.

The article should be submitted in Word Document Format at overseas@icsi.edu and may cover any of the following:

- **Corporate Governance Trends:** Share your insights on emerging trends and developments in corporate governance arena globally.
- **Best Practices:** Discuss successful strategies and best practices adopted by companies in different jurisdictions.
- **Regulatory Updates:** Provide an overview of recent regulatory changes and their implications for company secretaries in different jurisdiction.

It may please be noted that members are entitled to 4 CPE Credits under **clause 7.2 of Continuing Professional Education (CPE) Guidelines 2019**, if any of their article is published in the Chartered Secretary Journal or any UGC approved journal. Guidelines for Authors is placed at **Appendix-A**.

Should you require any further information, please feel free to connect with us.

We look forward to your significant contribution in building a global perspective for the Company Secretary Profession.

Sincerely,

Team ICSI

Guidelines for Authors

1. Articles on subjects of interest to the profession of company secretaries are published in the Journal.
2. The article must be original contribution of the author.
3. The article must be an exclusive contribution for the Journal.
4. The article must not have been published elsewhere, and must not have been or must not be sent elsewhere for publication, in the same or substantially the same form.
5. The article should ordinarily have 2500 to 4000 words. A longer article may be considered if the subject so warrants.
6. The article must carry the name(s) of the author(s) on the title page only and nowhere else.
7. The articles go through blind review and are assessed on the parameters such as (a) relevance and usefulness of the article (from the point of view of company secretaries), (b) organization of the article (structuring, sequencing, construction, flow, etc.), (c) depth of the discussion, (d) persuasive strength of the article (idea/argument/articulation), (e) does the article say something new and is it thought provoking, and (f) adequacy of reference, source acknowledgement and bibliography, etc.
8. The copyright of the articles, if published in the Journal, shall vest with the Institute.
9. The Institute/the Editor of the Journal has the sole discretion to accept/reject an article for publication in the Journal or to publish it with modification and editing, as it considers appropriate.
10. The article shall be accompanied by a summary in 150 words and mailed to overseas@icsi.edu
11. The article shall be accompanied by a 'Declaration-cum-Undertaking' from the author(s) as under:

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1. I, Shri/Ms./Dr./Prof....., declare that I have read and understood the Guidelines for Authors.
2. I affirm that:
 - a) the article titled "....." is my original contribution and no portion of it has been adopted from any other source;
 - b) this article is an exclusive contribution for ICSI Journal and has not been / nor would be sent elsewhere for publication; and
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 - a) comply with the guidelines for authors,
 - b) shall abide by the decision of the Institute, i.e., whether this article will be published and / or will be published with modification / editing.
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(Signature)

Evolving Global Trends and Best Practices of Corporate Governance: Balancing Profit with Purpose

Boards must address future challenges, such as climate change and cybersecurity, by embedding resilience and sustainability into governance practices. This shift focuses on holistic, long-term value creation, with ethical leadership and ESG factors playing crucial roles. Companies need to adopt innovative governance models, leverage technology responsibly, and engage with stakeholders. Regulators must promote transparency and accountability, ensuring governance remains a cornerstone of sustainable success. With reference to Global and Indian case studies, the article aims to provide a comprehensive overview of corporate governance's current state and future, highlighting the need for continuous improvement and adaptation to navigate the complexities of the global business environment.



Dr. Dipra Bhattacharya

Management & IT Consultant, Strategist,
Senior Business & Program Governance Leader
mail2dipra@gmail.com

INTRODUCTION

Corporate governance stands at the heart of responsible business practices, guiding companies in their quest for sustainable growth and ethical leadership. In an era marked by rapid globalization, technological advancements, and increasing stakeholder expectations, the governance frameworks that once sufficed are now being redefined. Modern corporations are not only judged by their financial performance but also by their commitment to environmental, social, and governance (ESG) principles, transparency, and accountability. As the business landscape continues to shift, so too does the role of corporate governance, evolving from a regulatory necessity to a strategic imperative. This article delves into the intricate dynamics of corporate governance, exploring current trends, best practices, and the future challenges that companies must navigate to thrive in a complex and interconnected world. The article aims to explore Corporate Governance, its trends, and practices, including both global and Indian perspectives, supported by case studies and practical insights and how companies can build robust governance frameworks that balance the interests of shareholders with the broader responsibilities they owe to society.

Importance and Relevance

Corporate governance refers to the framework of rules, practices, and processes by which a company is directed and controlled. At its core, corporate governance is about balancing the interests of a company's many stakeholders, including shareholders, management, customers, suppliers, financiers, government, and the community. A robust corporate governance structure ensures that companies make decisions that foster long-term sustainability, transparency, accountability, and fairness, which are essential in building trust and maintaining the integrity of the business environment.

Key Principles of Corporate Governance

The key principles of corporate governance are designed to ensure that companies operate in a manner that is ethical, transparent, and accountable. These principles include:

Accountability: Corporate governance frameworks hold companies accountable to their stakeholders, ensuring that decisions are made in the best interest of all parties involved.

Transparency: Companies are expected to disclose relevant information accurately and promptly, enabling stakeholders to make informed decisions.

Fairness: All stakeholders, including minority shareholders, should be treated equitably and have their rights protected.

Responsibility: Companies should act responsibly towards the communities and environments in which they operate, recognizing their social and environmental impacts.

Independence: A strong corporate governance structure ensures that the board and its committees act independently, free from undue influence by management or controlling shareholders.

These principles are not only vital for maintaining investor confidence but also play a crucial role in enhancing a company's reputation, which is a valuable asset in today's competitive business landscape.

CURRENT TRENDS IN CORPORATE GOVERNANCE

Global Trends in Corporate Governance

Corporate governance is undergoing a transformation on a global scale, with several emerging trends reshaping the way companies operate.

- **Emphasis on ESG Factors:** Companies are facing greater demands from investors and regulators to address environmental, social, and governance issues. This shift highlights the link between long-term profitability and responsible corporate behavior.
- **Rise of Shareholder Activism:** Investors are increasingly influencing corporate decisions, focusing on executive compensation, Board diversity, and corporate social responsibility (CSR).
- **Globalization and Cross-Border Governance:** As businesses operate globally, they must navigate complex regulatory environments and align with international governance standards.

Corporate Governance in Emerging Markets

Emerging markets present unique challenges and opportunities for corporate governance.

- **Unique Challenges and Opportunities:** Emerging markets face evolving governance frameworks shaped by local cultural, economic, and legal factors. Strong governance is increasingly recognized as crucial for attracting foreign investment and promoting sustainable growth.
- **Progress in Key Markets:**
 - India: Significant improvements through the Companies Act, 2013, and amendments, including stricter governance requirements, mandatory board committees, enhanced disclosure, and independent directors.
 - China and Brazil: Similar strides through regulatory reforms and adoption of international best practices.
- **Ongoing Challenges:** Family-owned businesses may present different governance dynamics compared to publicly traded companies, requiring a balanced approach that respects local customs and practices.

The Impact of ESG (Environmental, Social, Governance) on Corporate Governance

The integration of ESG considerations into corporate governance is perhaps the most significant trend of the past decade.

- **Significance of ESG:** ESG considerations have become crucial to a company's long-term success, with stakeholders demanding more transparency and accountability in managing environmental and social impacts.

ESG Pillars :

- **Environmental Governance:** Managing risks related to climate change, resource scarcity, and environmental degradation.
- **Social Governance:** Addressing labour rights, diversity and inclusion, and community engagement.
- **Governance:** Focusing on ethical leadership, board diversity, and transparent decision-making.

Impact on Companies :

- **Positive Outcomes:** Enhanced reputation, greater investor confidence, and improved financial performance.
- **Negative Outcomes:** Reputational damage, regulatory penalties, and loss of competitive advantage for companies neglecting ESG considerations.

Digital Transformation and Governance

Digital transformation is another key trend influencing corporate governance.

- **Enhanced Governance Opportunities:** Technologies like AI, Big data, and Blockchain improve data transparency, compliance, and real-time monitoring of business operations.
- **Emerging Risks:** Increased reliance on digital systems heightens risks in cybersecurity and data privacy. Companies now face greater risks for cyber attacks and data breaches.
- **Board Responsibilities:** Directors must acquire expertise in digital risk management and establish robust governance frameworks to safeguard the company and its stakeholders.

The Role of Stakeholder Capitalism

Stakeholder capitalism, which prioritizes the interests of all stakeholders over those of shareholders alone, is gaining traction as a governance model.

- **Prioritizing Stakeholders:** Stakeholder capitalism emphasizes the interests of all stakeholders (employees, customers, suppliers, and the community) over just shareholders, recognizing companies' broader responsibilities.
- **Reflective Initiatives:** The Business Roundtable's 2019 statement redefined corporate roles, highlighting a shift towards prioritizing long-term value, ethical leadership, and sustainable practices.
- **Governance Changes:** Boards are increasingly focusing on these aspects, driving changes in corporate governance to align with stakeholder capitalism principles.

Trends in Board Diversity and Inclusion

Board diversity and inclusion have become critical components of effective corporate governance.

- **Importance of Diversity:** Diverse boards, with varied backgrounds and perspectives, make better decisions and enhance company performance.
- **Increasing Pressure:** Companies face growing expectations to improve board diversity in gender, ethnicity, and professional background.
- **Regulatory Initiatives:**
 - India: SEBI requires listed companies to have at least one woman on their board.
 - Europe: Gender quotas have led to significant improvements in board-level gender diversity.

CORPORATE GOVERNANCE IN INDIA

Historical Perspective

- **Evolution:** Corporate governance in India has transitioned from an unstructured system to a regulated and transparent framework.
- **Early Challenges:** Historically, concentrated ownership, often by family-owned businesses, led to issues with accountability, transparency, and minority shareholder rights.
- **Liberalization Impact:** The 1990s economic liberalization brought foreign investment and capital market growth, highlighting the need for improved governance practices and resulting in regulatory reforms.

Regulatory Framework

- **Companies Act, 2013:** Introduced key governance provisions, including independent directors, board committees, and stricter disclosure norms.
- **SEBI's Role:** SEBI's guidelines, such as the Listing Obligations and Disclosure Requirements (LODR) Regulations, set stringent standards for listed companies, covering related party transactions, whistleblower mechanisms, and insider trading.

SEBI Guidelines and Reforms

- **Independent Directors:** SEBI mandates independent directors to protect minority shareholders and ensure unbiased board functioning.
- **Board Committees:** Guidelines on committees like Audit, Nomination and Remuneration, and Stakeholders Relationship Committees enhance governance by overseeing financial reporting, executive compensation, and shareholder grievances.
- **Transparency:** Enhanced disclosure requirements for board composition, executive compensation,

and related party transactions improve corporate transparency.

Role of Independent Directors

- **Functions:** Provide objective perspectives, challenge management decisions, oversee financial reporting, and represent stakeholder interests.
- **Regulatory Mandates:** The Companies Act, 2013, and SEBI regulations require a proportion of independent directors to prevent undue influence and promote a balanced board. Their effectiveness hinges on true independence and active engagement.

Corporate Governance Challenges

- **Family-Owned Businesses:** Conflicts of interest between controlling and minority shareholders and reluctance to adopt transparent practices are major issues.
- **Regulation Enforcement:** Inconsistent enforcement of governance regulations due to resource constraints and legal hurdles.
- **Diversity:** Persistent lack of board diversity, despite regulations, limits effective decision-making.

Public vs. Private Sector Governance

- **Public Sector Enterprises (PSEs):** Face challenges like political interference, bureaucratic inefficiencies, and accountability issues.
- **Private Sector:** Generally adopts international best practices more proactively but must balance short-term performance with long-term sustainability and shareholder expectations.

GLOBAL BEST PRACTICES IN CORPORATE GOVERNANCE

Global best practices in corporate governance have evolved over time, shaped by the lessons learned from corporate failures and the changing expectations of stakeholders. Some of the most effective practices include:

Board Composition and Effectiveness

- **Diverse Board:** Effective boards need a mix of skills, experiences, and perspectives. Diversity (gender, ethnicity, professional background) enhances board performance.
- **Independent Directors:** Crucial for unbiased oversight.
- **Improvements:** Invest in board evaluations, professional development, and clear role delineation.

Ethical Leadership and Corporate Culture

- **Leadership Impact:** Ethical leadership builds strong corporate culture and trust.

- **Promotion:** Establish a code of conduct, provide ethics training, encourage communication, and implement whistleblower mechanisms.

Risk Management and Internal Controls

- **Risk Management:** Identify and manage financial, operational, legal, and reputational risks.
- **Internal Controls:** Ensure accurate financial reporting and regulatory compliance. Regularly update systems to address new risks.

Transparency and Disclosure Practices

- **Transparency:** Provide timely and comprehensive information on financial performance, governance, and strategic initiatives.
- **Best Practices:** Include details on board composition, executive compensation, related party transactions, and ESG issues.

Stakeholder Engagement

- **Importance:** Engage with shareholders, employees, customers, suppliers, regulators, and the community to build relationships and address concerns.
- **Best Practices:** Use various communication channels and report engagement efforts in annual reports and sustainability disclosures.

Executive Compensation and Accountability

- **Compensation:** Align pay with performance and long-term value creation.
- **Best Practices:** Link pay to performance metrics, ensure fairness, involve independent directors, and include accountability mechanisms like claw back provisions.

Technology and Cybersecurity Governance

- **Technology Challenges:** Address data privacy, cybersecurity, and IT risk management.
- **Best Practices:** Ensure board expertise in IT risks, implement robust cybersecurity measures, and maintain clear data privacy governance. Oversee digital transformation to align with company goals.

CASE STUDIES: GLOBAL AND INDIAN EXAMPLES, BEST PRACTICES ADOPTED

Global Examples

- **Apple Inc.: Governance and Innovation**

Apple Inc. is renowned for its strong governance practices, particularly in the areas of innovation and ethical leadership. The company's board is composed of a diverse group of directors with expertise in technology, finance, and international business. Apple's commitment to transparency

and accountability is evident in its comprehensive disclosures and proactive engagement with shareholders. Additionally, the company's focus on sustainability and social responsibility has positioned it as a leader in ESG governance.

- **Volkswagen Emissions Scandal: Governance Failure**

The Volkswagen emissions scandal is a cautionary tale of governance failure. The company's management engaged in unethical practices by manipulating emissions tests, resulting in significant reputational damage and financial penalties. The scandal highlighted the importance of ethical leadership, effective oversight, and a strong risk management framework. It also underscored the need for companies to foster a corporate culture that prioritizes integrity and accountability.

- **Unilever's Sustainable Governance Model**

Unilever is widely recognized for its sustainable governance model, which integrates ESG considerations into its core business strategy. The company's board is actively involved in overseeing sustainability initiatives and Unilever's commitment to transparency and stakeholder engagement has earned it a strong reputation in the global market. The company's approach to governance demonstrates that long-term success can be achieved by balancing profitability with social and environmental responsibility.

Indian Examples

- **Infosys: Governance and Ethical Practices**

Infosys, one of India's leading IT companies, is known for its strong governance practices and commitment to ethical business conduct. The company has a robust board structure, with independent directors playing a key role in oversight and decision-making. Infosys has also been a pioneer in adopting best practices in transparency, disclosure, and stakeholder engagement. The company's focus on ethical leadership and corporate culture has earned it a reputation as a governance leader in India.

- **Tata Group: Governance and Family-Owned Businesses**

The Tata Group, one of India's largest conglomerates, provides an interesting case study in governance within family-owned businesses. The group has successfully managed to balance the interests of its diverse stakeholders while maintaining a strong commitment to ethical business practices. The Tata Group's governance framework includes a mix of family and independent directors, with a focus on long-term value creation and social responsibility. The group's approach to governance has been instrumental in its sustained success and resilience in the face of challenges.

- **Wipro: Governance in IT and Global Operations**

Wipro, another major IT company in India, is known for its strong governance practices, particularly in managing its global operations. The company's governance framework emphasizes ethical leadership, board independence, and stakeholder engagement. Wipro has also been proactive in adopting best practices in ESG governance, with a focus on sustainability, diversity, and corporate social responsibility. The company's approach to governance has helped it maintain a strong reputation and achieve sustained growth in a competitive global market.

The above case study examples and global trends outlined here provide a snapshot of the current state of corporate governance and offer valuable lessons for companies striving to achieve excellence in governance. The principles and practices discussed are applicable across industries and geographies, highlighting the universal importance of good governance in building successful and sustainable businesses.

Global Case Studies on Best Practices Adopted

- **Toyota: Governance and Crisis Management**

Toyota Motor Corporation offers a compelling case study in governance, particularly in the context of crisis management. In 2009 and 2010, Toyota faced a massive recall crisis due to safety concerns involving unintended acceleration in several vehicle models. The company's initial response was criticized for being slow and inadequate; raising questions about its governance and crisis management practices.

However, Toyota's subsequent actions demonstrated strong governance and leadership. The company restructured its board to include more independent directors, increased transparency in its reporting processes, and implemented a more rigorous approach to risk management. Toyota also strengthened its focus on quality control and safety, ensuring that such issues would be addressed more swiftly in the future. The company's ability to learn from this crisis and implement meaningful changes in its governance framework has helped it restore its reputation and regain the trust of consumers and stakeholders.

- **HSBC: Governance in Financial Services**

HSBC Holdings, one of the world's largest banking and financial services organizations, has faced significant governance challenges, particularly in the area of regulatory compliance. In 2012, HSBC was fined \$1.9 billion by U.S. authorities for its involvement in money laundering activities. This scandal exposed weaknesses in the bank's internal controls and compliance mechanisms, highlighting the need for stronger governance practices.

In response, HSBC undertook a comprehensive overhaul of its governance framework. The bank

enhanced its risk management and compliance functions, appointed new leadership with a focus on ethical conduct, and strengthened its board by adding more independent directors with expertise in regulatory matters. HSBC also implemented a global compliance program to prevent future lapses. These changes have been instrumental in restoring the bank's credibility and ensuring that it adheres to the highest standards of governance in the financial services industry.

- **Johnson & Johnson: Governance and Product Responsibility**

Johnson & Johnson (J&J) provides an interesting case study in governance related to product responsibility and corporate ethics. The company's handling of the Tylenol crisis in 1982, when several people died after consuming Tylenol capsules laced with cyanide, is often cited as a textbook example of effective crisis management and corporate responsibility.

J&J's immediate response included a nationwide recall of all Tylenol products, despite the financial cost, and the introduction of tamper-resistant packaging, which became a new industry standard. The company's actions were guided by its corporate credo, which prioritizes the safety and well-being of customers over profits. This incident demonstrated J&J's commitment to ethical leadership and its ability to make tough decisions in the interest of public safety, which ultimately strengthened its reputation and trust with consumers.

Indian Case Studies on Best Practices Adopted

- **Reliance Industries: Governance in a Diversified Conglomerate**

Reliance Industries, one of India's largest conglomerates, offers valuable insights into governance practices within a highly diversified business. The company's governance framework is designed to address the complexities associated with managing a wide range of business interests, from petrochemicals and refining to retail and telecommunications.

Reliance Industries has adopted several best practices in corporate governance, including a strong emphasis on board independence, transparency, and stakeholder engagement. The company has also been proactive in aligning its governance practices with international standards, particularly in areas such as financial reporting, risk management, and sustainability. This approach has enabled Reliance to maintain its leadership position in the Indian market while also expanding its presence globally.

- **Mahindra Group: Governance and Sustainability**

The Mahindra Group, a leading Indian multinational conglomerate, is known for its commitment to sustainability and corporate social responsibility (CSR). The company's governance framework

emphasizes the integration of sustainability into its business strategy, with a focus on creating long-term value for all stakeholders.

Mahindra's approach to governance includes a strong emphasis on ethical leadership, transparency, and stakeholder engagement. The company's board is actively involved in overseeing its sustainability initiatives, and Mahindra has been recognized for its efforts in areas such as renewable energy, social development, and environmental stewardship. The group's commitment to sustainable governance has not only enhanced its reputation but also contributed to its long-term success in a competitive global market.

THE FUTURE OF CORPORATE GOVERNANCE

Emerging Governance Models

As the business landscape evolves, new governance models are emerging to address the complexities of modern corporations.

- **Flexible Models:** Traditional top-down governance is being replaced by models emphasizing stakeholder engagement, decentralized decision making, and adaptive structures.
- **Stakeholder Governance:** Expands beyond shareholders to include employees, customers, suppliers, and communities, balancing profit with social responsibility.
- **Distributed Governance:** Promotes decentralized decision-making in tech-driven organizations, enhancing agility and innovation.
- **Integrated Governance:** Incorporates financial, social, environmental, and ethical considerations into governance frameworks for a holistic view.

The Role of AI and Automation in Governance

Artificial Intelligence (AI) and automation are revolutionizing various aspects of corporate governance, offering both opportunities and challenges.

- **Opportunities:** AI and automation improve governance by providing accurate information, enhancing decision-making, and reducing biases.
- **Risk Management:** AI analyzes data to predict risks and trends, aiding in swift responses to challenges.
- **Compliance and Reporting:** Automation streamlines data collection and reporting, ensuring efficiency and transparency.
- **Ethical Concerns:** Risks include over-reliance on technology and potential biases in AI. Boards must set guidelines for ethical AI use and maintain human oversight.

The future of corporate governance will be shaped by the ability of companies to address emerging global challenges, such as climate change, cybersecurity, and geopolitical risks. Corporate governance is a dynamic process that must continuously adapt to emerging trends like AI, ESG, and globalization.

Governance and Globalization

Globalization has significantly impacted corporate governance, creating both opportunities and challenges for multinational corporations.

- **Regulatory Compliance:** Companies must navigate diverse regulations across jurisdictions with a robust governance framework.
- **Inclusive Governance:** Consideration of regional stakeholder interests, cultural differences, and local concerns is essential.
- **Cross-Border Collaborations:** New governance models are needed for managing shared responsibilities and risks in international partnerships.

Preparing for Future Challenges: Climate Change, Cybersecurity, and Beyond

The future of corporate governance will be shaped by the ability of companies to address emerging global challenges, such as climate change, cybersecurity, and geopolitical risks. Boards must be proactive in identifying these challenges and developing strategies to mitigate their impact.

- **Climate Change:** Companies need to integrate climate-related risks into governance, set sustainability goals, and invest in green technologies.
- **Cybersecurity:** Boards must implement strong cybersecurity measures, including risk assessments and training, and stay updated on threats.
- **Additional Risks:** Prepare for geopolitical instability, economic volatility, and social unrest with proactive and flexible governance strategies.

By anticipating future challenges and building resilience into their governance frameworks, companies can better navigate the uncertainties of the global business environment.

CONCLUSION

Corporate governance has evolved significantly, influenced by global business changes, regulatory developments, and shifting stakeholder expectations. This article highlights

the importance of transparency, accountability, and ethical leadership in building strong governance frameworks. Companies that integrate these principles and address ESG factors are better positioned for long-term success and stakeholder trust.

Corporate governance is a dynamic process that must continuously adapt to emerging trends like AI, ESG, and globalization. The future will demand greater inclusivity, transparency, and a focus on long-term value creation. Companies that embrace innovative governance models will navigate global complexities more effectively.

To succeed, companies must build adaptable governance frameworks that prioritize board diversity, ethical leadership, and ESG integration while leveraging technology responsibly. Regulators should set high standards for transparency, accountability, and ethical conduct, promoting best practices in sustainability and digital governance. Collaboration among regulators, companies, and stakeholders is vital for fostering long-term value creation and societal well-being.

RELEVANT STATISTICS FOR REFERENCE AND FURTHER RESEARCH

1. Board Diversity Statistics

Region	Percentage of Women on Boards (2024)	Percentage of Ethnic Minorities on Boards (2024)
United States	28%	19%
European Union	35%	25%
India	17%	12%
Asia-Pacific	22%	15%
Global Average	25%	18%

Sources: MSCI (2024), Catalyst (2024), BoardEx (2024)

2. ESG Reporting Trends

Region	Percentage of Companies with ESG Reports (2024)	Percentage of Companies Using Global Reporting Initiative (GRI) Standards
United States	75%	40%
European Union	85%	55%
India	60%	30%
Asia-Pacific	65%	35%
Global Average	70%	42%

Sources: Global Reporting Initiative (GRI) (2024), SustainAbility Development Report (2024), EY Report (2024)

3. Cybersecurity Investment

Region	Average Annual Cybersecurity Investment (2024)	Percentage of Companies Reporting Cyber Incidents
United States	\$7.3 million	50%
European Union	\$5.2 million	45%
India	\$3.8 million	40%
Asia-Pacific	\$4.5 million	42%
Global Average	\$5.6 million	46%

Sources: Gartner (2024), Ponemon Institute (2024), IDC (2024)

4. Climate Change and Corporate Governance

Region	Percentage of Companies with Climate Risk Disclosure (2024)	Percentage of Companies with Climate Action Plans
United States	65%	58%
European Union	75%	70%
India	55%	50%
Asia-Pacific	60%	55%
Global Average	64%	58%

Sources: CDP (2024), Climate Disclosure Standards Board (CDSB) (2024), Bloomberg (2024)

5. Shareholder Engagement

Region	Percentage of Companies Engaging with Shareholders Regularly (2024)	Percentage of Companies with Annual General Meetings (AGMs)
United States	80%	95%
European Union	85%	98%
India	70%	85%
Asia-Pacific	75%	90%
Global Average	77%	92%

Sources: Harvard Law School Forum on Corporate Governance (2024), Shareholder Rights Directive (SRD II) (2024), ISS Corporate Solutions (2024)

6. Executive Compensation

Region	Average CEO Pay Ratio to Median Employee Salary (2024)	Percentage of Companies Disclosing Executive Compensation in Detail
United States	320:1	82%
European Union	220:1	85%

Region	Average CEO Pay Ratio to Median Employee Salary (2024)	Percentage of Companies Disclosing Executive Compensation in Detail
India	180:1	70%
Asia-Pacific	250:1	75%
Global Average	250:1	78%

Sources: Equilar (2024), European Commission (2024), Glass Lewis (2024)

7. Regulatory Compliance and Enforcement

Region	Percentage of Companies Compliant with New Regulations (2024)	Average Fine for Non-Compliance (USD, 2024)
United States	90%	\$5.4 million
European Union	92%	\$4.8 million
India	85%	\$3.2 million
Asia-Pacific	88%	\$3.6 million
Global Average	89%	\$4.0 million

Sources: Deloitte (2024), Regulatory DataCorp (2024), PwC (2024)

8. Global Governance Ratings

Region	Average Corporate Governance Score (2024)	Percentage of Companies Rated "Strong" or "Excellent"
United States	65/100	32%
European Union	70/100	38%
India	60/100	28%
Asia-Pacific	62/100	30%
Global Average	64/100	32%

Sources: Corporate Governance Ratings (2024), MSCI Governance Metrics (2024), S&P Global (2024)

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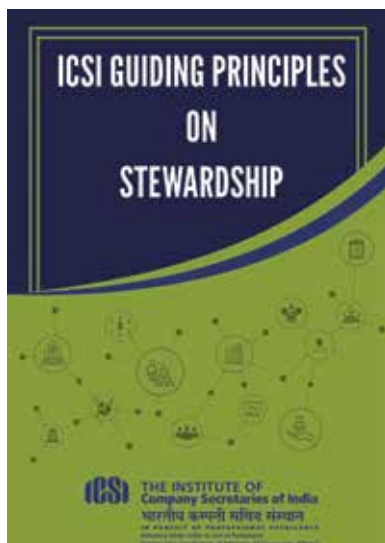
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- xxi. The International Finance Corporation (IFC) - (www.ifc.org/corporate-governance)
- xxii. Institute of Directors (IoD) - (www.iod.com)

Releases at the ICSI Middle East Conference held on September 4-5-6, 2024



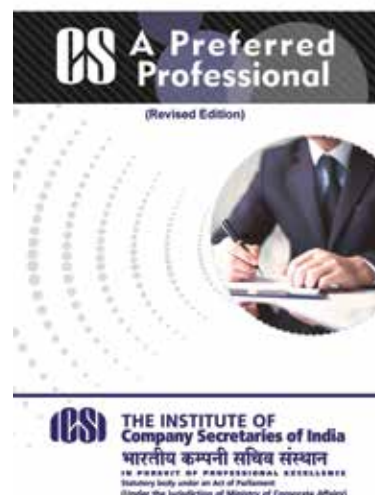
ICSI GUIDING PRINCIPLES ON STEWARDSHIP



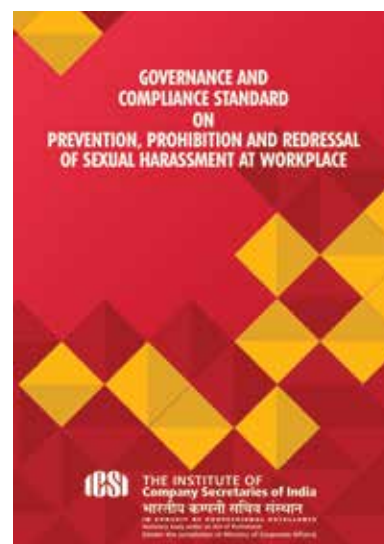
HANDBOOK ON BUSINESS RESPONSIBILITY AND SUSTAINABILITY



BACKGROUND OF ICSI MIDDLE EAST CONFERENCE



REVISED EDITION OF CS: A PREFERRED PROFESSIONAL

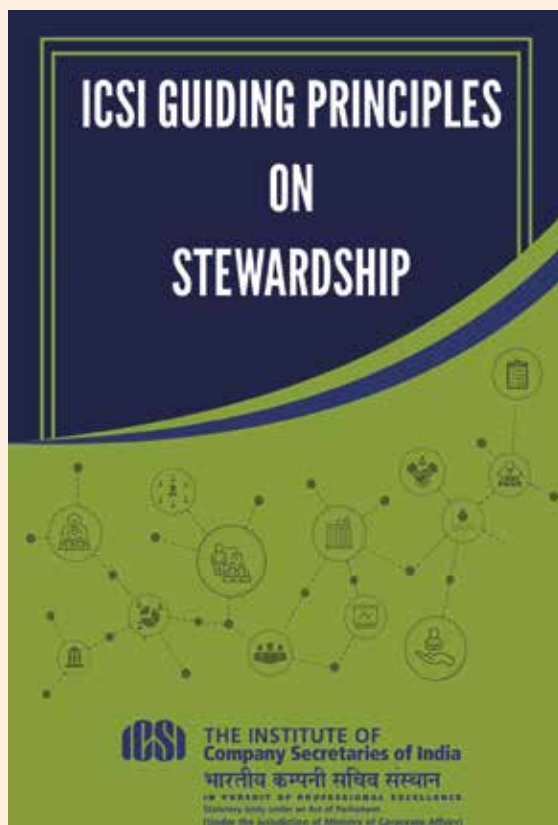


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About the IGPS

Effective stewardship by the investors is the key to responsible investment. By taking a step ahead in line with Institute's vision of "to be a global leader in promoting good corporate governance", the Institute of Company Secretaries of India (ICSI) has taken a lead to develop ICSI Guiding Principles on Stewardship ("IGPS"), which is the culmination of various practices followed while exercising stewardship responsibilities in different jurisdictions.

Institutional Investors, while discharging their stewardship responsibilities, may also avail the services of Service Providers like investment consultants, proxy advisors, data and research providers, etc. to get the best information about entities. As a result, Service Providers also play a key role in the investment industry as they provide necessary information that support the Institutional Investors to fulfil their stewardship responsibilities. The purpose of these guiding principles is to promote responsible investment as well as enhance reporting and engagement between Institutional Investors and the investee entities. The IGPS provide different sets of guiding principles and reporting formats for Institutional Investors and Service Providers. Each principle for Institutional Investor and Service Provider provides a set of "guidance" and "reporting requirements" addressing a separate relevant issue and all principles together give a comprehensive outlook on effective stewardship framework desirable for the signatory to the guiding principles.

Institutional Investors and Service Providers are encouraged to adopt the IGPS to promote the responsible investment and reporting thereon in true letter and spirit. Being voluntary in nature, these principles aim to gradually strengthen the responsible investment ecosystem across the globe by supporting the signatories in fulfilling their stewardship responsibilities and reporting commitments.








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CS Sanjeev Grover is a Fellow Member of the Institute of Company Secretaries of India (ICSI), having around 30 years of experience in the field of Corporate Governance and Compliances. Presently he is acting as an Executive Officer & Company Secretary of Maruti Suzuki India Limited.

Since 2020, he is an active member of Secretarial Standard Board (“SSB”) constituted by the ICSI.

Automobile sector has been a key role player in the Indian Manufacturing Industry. How would you demarcate its growth trajectory – its major achievements and challenges?

The automobile sector in India is one of the main pillars of the economy. With strong backward and forward linkages, it is a key driver of growth. Liberalization and conscious policy interventions over the past few years created a vibrant, competitive market, and brought several new players, resulting in capacity expansion of the automobile industry and generation of huge employment. The contribution of this sector to the National GDP has risen exponentially. It provides direct and indirect employment to over 19 million people.

Over the next decade, the automotive sector is likely to see some significant transformations. Principal transformations being the shift of growth in demand for automobiles from developed nations to developing nations (mainly BRICS); a dramatic increase in the share of electronics in automobiles, making them a “computer on wheels and connected to the Internet”; a relentless pursuit of economies of scale and scope in design and engineering of automobiles and components, while also pursuing low-cost manufacturing destinations.

The Indian automobile sector has experienced significant growth and transformation over the years, marked with various achievements and challenges. In terms of achievements, the Indian automobile industry has become one of the largest in the world, ranking among the top manufacturers globally with Increased sales driven by rising incomes, urbanization, and a growing middle class. Currently, the Automobile sector has developed a wide range of vehicles, including two-wheelers, passenger cars, and commercial vehicles helping India to emerge as a major exporter of automobiles, with significant markets in Africa, the Middle East, and Latin America. The investment in research and development has led the automobile sector to advancements in technology, including the introduction of electric and hybrid vehicles and Programs like "Make in India" and "FAME" (Faster Adoption and Manufacturing of Electric Vehicles) have also encouraged domestic manufacturing and EV adoption.

The Indian automobile sector has made remarkable strides, contributing significantly to the economy. However, it faces ongoing challenges such as environmental concerns, supply chain disruptions, infrastructure, consumer preferences and skilling workforce. These challenges require strategic planning, innovation, and collaboration between government and industry to ensure sustainable growth.

A member of the professional fraternity and being part of such a renowned Company, how has your journey been like?

The journey has been enriching and full of excitement including, inter-alia, management of public issues, mergers & acquisitions, restructuring of insurance business, etc. Working in a Japanese environment has given me an opportunity to learn intense commitment, ethics, extreme dedication to the company and the work, a high sense of responsibility and attention to micro-details, a process-oriented and strict hierarchy system, a hard-working attitude, respect for colleagues and open culture.

ESG is the buzzword of the 21st Century. The present-day corporate scenario cannot be fathomed without taking into account ESG considerations. In such a scenario, what initiatives are being taken – especially by the Automobile sector in making ESG an integral part of Board decision making?

Absolutely right! ESG (Environmental, Social, and Governance) considerations have become crucial in today's corporate landscape as the overall performance of a company is assessed as a combination of financial and non-financial attributes. The automobile sector is taking several initiatives to integrate ESG considerations into board decision-making such as linking ESG to financial performance, forming ESG Committees at the Board level, Technology-driven ESG integration, Industry collaborations, ESG metrics & reporting and Stakeholder engagement, etc.

Companies are working to clearly link their ESG initiatives to their overall performance and value creation. This includes setting clear goals, measuring progress, and communicating results to investors. Companies are also developing and reporting on ESG metrics, such as carbon emissions, energy consumption, water usage, and waste reduction. This helps to track progress, identify areas for improvement, and communicate results to all the stakeholders. The Board is taking a more active role in overseeing ESG initiatives and ensuring that the companies are integrated into overall business strategy resulting in engaging with stakeholders, including investors, customers, employees, and suppliers, to understand their ESG expectations and concerns.

These initiatives reflect a broader commitment to sustainability and responsible governance, ensuring that ESG considerations are integral to strategic decision-making at Board level.

Good Corporate Governance is necessary to adapt to ethical business practices and transparency. Your view on it, specifically in terms of Large Cap Companies like yours.

Absolutely, good corporate governance is crucial for fostering ethical business practices and ensuring transparency. It helps build trust with stakeholders, including employees, customers, investors, and the community. By adhering to principles of accountability, fairness, and transparency, companies can mitigate risks, enhance their reputation, and ensure long-term sustainability. A well-governed company is more likely to

make ethical decisions, as the board and management are held accountable for their actions. In large cap companies, good corporate governance is particularly important due to their significant impact on the economy, environment and society making it essential for them to operate ethically and transparently.

Effective corporate governance in large-cap companies can lead to enhanced accountability, risk management, building investor confidence, sustainable growth, long term focus and reputation and brand value.

Value Chain Partners are gaining more ground than ever, in governance discussions. How does the future of compliance and governance look for the smaller enterprises and how can it be strengthened further?

Value chain partners are considered an extension of the company by various regulators across globe and any non-compliance across value chain partners can significantly impact the brand reputation of the company. The companies are securing themselves by evaluation, monitoring and dictating the minimum governance requirements for the value chain partners by conducting due diligence, self-certification on compliance with applicable laws and regulations and adhering to "Supplier Code of conduct" which is the minimum expectation required from value chain partners.

Guiding the small enterprises on policies and framework and providing and hand holding them through structured training can familiarize them about the requirements and the stakeholders' expectation. Ensuring quick shift in compliance mindset from "may have" to "must have" with a governance structure which instil confidence among clients and help small business to develop. A proper tone set by the leadership with a structured training on policy, legal requirements and client expectation will go a long way in ensuring effective governance.

What is your take on the role of Company Secretaries particularly in the automobile industry and even further in smoothening the creases and strengthening governance structure making boards more effective in achieving their expected results?

In the context of the automobile industry, where innovation and regulatory compliance are the cores, Company Secretaries help in strengthening the governance structure, and making boards more effective in achieving their expected results. Their expertise in the field of governance and compliance, stakeholders' communication, and extending support to the board/committees in strategic decision making is paramount. The Company Secretaries should continuously focus on certain critical areas like enhanced communication,

strategic thinking, continuous development, effective management of board/committee meetings, compliance, and transparent disclosures.

India is envisioned to become a \$5 trillion economy in the upcoming years. What role will Indian Corporates and Governance Professionals be playing in achieving this milestone?

Amidst a challenging global scenario, India has emerged as a significant economic and geopolitical power. Its actions in the coming years could lay the groundwork for the country to become the world's third largest economy and a developed nation, setting an example of inclusive and sustainable economic growth, digital development and climate actions.

The Government's roadmap for making India a \$5 trillion economy comprises focussing on growth at the macro level and complementing it with all-inclusive welfare at the micro level, promoting digital economy and fintech, technology-enabled development, energy transition and climate action and relying on a virtuous cycle of investment and growth. Indian corporates and governance professionals will play crucial role in India's journey towards achieving this objective of \$5 trillion economy majorly in terms of economic reforms and policy implementation wherein the companies will need to adapt and support economic reforms such as Make in India and Digital India initiatives. The governance professionals would surely ensure compliance with new regulations and changes in policy framework.

Secondly, in terms of infrastructure development, technological innovation, digital transformation and global engagement and trade, the governance professionals will contribute significantly by facilitating the integration of new technologies in business processes, data privacy and security, complying with international standards, negotiating trade agreements, and reducing trade barriers to create a favourable environment for international business.

So, I would say that by working together, Indian corporates and governance professionals can create a robust ecosystem that supports sustainable economic growth and helps India achieve its ambitious goal of becoming a \$5 trillion economy.

Your words of wisdom and message to Young Company Secretaries.

The role of company secretaries has evolved immensely in today's corporate world. In essence, the company secretary is a key figure in ensuring that the company operates smoothly, ethically and in compliance with all relevant laws and regulations. Their role is integral to the company's governance framework and overall success. My advice to the promising members of CS fraternity would be to make relentless efforts towards achieving professional excellence and help the nation and ICSI fulfilling its vision of "To be a global leader in promoting Good Corporate Governance."

Articles

P - 53

Challenges and Risks in Responsible Investing

54

CS Raman Narasimhan, FCS & Aushwin Kumar

The purpose of this article is to develop into the challenges and risks tied to responsible investing. Although the advantages of investing in line with ESG principles are evident, significant hurdles remain, such as the difficulty in evaluating ESG performance and the risk of greenwashing. By exploring these challenges, the article seeks to offer a detailed understanding of the responsible investing landscape.

Building a Better Future with Sustainable Investments

58

CS Yashi Garg, ACS

Demand from millennials and impact investors who care about ethical investment that is, supporting businesses with core principles that create change and have a good impact has led to a rise in the popularity of sustainable investing. In this line, they point out some important aspects on building better future with Sustainable Investments.

Strategic Integration of ESG in Investment Practices: Integrating Modern Investments Practices with Sustainable Governance

65

CS Praveen Kumar, ACS & Sakshi

The paper studies the integration of ESG factors not merely as a trend but as a necessity for sustainable economic growth. It highlights the role of Company Secretaries and organizations like the Institute of Company Secretaries of India (ICSI) as crucial in driving the required change.

Sustainable Investments: Paving the Road to an Environmentally Friendly Future

71

CS Kiran Goklani, ACS

This article examines the impact of change in the thinking of people as a consumer and that too as companies, reshaping the world of finance.

Unleashing Fintech Potentials in India: Opportunities and Challenges

76

Dr. Niraj Gupta & Kapil Soni

Fintech refers to the technology used to improve and automate financial services. In recent years, the term "Fintech" has gained popularity due to technological

advances that have enabled the creation of new financial products and services and the improvement of existing ones. This article analysis how Fintech companies create new ways to manage money, access credit, make payments, and invest.

Green Banking

81

CS Pawan Kumar Agarwal, ACS & CS Kirti Kesarwani, ACS

In an era where environmental concerns are increasingly influencing global policies and corporate strategies, the banking sector is no exception. Green Banking—a concept gaining traction worldwide—embodies the integration of environmental sustainability into traditional banking operations. As India continues its journey toward becoming a major global economy, the urgency for sustainable development is more pronounced than ever. Green banking, a concept gaining momentum worldwide, is particularly significant in the context of India's economic and environmental challenges have been explained with the help of this article.

Governance Challenges in the Era of Digital Transformation and Automation

86

CS (Dr.) K S Ravichandran, FCS

This article highlight how Digital transformation is not just about adopting new technologies but also about rethinking business strategies and operations to harness the full potential of technological advancements.

Green Finance and Innovation

92

Nipun Goyal

A crucial aspect of Green Finance is sustainable investment and banking, which involves taking investment and lending decisions based on environmental screening and risk assessment. This article analysis details on these aspects.

Incorporation of AI into Ethical and Sustainable Investing Strategies and its Influence on Financial Results and Decision-Making Pathways

97

CS Sachin Sarda, ACS

ESG, environmental, social and governance framework used to measure the performance and sustainability of companies, have evolved over the years from a strategic concept to a business philosophy. Following the importance of the core ideas will now be communicated to stakeholders in a more integrated, stronger and longer-lasting, healthy way for the company. Artificial intelligence (AI) has become a transformative force in environmental, social and governance (ESG) investments, improving governance and efficiency. This paper discusses the need for responsible and sustainable AI and addresses the ethical implications of using AI in ESG financial markets.

From Crisis to Conscience: Tracking the Growth of SRI Dialogue in India through Covid-19

104

Prof. Rabi Narayan Kar & Dr. Amanpreet Kaur

The present study is an attempt to examine the trends in rising academia interest and mainstream popularity of ESG and SRI in the conditions of an economic crisis against the backdrop of the COVID-19 pandemic in the emerging nation of India. This study has employed a content analysis of online search engine and archive collection for investigating this rising interest and discussions on SRI in India

Research Corner

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A New Path to Sustainability: Leveraging Circular Economy for Waste Management in India

112

CS Shujath Bin Ali, FCS & Meghna Mishra

In this article, the authors explore the integration of waste management into the circular economy, demonstrating how this synergy not only reduces environmental impact but also transforms waste into valuable resources. By aligning these practices with sustainable investing, the article aims to highlight the financial and ecological benefits of supporting circular economy initiatives.

Legal World

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- **LMJ 09:09:2024** It is on the price list, without any indication as to the maximum price, the charge is made of violation of restrictive trade practice under section 33 (f) falling under section 2(o)(ii) of the Act. In such a case, we are unable to see as to why evidence is necessary. The whole case depends on the admitted price list issued by the appellant. [SC]
- **LW 63:09:2024** The Corporate Debtor's contentions that the company is solvent and the matter should be resolved through civil proceedings or arbitration are not relevant to the initiation of CIRP under the IBC. [NCLAT]
- **LW 64:09:2024** Prior NOC from stock exchanges under Regulation 37(1)(2) of the LODR is not required for schemes for revival of companies undergoing liquidation under the IB Code. [NCLAT]
- **LW 65:09:2024** Thus, from the data available on record and the facts and circumstances present in the matter, the Commission is of the view that dominance of the OP is not getting established. [CCI]
- **LW 66:09:2024** Moreover, it is not demonstrated that having a first-mover advantage is crucial in this market. As such, for the reasons stated above, there does not seem to be any abuse of dominant position by the OPs in the delineated relevant market. [CCI]
- **LW 67:09:2024** We do not find any error or illegality in the finding of the NCDRC that the purchase of the aforesaid flat was for personal use and not as part of the commercial activity and as such the complaint filed by the respondent was maintainable. [SC]
- **LW 68:09:2024** However, closure of the bank accounts within a few weeks of issuance of the cheque raises serious questions about the conduct and intent of the respondent. [SC]
- **LW 69:09:2024** Considering the aforesaid detailed discussion, the trademark "BOROLINE" of the plaintiff, is declared as a well-known trademark. [Del]
- **LW 70:09:2024** The appointment of the respondent, in fact, is a contractual appointment entitling him to continue as such in service and to claim regularization if so advised in accordance with law. [SC]

From The Government P-141

- Striking off of LLP under section 75 of the LLP Act, 2008 read with Rule 37 of the LLP Rules, 2009
- The Companies (Indian Accounting Standards) Amendment Rules, 2024
- The Companies (Registration of Foreign Companies) Amendment Rules, 2024
- Notice in the matter of Section 75 of the Limited Liability Partnership Act, 2008 read with Rule 37 (2) of Limited Liability Partnership Rules, 2009
- The Companies (Adjudication of Penalties) Amendment Rules, 2024
- The Limited Liability Partnership (Amendment) Rules, 2024
- Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Review of statement of investor complaints and timeline for disclosure of statement of deviation(s)
- Amendment to Master Circular for Real Estate Investment Trusts (REITs) dated May 15, 2024 - Review of statement of investor complaints and timeline for disclosure of statement of deviation(s)
- Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)
- Modalities for migration of Venture Capital Funds registered under erstwhile SEBI (Venture Capital Funds) Regulations, 1996 to SEBI (Alternative Investment Funds) Regulations, 2012
- Guidelines for borrowing by Category I and Category II AIFs and maximum permissible limit for extension of tenure by LVFs
- Amendment to Master Circular for Real Estate Investment Trusts (REITs) dated May 15, 2024 - Board nomination rights to unitholders of REITs
- Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Board nomination rights to unitholders of InvITs
- Valuation of Additional Tier 1 Bonds ("AT-1 Bonds")
- Institutional mechanism by Asset Management Companies for identification and deterrence of potential market abuse including front-running and fraudulent transactions in securities
- Amendment to Circular for mandating additional disclosures by FPIs that fulfil certain objective criteria
- Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments in 01 Entry
- Cessation of "Credit Suisse AG" as a banking company within the meaning of sub section (2) of Section 36 (A) of the Banking Regulation Act, 1949
- Cessation of "Krung Thai Bank Public Company Limited" as a banking company within the meaning of sub section (2) of Section 36 (A) of the Banking Regulation Act, 1949
- Exclusion of "Credit Suisse AG" from the Second Schedule of the Reserve Bank of India Act, 1934
- Exclusion of "Krung Thai Bank Public Company Limited" from the Second Schedule of the Reserve Bank of India Act, 1934
- Processing of e-mandates for recurring transactions
- Inclusion of "UBS AG" in the Second Schedule of the Reserve Bank of India Act, 1934
- Review of Master Direction - Non-Banking Financial Company - Peer to Peer Lending Platform (Reserve Bank) Directions, 2017
- Review of Risk Weights for Housing Finance Companies (HFCs)
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- Frequency of reporting of credit information by Credit Institutions to Credit Information Companies
- Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2024-25
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- ❖ ESG CORNER

Call For ARTICLES

Call For Articles in CS Journal – October 2024 Issue



PoSH Legislations : Building Safe workplaces

In 2013, the Government of India notified the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act. The Act aspires to ensure women's right to workplace equality, free from sexual harassment through compliance with the bracketed elements. Going a step further, the Institute of Company Secretaries of India has introduced the Governance and Compliance Standard (GCS) on the Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace. This Standard aims to enhance the implementation of the PoSH Act, by harmonizing workplace practices.

The GCS provides for standardized procedures for Internal Committee meetings, complaint and inquiry processes, and training/ capacity building programs for employees/ Internal Committee members. The Standard also offers guidance on drafting gender-neutral PoSH policy, promoting inclusivity and was released at the ICSI Middle East Conference held during 4-5-6 September, 2024 at Abu Dhabi, UAE.

In view of the same, we are pleased to inform you that the **October 2024** issue of Chartered Secretary Journal will be devoted to the theme **PoSH Legislations : Building Safe workplaces** covering inter alia the following aspects:

- ❖ POSH - Legal & HR Considerations
- ❖ POSH Standard – Additive Advantage
- ❖ POSH – Global Outlook
- ❖ POSH Legislations – Key to gender sensitivity
- ❖ POSH Standard – Building gender inclusivity
- ❖ POSH Law: Reporting and Compliance Trends
- ❖ POSH Legislations – Employee awareness and employer commitment
- ❖ POSH Legislation– Role of Professionals in implementation

And many more...

Members and other readers desirous of contributing articles may send the same latest by **Tuesday, September 24, 2024** at cs.journal@icsi.edu for the **October 2024** issue of Chartered Secretary Journal.

The length of the article should ordinarily be between 2,500 - 4,000 words. However, a longer article can also be considered if the topic of discussion so demands. The articles should be forwarded in MS-Word format.

All the articles are subject to plagiarism check and will be blind screened. Direct reproduction or copying from other sources is to be strictly avoided. Proper references are to be given in the article either as a footnote or at the end. The rights for selection/rejection of the article will vest with the institute without assigning any reason.

We look forward to your co-operation in making this initiative of the Institute a success.

Regards,

Team ICSI

Articles in Chartered Secretary Guidelines for Authors

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ARTICLES



- CHALLENGES AND RISKS IN RESPONSIBLE INVESTING
- BUILDING A BETTER FUTURE WITH SUSTAINABLE INVESTMENTS
- STRATEGIC INTEGRATION OF ESG IN INVESTMENT PRACTICES: INTEGRATING MODERN INVESTMENTS PRACTICES WITH SUSTAINABLE GOVERNANCE
- SUSTAINABLE INVESTMENTS: PAVING THE ROAD TO AN ENVIRONMENTALLY FRIENDLY FUTURE
- UNLEASHING FINTECH POTENTIALS IN INDIA: OPPORTUNITIES AND CHALLENGES
- GREEN BANKING
- GOVERNANCE CHALLENGES IN THE ERA OF DIGITAL TRANSFORMATION AND AUTOMATION
- GREEN FINANCE AND INNOVATION
- INCORPORATION OF AI INTO ETHICAL AND SUSTAINABLE INVESTING STRATEGIES AND ITS INFLUENCE ON FINANCIAL RESULTS AND DECISION-MAKING PATHWAYS
- FROM CRISIS TO CONSCIENCE: TRACKING THE GROWTH OF SRI DIALOGUE IN INDIA THROUGH COVID-19

Challenges and Risks in Responsible Investing

More and more investors are aligning their financial objectives with ESG standards, understanding that companies focused on sustainability often outperform over time by reducing risks and leveraging new opportunities. The rise in responsible investing is fuelled by factors such as public concern over climate change and social inequality.



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INTRODUCTION

Responsible investing is an investment strategy that goes beyond seeking financial returns by also factoring in environmental, social, and governance (ESG) considerations. This strategy reflects a growing recognition that long term financial success is closely linked to sustainable and ethical business practices. More and more investors are aligning their financial objectives with ESG standards, understanding that companies focused on sustainability often outperform over time by reducing risks and leveraging new opportunities. The rise in responsible investing is fuelled by factors such as public concern over climate change and social inequality. This trend is also visible in the increasing demand for transparency and accountability from companies, with 90% of S&P 500 firms now issuing sustainability reports. Moreover, the popularity of ESG-oriented investment products has soared, with a 53% increase in sustainable fund launches globally in 2022.

The purpose of this article is to delve into the challenges and risks tied to responsible investing. Although the advantages of investing in line with ESG principles are evident, significant hurdles remain, such as the difficulty in evaluating ESG performance and the risk of greenwashing. By exploring these challenges, the article seeks to offer a detailed understanding of the responsible investing landscape.

UNDERSTANDING RESPONSIBLE INVESTING

Responsible investing involves the incorporation of ESG factors into investment decisions. The fundamental goal is to align financial gains with a positive impact on society. These principles encourage investors to consider how companies manage issues such as climate change, human rights, labour practices, and corporate ethics. This approach extends beyond traditional financial analysis by assessing the sustainability and ethical behaviour of businesses. It aims to reduce risks linked to poor ESG performance, such as reputational harm or regulatory sanctions, while identifying opportunities in companies that excel in sustainability. The United Nations Principles for Responsible Investment (UNPRI) framework is a key reference, outlining six principles that advocate for the integration of ESG issues into investment practices, active engagement with companies, and transparency:

1. Integrate ESG factors into investment analysis and decision-making.
2. Engage with companies to promote ESG practices.
3. Seek proper disclosure of ESG issues from invested entities.
4. Encourage the acceptance and implementation of responsible investing within the industry.
5. Collaborate to improve the effectiveness of these principles.
6. Report on activities and progress while implementing these principles.

In addition to ESG, there are other approaches to responsible investing. Positive screening aims to select investments with clear social or environmental benefits, while negative screening focuses on excluding investments that could harm the environment. Ultimately, responsible investing seeks to contribute to a more sustainable economy while achieving long-term financial objectives.

KEY CHALLENGES IN RESPONSIBLE INVESTING

The absence of universally accepted standards for measuring ESG factors has resulted in inconsistencies that complicate the task of accurately comparing ESG performance across organizations. A key example of this inconsistency lies in the varying methodologies used by ESG rating agencies. A study by MIT Sloan School of Management revealed that the average correlation between ESG ratings from five major providers (MSCI, Sustainalytics, FTSE Russell, Refinitiv, and S&P Global) was only 0.61, in stark contrast to the nearly perfect 0.99 correlation typically observed among credit ratings from agencies like Moody's, S&P, and Fitch. This discrepancy underscores how different methodologies, criteria, and data sources can lead to significantly divergent assessments of the same company's ESG performance. As a result, companies utilizing diverse methodologies and reporting standards contribute to discrepancies in ESG ratings, making it challenging for investors to make well-informed decisions amid conflicting data.

Inconsistent and incomplete ESG data presents a significant challenge for both stakeholders and investors, as accurate information is crucial for assessing the risks and opportunities associated with a company's performance. The challenge of obtaining precise data is further exacerbated by the fact that many companies may not fully recognize the importance of transparent ESG reporting or may lack the resources necessary to collect and present comprehensive data. This leads to gaps and inconsistencies that can obscure the true ESG impact of an organization, making it difficult for investors to distinguish between genuinely sustainable businesses and those engaging in greenwashing. The absence of clear, comparable ESG data ultimately weakens the effectiveness of responsible investing, as it prevents investors from making fully informed decisions and assessing the long-term sustainability of their investments.

Greenwashing, the practice of falsely portraying products, services, or overall operations as environmentally friendly or socially responsible, is a significant issue that deceives consumers and investors. This deceptive tactic often involves exaggerating or selectively disclosing information to create a more favourable image without making meaningful changes to reduce environmental impact. Greenwashing erodes trust and transparency by distorting the reality of an organization's sustainability efforts. When companies engage in greenwashing, they not only mislead stakeholders but also undermine the credibility of responsible investing. Investors and consumers relying on ESG information to make informed decisions may inadvertently support companies that are not truly committed to sustainability. Volkswagen's Dieselgate scandal is a widely recognized instance of greenwashing. In 2015, it was revealed that Volkswagen had installed software in its diesel vehicles to cheat emissions tests while marketing these cars as environmentally friendly "clean diesel" vehicles with low emissions and high fuel efficiency.

In addition to the issue of greenwashing, fragmented reporting standards and guidelines also pose a significant challenge to responsible investing. Companies may follow different frameworks, such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), or the Task Force on Climate-related Financial Disclosures (TCFD). Each of these frameworks emphasizes different aspects of ESG, leading to fragmented and inconsistent reporting. For example, while GRI is widely used for comprehensive sustainability reporting, SASB focuses more on the financial materiality specific to industries. This fragmentation makes it difficult for investors to compare ESG data across companies and industries, further complicating the pursuit of responsible investing.

RISKS ASSOCIATED WITH RESPONSIBLE INVESTING

Investors who adopt responsible investing strategies encounter several risks that can affect the performance and stability of their portfolios. One significant concern is market performance risk, as ESG-focused investments might underperform compared to traditional investments. Balancing financial returns with ethical considerations can be challenging, particularly when ESG criteria limit investment options or require higher capital costs. Investors may need to accept that their returns could be lower in the short term, even if the long-term benefits align with their values.

Another risk is sector concentration. ESG criteria often lead to an overemphasis on specific sectors, such as renewable energy, which tend to be more volatile. This concentration increases the portfolio's exposure to market fluctuations within those sectors, potentially impacting overall performance. Diversification within an ESG framework is essential but challenging to achieve in order to mitigate this risk.

Reputational risk is also a significant factor, as failing to meet the expected responsible investing standards can lead to negative public perception. This risk is particularly relevant when transparency and accountability are highly valued by stakeholders. Investors must carefully manage expectations and ensure that their ESG investments genuinely align with the principles they advocate.

Lastly, regulatory risk involves the uncertainty surrounding potential changes in laws or regulations that could affect the viability or profitability of ESG investments. For example, the Carbon Border Adjustment Mechanism (CBAM) significantly impacts trade from non-EU nations by imposing a carbon cost on certain imports into the European Union. This policy targets goods produced in countries with less stringent environmental regulations, effectively increasing the price of carbon-intensive products entering the EU market. As a result, non-EU exporters may face higher costs to comply with CBAM, making their goods less competitive compared to EU-produced items. Countries with lower environmental standards might experience reduced market access unless

they adopt greener practices or pay the required carbon fees. This policy, which fully takes effect in 2026, could lead to shifts in global trade dynamics, encouraging non-EU nations to strengthen their climate policies to maintain competitiveness in the EU market.

STRATEGIES TO MITIGATE CHALLENGES AND RISKS

To effectively address the challenges and manage risks in responsible investing, investors can adopt practical strategies that enhance both financial performance and sustainability outcomes.

Enhanced due diligence is quintessential strategy to mitigate risks. Investors should conduct in-depth research using multiple data sources to evaluate a company's environmental, social, and governance (ESG) performance. This thorough approach helps in identify potential risks and opportunities that might not be evident from a single source. For example, leading investment firms like BlackRock utilize advanced data analytics and third-party ESG ratings to inform their investment decisions, ensuring a comprehensive understanding of each company's ESG impact.

Engagement and active ownership are also essential strategies for influencing corporate behaviour. Instead of excluding companies with poor ESG scores, investors can engage with them to encourage better practices. For instance, Norges Bank, the Norwegian sovereign wealth fund, actively engages with companies on issues like climate change and human rights, using its influence as a major shareholder to drive positive change. This approach not only supports the transition to more sustainable business practices but also retains the potential for financial returns as companies improve their ESG performance.

Diversification across sectors and geographies is another key tactic to manage concentration risks associated with ESG-focused portfolios. By spreading investments across different industries and regions, investors can reduce the impact of sector-specific or regional volatility. For example, a portfolio that includes both renewable energy and technology sectors, along with investments in various global markets, is better positioned to withstand economic shifts and regulatory changes.

Collaboration and standardization efforts are vital for improving the quality and comparability of ESG data. Investors can join industry collaborations, such as the Principles for Responsible Investment (PRI), to advocate for more consistent ESG reporting standards. These collective efforts enhance the reliability of ESG metrics, making it easier to assess and compare companies.

Finally, adopting a long-term perspective is crucial. Responsible investors should focus on long-term value creation, recognizing that sustainable practices often yield substantial benefits over time. Companies like Unilever have demonstrated this by integrating sustainability into their business models, resulting in strong long-term

The regulatory landscape is evolving, with governments and financial regulators advocating for greater transparency and standardization in ESG reporting.

financial performance and resilience against market fluctuations.

Few key risks to watch out :

1. **Greenwashing Risk:** Investors face the risk of companies exaggerating or falsely claiming their ESG credentials to appear more sustainable or socially responsible than they truly are. This can lead to misinformed investment decisions and potentially lower returns if the company's actual practices are later exposed.
2. **Regulatory and Compliance Risk:** As global and regional regulations around ESG continue to evolve, there is a risk that companies may not fully comply with new standards or may face retroactive penalties. Non-compliance can result in legal fines, operational disruptions, or reputational damage, all of which can impact investment performance.
3. **Climate and Environmental Risk:** Investments in companies that are heavily reliant on carbon-intensive practices or that fail to mitigate climate-related risks may face significant losses. These can stem from physical climate impacts (e.g., extreme weather events), transitioning to a low-carbon economy, or failing to meet environmental regulations.
4. **Social and Ethical Risk:** Companies that engage in unethical practices, such as poor labor conditions, human rights violations, or lack of diversity and inclusion, pose a risk to investors. Such practices can lead to reputational damage, consumer boycotts, and legal challenges, all of which can negatively impact financial performance.
5. **Governance Risk:** Poor corporate governance, including a lack of transparency, weak Board oversight, or conflicts of interest, can result in inefficient management and increased vulnerability to fraud or mismanagement. This can lead to operational failures, financial losses, and a decline in shareholder value.

It is also important to understand the 17 guiding principles published by the Basel Committee for the effective management and supervision of climate-related financial risks under 6 pillars (Governance, Policies, procedures, and limits, Strategic planning , Risk management , Data, risk measurement, and reporting and Scenario analysis).

Similarly, a review of 17 goals published United Nations Sustainable Development will facilitate a head-start for appropriate de-risking.

THE FUTURE OF RESPONSIBLE INVESTING

The future of responsible investing is set for significant growth, fuelled by emerging trends, technological advancements, and changes in the regulatory environment. One key trend is the increasing popularity of climate-focused funds. As the urgency of climate change intensifies, more investors are directing capital into funds that focus on renewable energy, carbon reduction, and sustainable infrastructure. By 2023, global sustainable fund assets had grown to over \$2.5 trillion, highlighting the shift toward environmentally conscious investments. Social impact investing is also on the rise, extending beyond environmental issues to focus on investments that deliver measurable social benefits, such as affordable housing, education, and healthcare. Investors are increasingly acknowledging that tackling social inequalities is essential for long-term financial stability.

Technological advancements in artificial intelligence (AI) and big data analytics are enhancing the accuracy and timeliness of ESG assessments. These tools are helping to address the challenges of inconsistent data and unreliable ESG metrics, providing investors with more precise insights into the sustainability practices of organizations. Additionally, the regulatory landscape is evolving, with governments and financial regulators advocating for greater transparency and standardization in ESG reporting. For instance, the European Union's Sustainable Finance Disclosure Regulation (SFDR) mandates that financial institutions disclose how they incorporate ESG factors into their decision-making processes. Such regulations are likely to become more common, positioning responsible investing as the standard rather than the exception.

CONCLUSION

Responsible investing is swiftly becoming a fundamental part of contemporary investment approaches, spurred by the understanding that sustainable and ethical business practices are essential for long-term financial success. Although integrating ESG principles into investments offers clear benefits, it also presents challenges and risks such as data availability, greenwashing, sector-specific vulnerabilities, and the complexities of regulatory environments. The success of Unilever in effectively integrating ESG factors and the negative consequences of Volkswagen's greenwashing scandal underscore both the potential and pitfalls of responsible investing.

The future of responsible investing appears promising with the growth of climate-focused and social impact-focused funds, advancements in technology enhancing ESG analysis and stronger regulatory efforts to standardize ESG reporting. As these practices become more widespread and organizations continuously refine their strategies by adopting new tools and frameworks, investors can

effectively address the challenges of responsible investing, achieving not only solid financial returns but also contributing positively to global well-being.

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Building a Better Future with Sustainable Investments

The sustainability of investing depends on sustainable investing. You'll be able to efficiently satisfy customer needs and deliver value with newfound abilities, perspectives, and tactics. Traditional investing creates value by converting investor funds into investment opportunities with risks proportionate to expected rewards. To enhance long-term results, sustainable investing strikes a balance between conventional investing and environmental, social, and governance (ESG) considerations.



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INTRODUCTION

Sustainable investing is in many respects a continuation of the evolution of investing. Industry participants are increasingly realizing that some ESG variables have an impact on the bottom line, particularly over the long run. For this reason, it's critical to take significant ESG factors into account.

THREE COMPONENTS ARE ESSENTIAL TO SUSTAINABLE INVESTING

- I. Sustainable investment does not imply a rejection of fundamental ideas; rather, it is an addition to asset management philosophy.
- II. Sustainable investing provides deeper insights into future wealth creation using ESG variables.
- III. Sustainable investing considers a variety of stakeholders, in line with the way businesses are evolving.

WHY IS SUSTAINABLE INVESTING IMPORTANT

Demand from millennials and impact investors who care about ethical investment that is, supporting businesses with core principles that create change and have a good impact has led to a rise in the popularity of sustainable investing.

Sustainable investing encourages businesses to embrace sustainable practices since it can have long-term financial and social benefits. This philosophy is represented by the triple bottom line, which holds that businesses should assess their social and environmental effects in addition to their financial performance and profit margin.

Incentives for businesses to go green contribute to the development of mission-driven enterprises that impact the environment and community in addition to making sales. Moreover, the application of sustainable business strategies is common in the fight against global issues such as climate change.

Learning about sustainable investment methods will help you to make decisions about where and when to invest based on your values and market trends. For instance, some investors are under additional pressure from asset owners to prioritize sustainability as businesses are urged to be more sustainable.

Financial returns are not necessarily forfeited when investing sustainably. ESG investments and funds can outperform non-ESG funds, if not outperform them, even though returns cannot be guaranteed. From January to May of 2020, the S&P 500 was underperformed by 14 out of 17 ETFs with an ESG focus. Financial services company Morningstar reports that 23 new ESG funds were introduced in 2020, giving investors more environmentally friendly options and subtly incentivizing businesses to reassess their ESG scores to be listed.



Source: <https://sustainablereview.com/the-benefits-of-sustainable-investing/>

SUSTAINABLE INVESTMENT STRATEGIES

Although the majority of sustainable projects have similar end goals, different funders have different driving forces. As such, there are several tactics that company executives can use to make sustainable investments, such as:

- **Negative/exclusionary screening:** Based on ESG standards, removes particular industries, businesses, or business practices from a fund or portfolio.
- **Positive/best-in-class screening:** Includes financial investments in industries, businesses, or projects chosen from a predetermined pool based on their superior ESG performance relative to industry peers.

ESG criteria are used to assess the sustainability impact of an investment. An overview of the typical elements of an ESG score may be seen below:

- **Environmental:** Environmental effects of a business, including waste, water use, carbon footprint, and conservation efforts, as well as the clean technology, it develops and employs across its supply chain.
- **Social:** Impact of a fund or firm on society and its advocacy for social change and good. Its positions on social problems, including human rights, ethnic diversity in hiring and inclusion practices, worker health and safety, and community involvement, are closely scrutinized by analysts.
- **Governance:** The management or “governing” structure of an exchange-traded fund (ETF) or firm in order to promote positive change. Reviewing the caliber of its board and management, CEO pay and diversity, shareholder rights, general openness and disclosure, anti-corruption efforts, and corporate political contributions are all included in it.



Source: https://www.researchgate.net/figure/Various-investment-strategies-including-growth-investing-value-investing-income_fig3_378267557

While ESG variables play a major role in sustainable investing, investors can also employ other tactics such as:

- **Activist investing:** Purchasing stock in a business with the intention of altering its operations. Investment choices are often motivated by moral principles or causes that businesses and their executives fervently believe in. For example, investors who are deeply worried about global warming might fund a company that advocates for environmental reform.
- **Impact investing:** Focused financial contributions meant to address environmental or social issues. It includes community investing, in which funds are given to people or communities who have historically been underprivileged and to companies that have definite social or environmental goals. Although impact investing has historically been associated with the private market, impact investors are now represented by public market funds.

MEANING OF GREEN BONDS

Green bonds are debt instruments that only generate profits for the advancement of environmental sustainability and the climate.

A bond must use its profits for initiatives that have measurable, observable, and quantifiable environmental advantages in order to be considered “green,” such as waste management or renewable energy.

The Green Bond Principles (GBP), which include guidelines for reporting, transparency, and disclosure, were developed in 2014 with the goal of promoting integrity in the green bond market. Issuers should, in particular, set impact goals and participate in project environmental reviews. The proceeds ought to be transferred to a ring-fenced sub-portfolio, and a fund movement monitor should be appointed by an auditor. At least once a year, reports on the use of revenues and qualitative or quantitative measures of the environmental impact should be made.

MAIN USES OF GREEN BONDS

Green bonds are only to be used for environmentally beneficial initiatives. For instance:

- Renewable energy
- Energy efficiency
- Clean transportation
- Waste management

MEANING OF THEMATIC INVESTING

Thematic investing is an investment strategy that is future-oriented and depends on research to investigate technical, geopolitical, and macroeconomic trends that are anticipated to change over time. Our integrated data, analytical tools, indices, and insights are used by clients from all sectors of the capital ecosystem to gain a better understanding of the long-term structural transformations brought about by disruptive technologies, shifting consumer behavior, and climate change. These megatrends have the power to completely transform entire sectors of the economy as well as how we live, work, travel, and handle illness in the future.



Source: <https://www.winvesta.in/blog/thematic-investing>

ESG criteria and theme investing have been a very popular combo in the last few years. A growing number of investors are looking for investment possibilities that support a sustainable future, align with their values, and yield financial returns.

Thematic-ESG mutual funds, which concentrate on certain themes or industries while taking ESG concerns into account, provide a distinctive method of sustainable

investing. These funds give investors the chance to profit from the potential expansion of these industries while also supporting issues they care about, like sustainable agriculture, clean energy, and water conservation.

MEANING OF IMPACT INVESTING

Impact investment aims to provide quantifiable social or environmental benefits in addition to financial gains. Impact innovators want to use their financial investment in a more direct way to improve the world, as opposed to just concentrating on ESG performance.

What is Impact Investing?



Source: <https://www.wallstreetmojo.com/impact-investing/>

Impact investors frequently coordinate their objectives with initiatives like the Sustainable Development Goals (SDGs) of the UN. These global objectives center on putting an end to hunger, ensuring that everyone has access to healthcare and education, and offering clean water and sanitary facilities to everyone on the planet.

Impact investors may provide funding for some of the following initiatives to contribute to the accomplishment of these objectives:

- Microfinance services that assist small businesses in underserved areas with their launch costs.
- The construction of reasonably priced homes or sturdy homes that can resist the climate in the area.
- Water treatment facilities that give areas without dependable water sources now access to drinkable water.

Impact investors may also concentrate on more conventional sustainable investments, such as carbon reduction, clean energy, and sustainable systems.

CHALLENGES AND RISKS IN RESPONSIBLE INVESTING

Recent years have seen a considerable increase in the popularity of sustainable investing as more investors have realized how crucial it is to match their financial objectives with social and environmental principles. However, sustainable investing has its own set of dangers and difficulties, just like any other investment approach. We will go over some of the main dangers and difficulties that investors could run into when looking for sustainable investment options in this part.



Source: <https://fastercapital.com/topics/risks-and-challenges-in-sustainable-investing.html>

1. **Lack of standardized metrics and reporting:** The absence of standardized reporting and measurements is one of the main obstacles to sustainable investing. There is no widely recognized framework for evaluating the sustainability and impact of investments, in contrast to conventional financial measures like earnings per share or return on investment. Due to this, comparing and evaluating various sustainable investment possibilities becomes challenging for investors. Organizations like the Sustainability Accounting Standards Board and the Global Reporting Initiative are attempting to provide uniform measurements and reporting frameworks to address this issue.
2. **Greenwashing and lack of transparency:** The act of making exaggerated or deceptive statements on a product or service's environmental benefits is known as "greenwashing." Greenwashing, as it relates to sustainable investing, is the practice of businesses or funds inflating their social or environmental effect in order to draw in capital. Investors run the danger of unintentionally funding businesses that don't fit their sustainability standards as a result of this. Investors should perform extensive due diligence and search for independent verification of a company's sustainability claims or third-party certifications in order to reduce this risk.
3. **Volatility and market risk:** Risks and market volatility are not unaffected by sustainable investments. Indeed, some research indicates that compared to their non-sustainable counterparts, sustainable investment funds could be more erratic. This is explained by the fact that sustainable funds frequently have a greater exposure to industries that are more volatile in the market, like clean energy or technology. To lessen the effects of market downturns, investors should be mindful of this potential volatility and make sure their investment portfolios are well-diversified.
4. **Limited investment opportunities:** Even while sustainable investing is becoming more and more popular, there are still not many options available when compared to the larger market. For investors hoping to commit a sizable amount of their portfolio to sustainable assets, this narrow range of investments may present a problem. Nonetheless, as more businesses and funds adopt sustainable practices and reveal their social and environmental effect, this difficulty is progressively being addressed.

5. **Regulatory and policy uncertainties:** Uncertainties in regulations and policies may potentially pose hazards to environmentally conscious investors. Changes to the rules or policies of the government may have an impact on the long-term viability and profitability of assets. An abrupt change in renewable energy subsidies or incentives, for instance, might have a big effect on how well clean energy investments work out. It is vital for investors to remain up-to-date on the most recent policy advancements and evaluate the possible advantages and disadvantages linked to regulation modifications.

Even while sustainable investment has the potential to have a good influence on society and the environment in addition to financial gains, investors must be aware of the risks and difficulties involved. Investors may make wise judgments and help to create a more sustainable future by being aware of these dangers and taking the necessary steps to reduce them.

ESG METRICS AND ITS IMPORTANCE

ESG metrics:

ESG performance measurements measure the environmental commitments made by the business. They give information on how to compare to other firms of a similar size and assist in measuring the impact of the ESG initiatives more scientifically.

Importance:

- **Tangibility of commitments:** Without ESG reporting measures, your promises made orally cannot be supported by any information. This frequently results in lofty claims that are seldom kept.
- **Optimizing what you measure:** It can be challenging to determine whether you are progressing or not if the stats are not monitored. Without something to go on, it will be impossible to determine whether it's necessary to make any adjustments.
- **Transparency against progress:** ESG involves a wide range of stakeholders, including investors, governments, companies, and members of the general public. In order for these stakeholders to assess your company's ESG actions, they want precise reports that include specifics of ESG metrics.

ESG FRAMEWORKS, METRICS, AND REPORTING

Companies can utilize ESG frameworks as a set of guiding principles to identify, evaluate, record, and track their ESG commitments. NGOs and governmental entities like the World Economic Forum develop these frameworks.

ESG becomes more of a scientific endeavor with these frameworks that outline several ESG reporting indicators to monitor and evaluate your performance against certain standards. You can generate ESG reports using ESG frameworks, metrics, and other qualitative pronouncements.

Sustainable investment has the potential to have a good influence on society and the environment in addition to financial gains, investors must be aware of the risks and difficulties involved.

ESG reports offer comprehensive insight into the ESG implementation of your business. To ensure responsibility for achieving ESG goals, ESG reporting aims to provide stakeholders—including governments, non-governmental organizations, investors, and the general public—with information about a company's ESG initiatives.

GREEN BANKING AND ITS ADVANTAGES

Green banking is the activity of reducing a bank's carbon footprint and promoting environmentally friendly activities.



Source: <https://www.slideshare.net/slideshow/green-banking-a-perspective-on-bangladesh/64628866>

Because it looks at all social, ecological, and environmental issues with the intention of preserving and protecting the environment and natural resources, it is comparable to a typical bank.

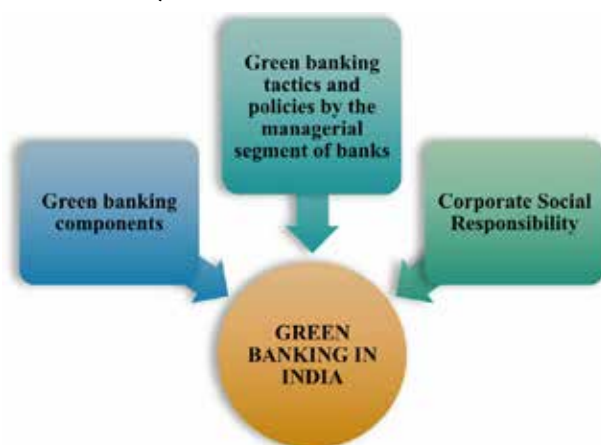
Advantages: The following are the advantages of Green Banking:

- Ethical (or “green”) banking generally aims to reduce the amount of paper used in transactions and instead uses online or electronic means; this leads to the creation of green bank cards and green mortgages.
- Less paperwork suggests that fewer trees will be taken down.
- Increasing business people's awareness of environmental issues so they may implement eco-friendly business practices.
- Green (ethical) banks embrace and apply environmental lending standards that are good for future generations.

- If you are approved for a mortgage, you will pay less interest than you would at a typical bank since ethical banks give more weight to factors that are good for the environment, such as ecological gains.
- Green banks offer lower lending interest rates because they place a higher weight on ecologically beneficial factors including ecological advantages.
- Upon opening “green accounts,” all new customers will receive cashback.

GREEN BANKING IN INDIA

Indian banks have greatly changed their operational strategies in response to this emerging trend in recent years. Numerous issues have plagued the Indian banking sector, such as shifting consumer behaviour, technological breakthroughs, altered regulations, and more. It has overcome several obstacles and developed the ability to adjust to shifting conditions. In India, the idea of being green is relatively new, and Indian banks have embraced it in several ways.



Source: https://www.researchgate.net/publication/355120449_Green_banking_the_case_of_the_commercial_banking_sector_in_Delhi_NCR

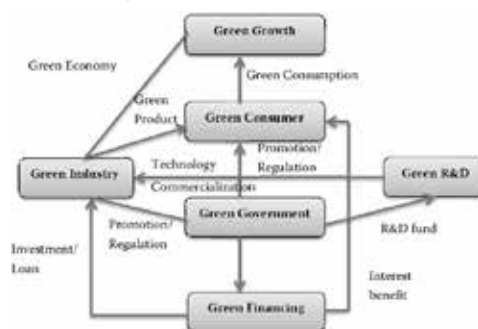
The many Indian banks listed below provide their clients with green banking services:

- The SBI has started putting its green banking policy into action. This is the first green bank in India, with a focus on sustainability and the promotion of green energy initiatives.
- Punjab National Bank: They have undertaken several initiatives to lower energy consumption and emissions.
- Bank of Baroda: They have funded a commercial project as part of their many green banking initiatives. Because they help with carbon credit collection, BOB supports environmentally friendly projects including windmills, biomass, and solar electricity.
- Canara Bank: Canara Bank has included eco-friendly methods like solar-powered biometric processing, online and mobile banking, telebanking, and mobile banking as part of its green banking effort.

THE RISE OF GREEN FINANCE

In recent years, India's position on sustainability and environmental stewardship has significantly changed. As the world struggles with the effects of climate change, there has been a noticeable trend in the direction of incorporating green money into the economy. One of the most important factors driving the development of renewable energy in India is green finance, which matches financial investments with environmentally responsible and sustainable initiatives.

In India, adopting sustainable development and addressing the urgent issues of climate change have acquired prominence. The nation understands how important it is to embrace clean and renewable energy sources in light of its growing population and rising energy needs. Because of the government's dedication to meeting renewable energy targets, creative funding methods that aid in the shift to a greener economy have become possible.



Source: <https://www.semanticscholar.org/paper/Green-finance-for-sustainable-green-economic-growth-Soundarajan-Vivek/7726154d61d5a1b62da0058c865ac2783d0e1897>

Linking sustainability and financial benefits is a key component of green financing in India. There was a long-standing belief that sustainable investments could jeopardize profits. But this idea is called into question by the way green financing is developing. Investors now recognize the financial benefits of environmentally conscious initiatives, particularly those in the renewable energy industry, in addition to their ability to improve the environment.

A plethora of new options for businesses and investors have been made possible by India's growth in green finance. A variety of financial products, such as green bonds and sustainable investment funds, are gaining popularity. As part of its US\$ 10 billion Global Medium Term Notes Program, REC Ltd. recently announced Green bonds with maturities of five, five and twenty-five years, and ten years. Investors can allocate capital towards renewable energy generation, energy efficiency, and other ecologically beneficial projects using a variety of tools.

India has set lofty goals to create 500 GW of renewable energy capacity by 2030, demonstrating its commitment to renewable energy. With funding from both domestic and foreign sources, the number of solar and wind energy projects in the nation has increased. To finance these initiatives, enable the development of renewable energy infrastructure and lower carbon emissions, green finance is essential.



Source: <https://www.orfonline.org/research/a-green-investment-architecture-for-india-building-a-bridge-for-global-capital-67192>

To foster an atmosphere that is favorable to green finance, the Indian government has taken the initiative. The PLI schemes for domestic PV module manufacture are examples of initiatives that demonstrate a commitment to offering incentives and financial support for environmentally friendly enterprises. Furthermore, policies and regulations are being developed to draw capital into the renewable energy industry and create an environment that is favourable for the growth of green finance.

The expansion of green finance in India is not without challenges, despite hopeful signs. Obstacles facing the industry include things like project risks, unpredictable policies, and the requirement for standardized green finance indicators. But these issues will probably be resolved as the sector develops and stakeholders work together, creating even more opportunities for green finance in India.

The rise of green finance in India is indicative of a larger worldwide movement towards ethical and sustainable investment. India is positioned to play a significant role in the green finance scene, thanks to its growing commitment to meeting renewable energy targets and growing awareness of environmental issues. Together, entrepreneurs, investors, and legislators can finance India's transition to renewable energy, which will improve the environment and stimulate long-term economic progress.

NAVIGATING ESG FRAMEWORKS UNDERSTANDING GRI, SASB, AND TCFD

It can be difficult to navigate the realm of ESG reporting because there are many frameworks available to help businesses disclose their non-financial performance. We will examine three well-known frameworks: the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), and the Global Reporting Initiative (GRI).

Gaining an understanding of the salient characteristics and advantages of these frameworks will enable organizations to navigate ESG reporting with efficacy and satisfy the changing demands of stakeholders, investors, and society at large.



Source: <https://generationimpact.global/frameworks-reporting-tools>

Widely Used ESG Frameworks and Standards

Framework	Focus
GRI Global Reporting Initiative	Corporate social responsibility with strong emphasis on transparency and materiality, especially on social issues
SASB Sustainability Accounting Standards Board	Integrated reporting with financial accounting (industry specific standards)
TCFD Task Force on Climate-related Financial Disclosures	Climate-related financial information

Source: <https://www.sustainabilitynext.com/blog/how-to-choose-an-esg-reporting-framework-a-decision-making-tool>

GLOBAL REPORTING INITIATIVE (GRI)

One of the most frequently used ESG reporting frameworks worldwide is the Global Reporting Initiative (GRI). It provides comprehensive guidance on reporting rules, standard disclosures, and indications. Among GRI's principal attributes are:

1. **Principles-Based Approach:** The foundation of the GRI framework is a set of principles that prioritize accuracy, completeness, materiality, and stakeholder inclusivity. This strategy guarantees that businesses report on the most significant and pertinent ESG problems.
2. **Modular Structure:** The modular standards that make up GRI's reporting structure are the Sector-specific Standards and the Universal Standards. While the Sector-specific Standards offer unique advice to a given industry, the Universal Standards address broad reporting concepts.
3. **Materiality Assessment:** The GRI highlights how crucial it is to carry out a materiality evaluation in order to determine which ESG subjects are most pertinent to the stakeholders and business operations of a firm. Companies can concentrate their reporting on topics that significantly affect their operations and stakeholders by using this assessment.
4. **Comprehensive Reporting:** Environmental effects, labor practices, human rights, community involvement, product responsibility, and governance are just a few of the many ESG themes covered by GRI reporting. It pushes businesses to reveal management strategies, performance metrics, targets, and contextualized information.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Industry-specific ESG reporting requirements are the primary focus of the Sustainability Accounting Requirements Board (SASB). The framework developed by SASB attempts to pinpoint the financially significant sustainability factors that are most pertinent to each industry. Among SASB's primary attributes are:

1. **Industry-Specific Materiality:** The sustainable accounting criteria of each industry are outlined in the industry-specific sections of the SASB framework. Stakeholders, investors, and industry experts participate in a rigorous process that develops these standards.
2. **Financial Materiality Focus:** The sustainability elements that are most likely to have an effect on a business's operating or financial performance are the main emphasis of SASB's standards. The SASB assists businesses in identifying and disclosing ESG issues that are closely related to their financial performance by emphasizing financially significant themes.
3. **Standardized Metrics and Disclosures:** SASB enables more consistent and comparative reporting across sectors by providing industry-specific indicators and disclosures. Investors and other stakeholders can evaluate and contrast the ESG performance of businesses within the same industry thanks to this standardisation.
4. **Integration with Financial Reporting:** Companies are encouraged by SASB to include ESG disclosures in their regular financial filings, including Form 10-K or annual reports. Investors and stakeholders benefit from this integration by having a more thorough grasp of a company's ESG risks and possibilities.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Risks and possibilities associated with climate change are the primary focus of the Task Force on Climate-related Financial Disclosures (TCFD). It offers guidelines on what information businesses should include about climate change in their financial statements. Crucial components of TCFD comprise:

1. **Climate-Related Disclosures:** The disclosure of climate-related information is emphasized by the TCFD framework. This includes a company's governance of climate-related risks, its low-carbon economy transition plan, the identification and assessment of climate-related opportunities and risks, and the management and measurement of climate-related impacts.
2. **Scenario Analysis:** Companies are urged by TCFD to perform scenario analysis in order to evaluate the possible effects on their operations of various climate-related scenarios. This research aids businesses in comprehending how resilient they are to climate-related threats and in recognizing possibilities presented by the shift to a low-carbon economy.

3. **Integration into Financial Reporting:** As with SASB, TCFD suggests that disclosures about climate change be included in regular financial statements. By this integration, a company's overall economic strategy and decision-making process are guaranteed to take climate-related risks and possibilities into account.
4. **Investor Focus:** The structure of TCFD is intended to satisfy the demands of lenders, insurance underwriters, and investors who need reliable and meaningful climate data for making decisions. Companies can better communicate their climate-related risks and opportunities to these stakeholders by offering transparent and comparable climate-related disclosures.

CONCLUSION

Investors are becoming more and more concerned about sustainability as the world deals with problems including pollution, water scarcity, global warming, and income inequality.

Investors can pursue profits and encourage good deeds by making investments in renewable energy, sustainable agriculture, and other fields.

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Strategic Integration of ESG in Investment Practices: Integrating Modern Investments Practices with Sustainable Governance

Environmental, Social, and Governance (ESG) factors have become pivotal in shaping modern investment strategies, reflecting a growing shift towards responsible and sustainable investment practices. This research paper explores the integration of ESG factors into investment strategies, highlighting its significance in promoting long-term financial performance and sustainable development. The primary objective of the research paper is to analyze how ESG factors can be effectively incorporated into investment decision-making processes and to evaluate the role of Company Secretaries in facilitating this integration.



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INTRODUCTION

In recent years, Environmental, Social, and Governance (ESG) factors have emerged as critical components in the investment landscape, reflecting a growing recognition of the need for responsible and sustainable investing. ESG encompasses a wide array of criteria that assess the ethical impact and sustainability of an investment in areas such as environmental stewardship, social responsibility, and corporate governance. As global awareness of issues like climate change, social inequality, and corporate governance lapses has intensified, investors and regulators alike have increasingly prioritized ESG considerations in their decision-making processes. This shift marks a

significant evolution from traditional investment strategies that focused primarily on financial returns, often at the expense of broader societal and environmental impacts.

The importance of ESG integration in investment strategies lies in its potential to drive long-term value creation while mitigating risks associated with environmental degradation, social unrest, and governance failures. As stakeholders demand greater accountability and transparency from corporations, the integration of ESG factors into investment strategies has become not only a moral imperative but also a financial one. Investors are now recognizing that companies with strong ESG practices are better positioned to thrive in a rapidly changing global economy, making ESG integration a key driver of sustainable growth.

This research paper aims to explore the integration of ESG factors into investment strategies, with a particular focus on global practices, including the Middle East and India. It seeks to understand how ESG integration influences investment decisions, the challenges and opportunities it presents, and the role of Company Secretaries in facilitating this process. By examining the evolution of ESG and its increasing relevance in the investment world, this paper will provide valuable insights into the ways, ESG factors contribute to a sustainable future and how they can be effectively incorporated into investment strategies. The role of Company Secretaries, particularly in the context of compliance and governance, will also be explored, highlighting the contributions of the Institute of Company Secretaries of India (ICSI) in promoting ESG integration.

The scope of this research extends to a comprehensive analysis of ESG integration across different regions, with a focus on identifying best practices and understanding the unique challenges faced by investors in the Middle East and India. Additionally, the paper will investigate into the philosophical underpinnings of ESG in scriptures, exploring how ancient texts like the Gita, Ramayana, and Mahabharata align with modern ESG principles. Through a combination of literature review, case studies, and practical examples, this paper will offer a detailed

exploration of ESG integration, providing actionable insights for investors, policymakers, and professionals.

UNDERSTANDING ESG INTEGRATION IN INVESTMENT STRATEGIES

Defining ESG Integration: ESG integration refers to the systematic incorporation of Environmental, Social, and Governance (ESG) factors into the investment decision-making process. Unlike traditional investment approaches that primarily focus on financial metrics such as profitability and return on investment, ESG integration takes a broader view by assessing how a company's operations impact the environment, society, and governance practices. The purpose is to evaluate not only the financial performance of a company but also its sustainability and ethical impact.

For instance, consider the case of Unilever, a global consumer goods company. Unilever has been a pioneer in integrating ESG factors into its business model through its Sustainable Living Plan, which focuses on reducing environmental impact, improving health and well-being, and enhancing livelihoods across its value chain. Investors who consider ESG factors would evaluate Unilever's commitment to sustainability, such as its efforts to reduce plastic use and carbon emissions, as indicators of long-term resilience and growth potential. This holistic approach allows investors to identify companies that are better equipped to manage risks, capitalize on opportunities, and sustain growth over the long term.

Strategies for ESG Integration: Investors use various strategies to integrate ESG factors into their investment decisions, depending on their goals, risk tolerance, and values. Exclusionary screening is one common approach, where certain companies or sectors are removed from the investment portfolio based on specific ESG criteria. For instance, the Norwegian Government Pension Fund, one of the largest sovereign wealth funds globally, has divested from companies involved in coal mining or severe environmental damage, reflecting its commitment to ethical guidelines. This strategy helps investors avoid supporting industries that conflict with their values or pose significant ESG risks.

Another strategy is best-in-class selection, which involves choosing companies that are leaders in their respective industries based on ESG performance. Instead of excluding entire sectors, this approach identifies companies within each sector that demonstrate strong ESG practices. An example is the MSCI World ESG Leaders Index, which includes companies like Microsoft and Toyota, known for their robust ESG practices. This strategy incentivizes companies to enhance their ESG performance to attract investment, thereby driving positive change across industries.

Active ownership, or shareholder advocacy, is another effective strategy where investors use their ownership power to influence corporate behavior. By engaging

directly with companies through dialogue, shareholder resolutions, and voting at annual general meetings, investors can push for better ESG practices. BlackRock's engagement with companies like ExxonMobil, where it has advocated for improved sustainability disclosures and governance practices, exemplifies this strategy. This approach is particularly effective for investors aiming to drive change from within the companies, they invest in.

Thematic investing focuses on specific ESG themes, such as clean energy, water conservation, or social equity. This strategy aligns investments with long-term sustainability trends. For example, the iShares Global Clean Energy ETF invests in companies producing renewable energy, such as wind and solar power. The growing popularity of thematic investing is evident in the increased capital flowing into funds focused on renewable energy, reflecting the global shift towards greener energy sources.

These strategies allow investors to build portfolios that align with their financial goals and ethical values. By integrating ESG factors into their decision-making processes, investors can manage risks more effectively, uncover new opportunities, and contribute to a more sustainable and equitable global economy.

GLOBAL PERSPECTIVE ON ESG INTEGRATION

ESG integration has gained significant traction across the globe, with varying levels of adoption and impact in different regions. The Middle East and India present compelling examples of how ESG principles are being incorporated into investment strategies, reflecting the growing recognition of sustainability's importance in driving long-term value. In the Middle East, the push towards ESG integration is driven by both governmental initiatives and corporate commitments. For instance, the United Arab Emirates (UAE) has launched the Dubai Sustainable Finance Working Group, aiming to position Dubai as a global hub for sustainable finance. Even traditionally carbon-intensive industries are embracing ESG principles, as demonstrated by the UAE's national oil company, ADNOC, which has committed to reducing its greenhouse gas emissions intensity by 25% by 2030. In Saudi Arabia, the Public Investment Fund (PIF) has incorporated ESG criteria into its investment strategy, focusing on sectors that align with the Kingdom's Vision 2030, emphasizing economic diversification and sustainability. A prime example is the PIF's investment in NEOM, a \$500 billion smart city project designed to be powered entirely by renewable energy, underscoring the importance of sustainability in shaping the future of urban living in the Middle East.

India's approach to ESG integration is shaped by its unique socio-economic context, where social and governance issues are as crucial as environmental considerations. Indian companies are increasingly integrating ESG factors into their operations, driven by regulatory requirements



and investor demand. For example, Reliance Industries, one of India's largest conglomerates, has committed to becoming net carbon zero by 2035, with significant investments in clean energy, particularly in solar and hydrogen projects. The Indian financial sector is also embracing ESG integration, with the Securities and Exchange Board of India (SEBI) mandating top-listed companies to disclose their ESG-related activities through the Business Responsibility and Sustainability Report (BRSR). This regulatory push has led many companies, such as Infosys and Tata Consultancy Services, to adopt more robust ESG practices, setting sustainability benchmarks in the corporate world.

The integration of ESG factors into investment strategies has had a profound impact on investment performance globally. Numerous studies and real-world examples indicate that companies with strong ESG practices often outperform their peers in terms of financial returns, risk management, and long-term resilience. A meta-analysis by NYU Stern's Center for Sustainable Business, reviewing over 1,000 studies, found that the majority showed a positive relationship between ESG factors and financial performance. This trend is evident in the performance of ESG-focused indices, such as the MSCI World ESG Leaders Index, which includes companies with strong ESG practices and has consistently outperformed the broader MSCI World Index over the past decade. ESG integration also enhances risk management by identifying potential risks that traditional financial analysis might overlook.

For instance, the BP Deepwater Horizon oil spill in 2010 exemplifies how environmental negligence can lead to massive financial losses, with BP's stock price plummeting by nearly 50% in the aftermath of the disaster. Investors who integrate ESG factors into their analysis are better equipped to avoid such risks and protect their investments.

Moreover, ESG integration contributes to the long-term resilience of companies by fostering innovation, improving stakeholder relations, and ensuring compliance with evolving regulatory standards. Companies that prioritize ESG are often more adaptable to changing market conditions and societal expectations. A striking example is Ørsted, a Danish energy company that transitioned from being a fossil fuel-based energy company to a global leader in offshore wind energy. This strategic shift, driven by a strong commitment to ESG principles, has not only made Ørsted one of the most sustainable energy companies in the world but has also resulted in substantial financial returns, with the company's stock price increasing significantly since its transformation. Globally, the growing body of evidence supports the notion that ESG integration is not just a trend but a vital component of sound investment strategy. By considering ESG factors, investors can achieve superior financial performance, mitigate risks, and contribute to the sustainability of the global economy. As ESG integration continues to gain momentum, it is likely to play an increasingly central role in shaping the future of investment strategies worldwide.

THE ROLE OF COMPANY SECRETARIES IN ESG INTEGRATION

Company Secretaries play a crucial role in ensuring that organizations comply with Environmental, Social, and Governance (ESG) standards. As key governance professionals, they guide the Board and management on best practices in corporate governance, which increasingly includes ESG considerations. Their role in ESG compliance is multifaceted, starting with governance oversight. Company Secretaries ensure that ESG policies and strategies align with the company's overall governance framework. They integrate ESG factors into the company's decision-making processes, making sure that the Board and management consider the long-term impacts of their actions on the environment, society, and stakeholders. Regulatory compliance is another critical area where Company Secretaries are involved. As the regulatory landscape surrounding ESG evolves, these professionals must stay updated on new regulations and reporting requirements. They ensure that the company complies with all relevant laws, including those related to sustainability reporting and disclosures on social responsibility and environmental impact assessments. In India, for example, the Business Responsibility and Sustainability Report (BRSR) mandated by SEBI requires listed companies to disclose their ESG practices, and Company Secretaries play a vital role in preparing and submitting these reports.

Effective stakeholder communication is also a key responsibility of Company Secretaries. Transparent communication with stakeholders, including investors, regulators, and the public, is essential for building trust and credibility in ESG practices. Company Secretaries facilitate this by ensuring that ESG reports are accurate, comprehensive, and accessible, and by disseminating information related to the company's ESG goals, progress, and challenges. Additionally, Company Secretaries often lead training and development initiatives to foster a culture of sustainability within the organization. They organize training sessions, workshops, and awareness programs to highlight the importance of ESG compliance and its impact on the company's reputation and financial performance. A practical example of this can be seen in Infosys Limited, where the Corporate Governance team, led by the Company Secretary, plays a critical role in integrating ESG principles into the company's operations. Infosys has committed to becoming carbon neutral by 2040, with robust mechanisms in place for tracking and reporting its ESG performance, and the Company Secretary ensures that these initiatives comply with global standards and regulations.

The Institute of Company Secretaries of India (ICSI) has been instrumental in promoting ESG practices among professionals and organizations. ICSI has recognized the importance of ESG and has taken several initiatives to equip Company Secretaries with the knowledge and skills required to drive ESG integration. They have

The role of Company Secretaries and organizations like the Institute of Company Secretaries of India (ICSI) is crucial in driving this change.

developed comprehensive guidelines and standards to help Company Secretaries understand and implement ESG practices, covering aspects such as governance structures, sustainability reporting, and stakeholder engagement. ICSI also offers specialized courses and certifications on ESG, including the "Certificate Course on Corporate Social Responsibility (CSR)" and "Corporate Governance and ESG" programs. These courses enhance the expertise of Company Secretaries in ESG matters, enabling them to contribute more effectively to their organizations' sustainability goals. Furthermore, ICSI actively promotes ESG through conferences, seminars, and publications, raising awareness about its role in corporate governance and encouraging organizations to adopt sustainable practices, thereby fostering a culture of responsible business conduct.

CHALLENGES AND OPPORTUNITIES IN ESG INTEGRATION

Integrating Environmental, Social, and Governance (ESG) factors into investment strategies presents several challenges that can impact the effectiveness of ESG adoption and implementation. One of the primary challenges is the lack of standardized metrics and reporting frameworks. Different organizations and jurisdictions have varying requirements for ESG disclosures, leading to inconsistencies and difficulties in comparing ESG performance across companies. For example, while frameworks like the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) provide guidelines for ESG reporting, their differing standards can create confusion for investors and companies alike. This issue is further highlighted by the disparity between the European Union's Non-Financial Reporting Directive (NFRD) and the U.S. Securities and Exchange Commission's (SEC) guidelines, which complicates ESG compliance efforts for companies operating in multiple regions.

Another significant challenge in ESG integration is the quality and availability of ESG data. Often, the data available is insufficient, making it difficult for investors to make informed decisions. Many ESG disclosures are voluntary and lack third-party verification, leading to discrepancies and unreliable information. This problem is particularly acute in emerging markets, where a study by MSCI found that over 60% of companies lack adequate ESG data, hindering investors' ability to assess the true sustainability of their investments. Moreover,



greenwashing, where companies falsely present themselves as more environmentally friendly or socially responsible than they are, poses a substantial risk. Identifying and mitigating greenwashing requires thorough due diligence and verification, which can be resource-intensive. The Volkswagen “Dieselgate” scandal is a prime example, where the company’s misleading claims about low-emission diesel vehicles resulted in significant financial losses for investors when the truth was revealed.

Balancing short-term and long-term goals also presents a challenge in ESG integration. Many investors and companies focus on short-term financial returns, which can conflict with the long-term perspective required for effective ESG integration. For example, companies in the fossil fuel industry may face pressure to prioritize short-term profits over long-term environmental sustainability, complicating efforts to incorporate ESG considerations.

Despite these challenges, ESG integration offers significant opportunities for investors and professionals. One of the key opportunities is enhanced risk management. By considering ESG factors, investors can identify and mitigate risks that traditional financial analysis might overlook. For instance, BlackRock, one of the world’s largest asset managers, has emphasized the importance of ESG factors in risk management to enhance portfolio resilience and reduce exposure to risks associated with unsustainable practices. Additionally, companies with strong ESG practices are increasingly attracting capital from ESG-focused funds and institutional investors. The rise of green bonds, such as those issued by Apple to fund renewable energy projects, demonstrates how ESG commitments can attract substantial investment.

Moreover, firms that prioritize ESG integration can gain a competitive advantage by differentiating themselves in the market. Strong ESG performance can enhance a company’s reputation, attract talent, and build stronger relationships with customers and stakeholders. Unilever’s focus on sustainable sourcing and social responsibility has bolstered

its brand reputation and consumer loyalty, positioning it as a leader in sustainable business practices. Furthermore, as regulatory requirements and market expectations around ESG continue to evolve, companies that proactively integrate ESG factors will be better positioned to comply with future regulations and capitalize on emerging market trends. The European Union’s Green Deal and Sustainable Finance Disclosure Regulation (SFDR) are examples of how proactive ESG integration can lead to increased market share and improved investor confidence.

Overall, while ESG integration presents challenges such as data inconsistencies, greenwashing, and the need to balance short-term and long-term goals, it also offers substantial opportunities. By enhancing risk management, attracting capital, gaining a competitive advantage, and adapting to regulatory trends, investors and professionals can drive sustainable value creation and contribute to a more responsible and resilient global economy.

CONCLUSION

Integrating Environmental, Social, and Governance (ESG) factors into investment strategies represents a transformative shift in the investment landscape. While the integration of ESG principles presents significant challenges, such as the lack of standardization, data quality issues, greenwashing risks, and the tension between short-term and long-term goals, it also opens up substantial opportunities for investors and professionals alike. This section summarizes the key findings from the research and offers recommendations and a forward-looking perspective on ESG integration.

The challenges in ESG integration underscore the need for enhanced standardization and improved data quality. The variability in reporting frameworks and the prevalence of greenwashing highlight the complexities involved in ensuring accurate and reliable ESG disclosures. Additionally, balancing short-term financial returns with long-term ESG objectives remains a critical challenge,

especially in industries with immediate financial pressures. However, the opportunities provided by ESG integration are compelling. Enhanced risk management through ESG considerations allows investors to avoid potential pitfalls associated with unsustainable practices. The growing preference for ESG-aligned investments offers companies the chance to attract capital and strengthen their market position. Furthermore, proactive ESG integration can yield competitive advantages by aligning with evolving regulatory trends and market expectations.

To address these challenges and fully capitalize on the opportunities presented by ESG integration, several recommendations can be made. First, stakeholders, including regulatory bodies and industry associations, should work towards developing and adopting standardized ESG reporting frameworks. This will facilitate comparability, reduce confusion, and enhance the reliability of ESG data. Aligning global reporting standards like the GRI and SASB can provide a unified approach to ESG disclosures. Second, companies should invest in robust ESG data collection and verification processes to ensure transparency and accuracy. Implementing third-party audits and creating centralized ESG data repositories can help address data quality issues. Investors should demand high-quality ESG information and leverage technology to analyze and validate data effectively. Third, to combat greenwashing, it is essential to establish stringent guidelines and verification mechanisms. Companies should provide clear and verifiable information about their ESG practices, and investors should conduct thorough due diligence before making investment decisions. Regulatory bodies should enhance oversight and enforcement to prevent misleading ESG claims. Finally, investors and companies should adopt a balanced approach that considers both short-term financial performance and long-term ESG objectives. Encouraging long-term investment horizons and integrating ESG factors into executive compensation plans can help align financial and sustainability goals.

Looking ahead, ESG integration is expected to become increasingly integral to investment strategies as global awareness of sustainability issues grows. Enhanced regulation and standardization are likely to shape the future of ESG integration, with regulators imposing stricter requirements for ESG disclosures and reporting. Companies will need to adapt to these regulations and adopt standardized practices to remain compliant and competitive. Technological advancements, such as artificial intelligence and blockchain, will play a crucial role in improving ESG data accuracy, transparency, and verification. These technologies can facilitate real-time monitoring of ESG metrics and enhance the overall integrity of ESG reporting. Increased investor engagement will also drive companies to enhance their ESG practices and reporting to attract and retain investment. Additionally, global collaboration on ESG standards and practices will become more prevalent, with cross-border initiatives and partnerships helping to harmonize ESG

reporting requirements and promote best practices globally.

In conclusion, while ESG integration presents both challenges and opportunities, its growing importance in the investment world is undeniable. By addressing the challenges head-on and capitalizing on the opportunities, investors and professionals can drive meaningful progress towards a more sustainable and responsible global economy.

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Sustainable Investments: Paving the Road to an Environmentally Friendly Future

Sustainable investing, also known as responsible investing or ESG (Environmental, Social, and Governance) investing, is an important approach to achieve harmony between financial goals and ethical values. Sustainable investing is an investment practice that considers environmental, social, and corporate governance issues in decision-making toward the generation of long-term returns. It may be said that while achieving the purposes of financial return in investing assets, it also takes responsibility for relevant contributions to society and the environment. Traditions emphasize the rate and size of financial returns received. Combining ESG enables the consideration of the wider effects in the investment process, hence fostering corporate responsibility for sustainability.



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INTRODUCTION

The contemporary world has been on the threshold of an evolution where the predicament of climate change and resource depletion goes apace to peak. As this development in the thinking of the people is changing the ways of the consumer and that too of the companies, reshaping the world of finance ago is undergoing a change. It is therefore of great importance that Company Secretaries and governance professionals keep up to date with the latest trends in sustainable investing, what this means, its implications, and how it is becoming more and more important in the current economy.

Sustainable investing, also known as responsible investing or ESG (Environmental, Social, and Governance) investing, is an important approach to achieve harmony between financial goals and ethical values. Sustainable investing is an investment practice that considers environmental, social, and corporate governance issues in decision-making toward the generation of long-term returns. It may be said that while achieving the purposes of financial return in investing assets, it also takes responsibility for relevant contributions to society and the environment. Traditions emphasize the rate and size of financial returns received. Combining ESG enables the consideration of the wider effects in the investment process, hence fostering corporate responsibility for sustainability.

ESG rests on three fundamental dimensions:

1. Environmental:

Climate change, resource management, pollution, and biodiversity fall under this parameter. For example, an investor will check how a certain company has carried itself out environmentally and the measures it has put in place to mitigate that footprint.

2. Social:

Social factors reflect how a company manages its relationships with its employees, customers, suppliers, and the community, and cover labour practices, human rights, diversity issues, and community involvement.

3. Governance:

Governance factors are based on the company's leadership, Board composition, executive compensation, and shareholder rights. Good governance provides for transparency, accountability, and ethical dealings.

The Evolution of Sustainable Investing:

Sustainable investing has developed very much over the past few decades. Earlier, it was an offshoot of ethical considerations and from religious sentiment where people would refrain from investing in industries like tobacco, alcohol or firearms. This concept has broadened into a more extensive range of issues, from climate change to gender equality and corporate governance.

Sustainable investing has witnessed tremendous growth in the 21st century, driven by rising awareness of global challenges and the slow but sure conviction that ESG may have a material impact on financial performance. Regulatory developments accelerated the adoption of sustainable investing practice stimulated by the Paris Agreement and the United Nations' SDGs.

Today, sustainable investing is no longer a niche strategy; it has already gone mainstream.

TYPES OF SUSTAINABLE INVESTING STRATEGIES

Sustainable investing can take various strategies, each with a sort of uniqueness in integrating ESG factors into investment decisions. Some of the most common strategies involved are:

1. Negative Screening:

Involves excluding companies and industries unable to meet certain ESG requirements. For instance, such an investor would not invest in companies dealing with fossil fuels, tobacco, or weapons of any sort.

2. Positive Screening:

This is the one whereby companies demonstrating good ESG performance are picked. Thus, investors may look for companies which perform best in activities related to renewable energy, gender diversity, or better community engagement.

3. Thematic Investing:

It involves investing in companies or sectors with thematic alignment regarding certain sustainability themes like clean energy, water conservation, or sustainable agriculture, allowing one to invest in solutions to global challenges while seeking financial returns.

4. Impact Investing:

Impact investment goes a step further by targeting investment toward returns that generate measurable social or environmental impacts. This strategy is most closely related to return-generating investments in social enterprises, affordable housing, or healthcare.

5. ESG Integration:

ESG integration refers to an approach to traditional financial analysis that considers added ESG factors during the discovery of risks and opportunities. This strategy is increasingly gaining ground with investors recognizing the material effect of ESG factors on financial performance.

6. Shareholder Advocacy/Resolutions:

Often described as the practice of an owner, shareholder advocacy deals with influencing corporate behaviour through ownership stakes in companies. This might involve direct engagement with companies over issues, filing of shareholder resolutions, and voting on ESG-related proposals.

INCLUSION OF ESG IN INDIAN CONTEXT

In the year 2007, Reserve Bank of India (RBI) issued a letter to all scheduled commercial banks, advising them on their role on Corporate Social Responsibility, sustainable development, and non-financial reporting. In the year 2008, CRISIL, Standard & Poor, KLD Research & Analytics launched the S&P ESG India Index, first investable index

It is therefore of great importance that Company Secretaries and governance professionals keep up to date with the latest trends in sustainable investing, what this means, its implications, and how it is becoming more and more important in the current economy.

of companies whose business strategies and performance demonstrate a high level of commitment towards meeting ESG standards.

In 2009, the Ministry of Corporate Affairs (MCA) published Corporate Social Responsibility (CSR) guidelines. It recommended all businesses to formulate a CSR policy centred around six core elements- care for stakeholders, proper functioning, respect for workers' rights and welfare, respect for human rights, respect for the environment, and activities for social and inclusive development. In 2010, the Department of Public Enterprises (DPE) issued CSR guidelines for Central Public Sector Enterprises (CPSEs), requiring Public Sector Enterprises to have a CSR policy approved by their respective Board of Directors.

In 2011, MCA published National Voluntary Guidelines (NVGs) on social, environmental, and economic responsibilities of business. The guidelines were designed to be used by all companies in India. They would then report on the nine principles in the form of Business Responsibility Report (BRR).

In 2012, the Securities and Exchange Board of India (SEBI) issued a circular that made it mandatory for the largest 100 listed companies to publish an annual business responsibility report. The requirement was extended to the 500 companies in SEBI's Listing Obligations and Disclosure Requirements Regulations 2015. BSE Ltd. (BSE) launched Greenex and Carbonex.

In the year 2013, MSCI India ESG Leaders Index was launched. In 2014, a landmark CSR law was passed to mandate companies of a particular scale and profitability to spend 2 percent of average profits of preceding years. In 2015, RBI included social infrastructure and renewable energy within the Priority Sector Lending requirements for banks.

In 2016, SEBI published its green bond guidelines, making India the second country after China to provide national-level guidelines. Indian Bank's Association came out with the National Voluntary Guidelines for Responsible Financing to provide a systematic and standardised framework of action catering to banking sector's risks, opportunities and responsibilities around environment, social and economic factors in an integrated manner.

In 2017, Kotak Committee on corporate governance was formed. In 2018, the BSE Ltd. (BSE) published

Guidance Document on ESG Disclosures, which served as a comprehensive set of voluntary ESG reporting recommendations, guided by global sustainability reporting frameworks. It underscores the importance of ESG disclosures to investors and provides 33 specific issues and metrics on which companies should focus. Nifty 100 ESG Index was launched.

In 2019, MCA further revised NVCs to National Guidelines on Responsible Business Conduct (NGRBC) to align with SDGs and the 'Respect' pillar of the United Nations Guiding Principles (UNGPs). MCA is in the process of developing India's National Action Plan on Business & Human Rights (in consultation with various Ministries and State Governments) by 2020. A zero draft has been released and uploaded on MCA website.

Based on all these guidelines over the years, ESG investing developed in India, leading to better corporate behaviour and transparency.

THE ROLE OF COMPANY SECRETARIES IN SUSTAINABLE INVESTING

Company Secretaries play a very important role in an organisation; they make sure an organisation is running smoothly in compliance with the law and ethical standards. The rise of sustainable investing means that Company Secretaries should be well-equipped with the knowledge of ESG and its impacts on corporate governance.

1. Board Engagement:

Boardroom discussions on the ESG issue inculcated by the Company Secretary do not only embed sustainability into the organizational strategy but cascade throughout the decision-making process of an organization concerned with ESG risks and opportunities and determine the proper monitoring regime of ESG initiatives.

2. Corporate Disclosure:

Companies will need to make transparent and accurate ESG reporting to attract sustainable investors. Company Secretaries should take up the responsibility of ensuring the organization's ESG disclosures; comply with regulation and best practice in the industry. That involves the actual preparation of sustainability reports, answering investors' questions, and taking care of stakeholder communications.

3. Policy Formulation:

ESG policies and frameworks in an organization may be supported elaborated upon by a Company Secretary. This may include codes of conduct, sustainability, diversity, and inclusion.

4. Risk Management:

ESG risks like climate change, regulatory changes, or reputational damage usually have significant financial implications. Company Secretaries can assist in the identification, assessment, and mitigation of ESG

risks to help in make an organization resilient to the challenges of the future.

5. Stakeholder Engagement:

The company ensures that it engages with stakeholders, especially shareholders, employees, customers, and even community members, so as to get a better understanding of what is expected of them and the concerns in regard to ESG issues.

In addition to this, another key factor leading to the rise of sustainable investing is the understanding that ESG factors may materially affect financial performance. Many have shown that companies with high ESG ratings tend to outcompete in the long run. This is because ESG factors can impact a company's risk profile, competitive advantage, and operational efficiency.

1. Risk Mitigation:

The top priority will be for ESG factors and hence will help the companies tackle such things as regulatory changes, environmental liabilities, and reputational damage. For example, companies with tight environmental practices are unlikely to suffer fines, lawsuits, or supply chain disruptions.

2. Competitive Advantage:

A sustainable organization can differentiate itself from others in a market and will likely attract its customers, talent, and investors concerned about corporate responsibility. An excellent example of this concept is that companies that lead through innovation and sustainability are particularly well-positioned to take advantage of emerging new market opportunities.

3. Operational Efficiency:

Sustainable practices like energy efficiency, reduction of wastage, and responsible sourcing will lead to cost savings and improved profitability. Businesses that do well in the maximization of the use of their resources stand a better chance of prospering in the long run.

4. Value over Long Term:

Sustainable investing aims at achieving values over the long term, as with the investors viewing the company from an ESG lens, it depicts companies' potential in a world full of variations, making the sustainable investment more relevant with time. More, long-term, stable returns for institutional investors, such as pension funds, desire stable returns over "extended periods."

CHALLENGES AND CRITICISMS OF SUSTAINABLE INVESTING

Despite its growth, sustainable investing still faces limitations and criticisms. The major issues include:

1. Greenwashing:

A major issue that resounds with concern in sustainable investment is greenwashing—companies or funds



are misrepresented to provide an environmentally or socially responsible investment. This leads to misleading investors and calls into question the very basis of credible sustainable investment. Addressing this, therefore, an investor has to conduct much due diligence and verification by a third party of ESG claims.

2. Data Quality and Standardization:

Without a standardized approach to ESG data and metrics, investors will be at a loss when trying to assess and compare the sustainability performance of companies. While some progress has been made at the level of ESG reporting frameworks—for instance, GRI (Global Reporting Initiative) or SASB (Sustainability Accounting Standards Board)—further standardization would be required to improve data quality and comparability.

3. Performance Concerns:

Many investors fear how sustainable investing will perform at the financial level and how it integrates ESG, as it may compromise their returns. Generally, evidence shows that sustainable investing doesn't necessarily have to bring lower returns but can enhance long-term performance. It's, however, very important for investors to match their ESG preferences with their financial objectives and their risk level.

4. Regulatory Uncertainty:

The regulatory environment concerning sustainability issues is still very dynamic at the moment. Jurisdictions have taken different approaches regarding ESG disclosure and reporting issues. The uncertainty can have a significant impact on both

investors and entities, particularly in regions with less developed ESG regulations. It is thus incumbent on corporate secretaries to be alert to the new regulatory developments and to ensure compliance with new/existing ESG regulatory requirements.

5. Short-Termism:

Sustainable investing is still confronted with the challenge of great short-term financial performance. An expectation of the investor may be to get immediate returns rather than seeing a long-term prospect in sustainability, thereby creating conflict between ESG objectives and the goal of finance. Abating this issue shall mean a change of mindset of the investor to long-term value creation.

EDUCATION AND AWARENESS: WAY FORWARD

Critical to the sustainable investing movement is education and raising awareness. As demand for sustainable investment products keeps increasing, it becomes imperative for investors and financial professionals to remain updated and be savvy navigators in this ESG landscape.

1. Investor Education:

Many investors, especially retail ones, may not have abundant realization of the benefits and opportunities accruable in sustainable investing. Financial advisors and wealth managers, among other market intermediaries, shall be at the forefront in educating their clients on ESG factors and assisting them in bringing their investments in line with their value systems, including clear information on ESG

risks, performance, and the impact of sustainable investments.

2. Professional Training:

The broad market realization for sustainable investing has now meant that financial professionals need to get trained in the nitty-gritty of ESG analysis and integration. Company Secretaries, financial analysts, portfolio managers, and similar professionals should engage in academic programs, certifications, and workshops on sustainable finance. As a result, the knowledge gained will help in the professional development of these people, at the same time providing better services to their clients and organizations.

3. Corporate Awareness:

Corporations should be aware and not forget that ESG is becoming increasingly central to the interests of the world investment community. By understanding investor expectations and responding to ESG concerns, companies will be able to improve on sustainability practices that will inevitably increase their value through increased attractiveness to responsible investors. That may involve shareholder engagement, participation in sustainability initiatives, and ESG reporting improvements.

THE FUTURE OF SUSTAINABLE INVESTING

1. More Regulation and Standardization:

Governments and regulators are very likely to introduce stricter ESG reporting requirements, urging companies for more transparency and improved quality of accountability. This will surely enhance data quality, allowing smarter investing. Standardization of ESG metrics and a reporting framework will also help reduce the greenwashing risk.

2. Growth in Sustainable Investment Products:

Green bonds, impact funds, ESG-themed exchange-traded funds, and the likes are expected to widen the range of sustainable investment products. This will offer a larger range of investment opportunities for firms that seek to adjust their portfolio in line with their sustainability objective.

3. Embedding Climate Risk in Financial Markets:

More and more, investment processes are embedding a clear point of view to recognize and address issues related to climate. Risk-assessment tools brought by climate issues and climate scenarios embedded in decisions about investment will support investors in the effects of capacity building.

4. Technology-driven Innovation:

Setting that aside, one of the key driving factors for innovation in sustainable investing is going to be the leaps in technology—which include technologies such

as AI and big data analytics, among others—that will further boost the capabilities of ESG factor analysis, impact monitoring, and transparency. Technology, in addition, is also going to democratically serve investment in sustainability and further democratize it, ensuring more participation by retail investors.

5. Impact Measurement Becomes a Cornerstone:

Growth in impact investing will be accompanied by a rising emphasis on measurement and reporting in regard to social and environmental outcomes of investments. There will be greater demand on the investor side for stronger impact metrics and evidence on real-world outcomes. Investors hence present a growing trend toward greater transparency for companies and funds regarding their ESG performance.

6. Collaboration and Partnerships:

The increasing complexity of the global challenges faced, particularly climate change, poverty, and inequality, requires the joining of hands of governments, businesses, investors, and civil society. A part of the sustainable investing would therefore be partners who can take leverage strengths of the stakeholders themselves toward achieving common goals. Such collaborations would be quintessential to scale solutions that be sustainable with systemic change.

Sustainable investing is a game changer in the entire capital allocation world, and the resultant implications are deep, having implications for investors, companies, and society at large. With this increasing demand for responsible investment, company secretaries and governance professionals have a responsibility to take the lead at orienting their organizations toward sustainability and long-term value creation.

CONCLUSION

The Company Secretary, by being aware of the fundamentals of sustainable investing, which enter into corporate governance with ESG criteria incorporation and into innovative flows, holds the path with the body to walk toward the future. They are stewards of good governance, capital allocation, who can influence the flow of the same—to promote transparency and help to realize the vision of global sustainability.

It will be a journey toward sustainable investment: full of challenges and opportunities. Nevertheless, equipped with the body of knowledge and dynamic preparedness, coupled with the pursuit of new developments, the Company Secretary will be able to champion responsible practice and help to craft a finance system that does not only bring in financial returns but also contributes to a just and sustainable world.



Unleashing Fintech Potentials in India: Opportunities and Challenges

Fintech is a new technology that transforms financial services and contributes to financial inclusion, digital payments, credit access, cost savings, and innovation. This paper presents a descriptive review of financial technology and discusses different business models and investment types. It also discussed the technical and management challenges for startups and traditional financial institutions. The paper offers coherent research topics for focus groups, policymakers, and academics which can form the basis for academic research. Research has shown that Fintech offers important opportunities and challenges in India, with a focus on meeting the needs of the underbanked population, increasing financial inclusion, and using technology to provide new financial products and services.



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INTRODUCTION

Fintech refers to the technology used to improve and automate financial services. In recent years, the term “Fintech” has gained popularity due to technological advances that have enabled the creation of new financial products and services and the improvement of existing ones. Fintech is a new financial industry that applies technology to improve financial activities (Schueffel 2016). Fintech represents a set of innovative services, supported by advances in information and communication technology (Barbu, Florea et al. 2021). Fintech covers a wide range of financial services, including payments, loans, investment management, insurance, etc. Fintech companies usually develop new financial

products and services using innovative technologies such as artificial intelligence, machine learning, blockchain, and big data analytics. Technology innovation is widely recognized as being the main engine behind economic growth and industrial transformation (Gomber, Kauffman et al. 2018). These technologies can help to reduce costs, improve efficiency, and improve customer experience. New business models and technological concepts provide a basis for innovative solutions in finance. Nowadays, customers in the financial sector demand intelligent, however easy-to-use financial services independent of location and time, and at continually decreasing costs (Gomber, Koch et al. 2017). The growth of Fintech disrupts traditional financial institutions and enables consumers and businesses to gain greater access and convenience to financial services. Fintech companies create new ways to manage money, access credit, make payments, and invest. Fintech also contributes to financial inclusion and allows people who were previously underserved by traditional financial institutions to access financial services. Overall, Fintech is a significant development in the financial services industry, and its impact is expected to continue to grow in the coming years. Considering the previous development in electronic markets, the Fintech phenomenon is a logical evolutionary step. It was the Internet that enabled e-commerce in the 1990s, followed by dynamic Web services, standardization, and the integration of e-business technologies in enterprise applications (Gimpel, Rau et al. 2017). The cashless transaction system is achieving its growth day by day, as soon as the market becomes globalized and the development of the banking sector more and more people move from cash to a cashless system. The cashless system is not just a necessity but also a need of today’s order (Kandpal and Mehrotra 2019).

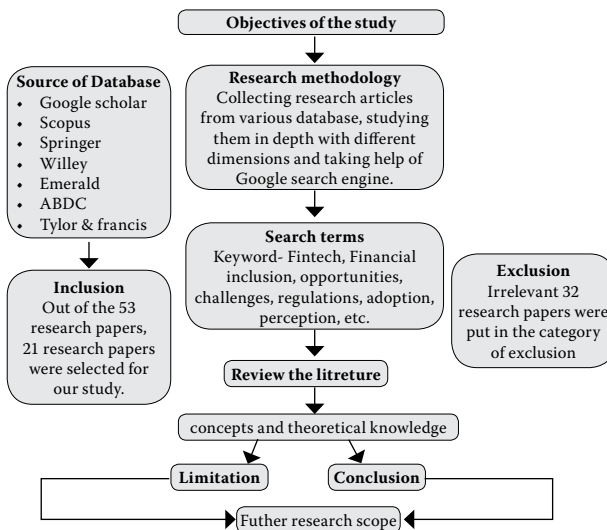
THE EVOLUTION OF THE FINTECH INDUSTRY

1860	The Pantelegraphy was Invented
1880	Using Charge Plates and Charge Coins For Credit
1918-1970	The Invention of Fedwire
1919	An Important Book Was Published Linking Finance and Technology
1950	Diner’s Club Introduced a Credit Card

1958	The American Express Credit Card was launched.
1960	'Quotron' to display the Quotes of the Stock Market
1966	Telegraph Replaced by the Telex Network
1967	First ATM Installed By Barclays Bank
1971	NASDAQ Established
1982-1983	Evolution of E-Trade and Online Banking
2009	Release of Bitcoin
2011	Google Pay Send Developed (Google Wallet)
2017	"Smile To Pay" Services Introduced by Alibaba

Source: www.getsmarter.com

THE FRAMEWORK OF THE STUDY



REVIEW OF LITERATURE

A review of literature can be seen as written material that brings us much knowledge and, with the help of which, we can obtain different types of facts and solutions. A review of the literature can focus on our objectives, research, methodological structure, and research gaps. It is the basis of our research, and with the help of this, we can determine the objectives of future research. Their search that has been conducted over the past few years has been investigated in detail to prepare a framework for our research. For this purpose, we have examined international and national research papers, articles, and review papers.

(Gimpel, Rau et al. 2017) conducted the study and found that innovative and personalized financial services and products that leverage digital technologies such as the Internet, Internet of Things, mobile computing, and social media, often use data analytics and artificial intelligence to enable, innovate, and disrupt the financial services market.

(Danese, Manfe et al. 2018) analyze the recent trends in Lean management research and provide a framework that organizes Lean researched issues into mature, intermediate, and nascent, based on their position in the research life cycle.

Fintech's expansion has the potential to transform financial services and advance financial inclusion, digital payments, credit access, cost efficiency, and innovation. Despite these obstacles, the Indian Fintech industry has seen tremendous development and investment in recent years, and it is currently expanding quickly.

(Zavolokina, Dolata et al. 2016) examined the drivers motivating the Fintech phenomenon perceived by the English and German popular press, contributing to research in the areas of information systems, finance, and interdisciplinary social sciences. It also brings value to practitioners exploring the field of Fintech.

(Vijai 2019) stated in his study that Fintech is an emerging concept in the financial industry, providing digitalization, and security, reducing operation costs, and changing the habits and behavior of the Indian finance sector.

(Sung, Leong et al. 2019) found in their study that a statistically significant increase in the use of the keyword "Fintech" in online searching from September 2012 to August 2018. They identified the geographic distribution of Fintech-related jobs in the UK, with "manager" being the most frequently searched term followed by "developer" and "engineer".

(Siddiqui and Siddiqui 2020) concluded in their study that Telecom plays an essential role in expanding financial services to rural areas and helping people improve their lives. Inclusive and holistic policies need to be promoted to enhance telecommunication infrastructure and financial inclusion in India.

(Puschmann 2017) founded in his research that Digitization has a strong impact on the financial services industry because financial products are based on information and processes are implemented without physical interaction. Recent developments in IT have led to increasing automation of processes and a fundamental reorganization of the financial services value chain, with new business models and new actors entering the market.

(Priya and Anusha 2019) analyzed that India is a growing market for Fintech, with a population of nearly 1.3 billion and a large percentage of unbanked and underbanked people. Fintech is seen as a game changer and disruptive innovation and is expected to grow further in the future. This article focuses on the basics of financial technologies and their functions.

(Luo, Sun et al. 2022) attempted a study and found Fintech has a positive impact on the transformation of Chinese enterprises and economic sustainable development, with two mechanisms: information effect

and resource allocation effect. Small and medium-sized private enterprises are stronger than large state-owned enterprises.

(Lee and Shin 2018) defined Fintech as a new paradigm in which information technology is driving innovation in the financial industry. Also introduces a historical view of Fintech, discusses various business models and investment types, and illustrates the use of real options for investment decisions. It also discussed technical and managerial challenges for both startups and traditional financial institutions.

(Kavuri and Milne 2019) found that Fintech has seen an increase in academic literature, but research is scanty and lacks a coherent agenda. This paper offers coherent research themes formulated through focus group meetings with policymakers and academics and outlines seven key research gaps with questions that could form the basis of academic study. This would help this area become an established academic discipline.

(Hu, Ding et al. 2019) stated an improved technology acceptance model (TAM) that incorporates user innovativeness, government support, brand image, and perceived risk as determinants of trust to investigate how users adopt Fintech services. Results show that trust in Fintech services has a significant influence on users' attitudes toward adoption.

(Harris 2021) explored the emergence of Fintech entrepreneurial ecosystems in London and Singapore, finding that a single accelerator actor has played a significant role in driving their emergence. It argues that the entrepreneurial ecosystem literature should consider the potential for a transformative agency by actors in the evolutionary dynamics of entrepreneurial ecosystems.

(Goswami, Sharma et al. 2022) investigated the critical success factors influencing the adoption of disruptive financial technology for financial inclusion in rural India. The quantitative approach uses inferential statistics, Exploratory Factor Analysis, and Structural Equation modelling to measure the impact of Fintech on financial inclusion in Rural India. The result indicates that factors constructing the social influence also positively impact behavioural intention to use manager technology in the rural sector in India. An end-user habit of using financial technology systems and services has a positive relationship with behavioural intention.

(Barbu, Florea et al. 2021) examined customer experience in the Fintech sector, based on the stimulus-organism-response approach. Results showed that perceived value, customer support, assurance, speed, and perceived firm innovativeness are positively related to customer experience in Fintech. Additionally, customer experience is positively associated with loyalty intentions. The paper contributes to identifying the dimensions, determinants, and outcomes of customer experience in Fintech, while also demonstrating how Fintech companies must integrate customer experience into their business models.

OBJECTIVES OF THE STUDY

The objective of the study is to know the conceptual overview of Fintech and identify available opportunities and related challenges in India.

RESEARCH METHODOLOGY

A total of 53 research materials has been collected for study. These include different types of research papers, research articles, review papers, peer-reviewed papers, reports, etc. All this study material is taken from different types of databases like Scopus, Springer, ABDC, and others. Out of which we have kept 21 articles in the inclusion category and the rest we have kept in the exclusive category. The period for these research articles is from the year 2015 to 2022. Most of the papers used were systematic and bibliometric analyses which provided depth of knowledge.

FINTECH IN INDIA

India's financial technology industry is growing rapidly and is a leader in the country's financial innovation. Fintech startups use technology to provide innovative solutions to traditional financial services and are increasingly being adopted by consumers and businesses. The government of India is promoting digital payments and financial inclusion through initiatives such as Jan Dhan Yojana, Aadhaar-based electronic KYC, and unification payment interfaces (UPIs). These initiatives have contributed to the growth of digital payments and the adoption of Fintech solutions nationwide. Digital payment is an important area of growth in India's Fintech industry, and UPI is the most popular digital payment platform. In 2022, UPI processed over 26 billion transactions, a total value of over \$1 trillion. Fintech startups also provide solutions based on lending, insurance, wealth management, and blockchain. The Indian financial industry has attracted significant investments between 2015 and 2020, with more than \$12 billion invested in Indian financial startups. Key players in the Indian financial ecosystem include Paytm, PhonePe, Razorpay, PolicyBazaar, and Zerodha. Fintech adoption in India is surprisingly very high. Powered by mobile wallets, and many more recent innovations like the Unified Payment Interface (UPI) platform, Indian consumers have welcomed the use of mobile payments in their regular day-to-day transactions (Priya and Anusha 2019). There is an evident impact of telecommunication on financial inclusion in the case of several constructs irrespective of regional differences in India (Siddiqui and Siddiqui 2020). However, India's Fintech industry also faces challenges such as regulatory obstacles, fierce competition, and limited access to capital. The Reserve Bank of India (RBI) has taken measures to regulate the sector and ensure consumer protection. Overall, India's Fintech industry is expected to continue to grow rapidly, due to favourable government policies, the increase in the adoption of digital payments, and the need for innovative financial solutions for the underbanked population.

CATEGORY OF FINTECH

Category definition	Key technologies	Real-world examples
Cybersecurity: Hardware or software used to protect financial privacy or safeguard against electronic theft or fraud	Encryption, tokenization, authentication, biometrics	Diebold iris-scanning ATM, Master card Biometric Card, USAA face recognition login, Experian Credit Lock
Mobile transactions: Technologies that facilitate payments via mobile wireless devices, such as smartphones, tablets, and wearables	Smartphone wallets, digital wallets, near-field communication	Apple Pay, Android Pay, PayPal Mobile Express Checkout, Venmo, Square
Data analytics: Technologies and algorithms that facilitate the analysis of transaction data or consumer financial data	Big data, cloud computing, artificial intelligence, machine learning	Equifax Neuro Decision credit scoring, JPMorgan Contract Intelligence (COIN), Bloomberg Social Sentiment Analytics
Blockchain: Distributed ledger technologies with a primary application to financial services	Cryptocurrency, proof-of-work, smart contracts, directed acyclic graphs	Bitcoin, Ripple Payment Network, Visa B2B Connect, Nasdaq Link asset trading platform
Peer-to-peer (P2P): Software, systems, or platforms that facilitate consumer-to-consumer financial transactions	Crowdfunding, P2P lending, customer-to-customer payments	GoFundMe, Kickstarter, Lending Club, Prosper Marketplace, Zelle
Robo-advising: Computer systems or programs that provide automated investment advice to customers or portfolio managers	Artificial intelligence, big data, machine learning	Betterment, E-Trade Core Portfolios, Schwab Intelligent Portfolios, Vanguard Personal Advisor Services
Internet of Things (IoT): Technologies relating to smart devices that gather data in real-time and communicate via the internet	Smart devices, near-field communication, wireless sensor networks, actuators	United Healthcare Motion F.I.T. tracker, Nationwide Smart Ride telematics, Travelers Insurance smart home sensors

Source: (Chen, Wu et al. 2019)

FACTORS MOTIVATING THE FINTECH

There are several motivations that may lead people and companies to adopt Fintech solutions. These factors include:

Convenience: Financial technology solutions are designed to be easy to use and convenient, making financial transactions faster and easier.

Cost savings: Financial technology solutions are often more economical than traditional financial services. For example, digital payments are cheaper than bank or wire transfers.

Credit: Financial technology loan platforms can provide loans to individuals and businesses that do not have access to traditional credit sources.

Improved financial management: Fintech solutions provide better tools for individuals and enterprises, such as budgeting apps and investment platforms, to manage their finances.

Increased security: Fintech solutions often use advanced security measures to protect financial transactions and user data.

Better user experience: Fintech companies often give priority to user experience to make their platforms intuitive and easy to use.

Innovation: Fintech companies are often at the forefront of financial innovations and develop new products and services that bring benefits to individuals and businesses.

Potential Opportunities of Fintech in India

The Indian financial sector has a major opportunity for innovation and growth, driven by favourable government policies, the large population with low incomes, and the increasing acceptance of digital payments.

Digital payment: India's digital payment market is growing rapidly, making UPI the most popular payment platform.

New and innovative payment solutions that are secure, fast, and easy to use are needed. This includes mobile payments, peer-to-peer payments, and contactless payments.

Lending: Fintech lending platforms disrupt traditional lending and offer new opportunities for individuals and companies to acquire loans. In India, the under-banked population is in large demand for credit. These include peer-to-peer loans, crowdfunding, and microfinance.

Insurance: The insurance market in India is growing and new insurance products, automated claims processing, and personalized risk management solutions are needed. Fintech can play an important role in making insurance more affordable.

Wealth Management: Fintech solutions can provide automation investment advice, portfolio management, and robo-advisors to investors in India. These include platforms that use artificial intelligence and machine learning to customize investment strategies.

Financial inclusion: Fintech solutions can help fill the gap between financial services for the poor and insufficiently served population of India and provide access to financial products and services that were previously unavailable.

Agriculture finance: Agriculture is an important sector in India, and financial technology solutions can help farmers in access credit, insurance, and other financial services.

Remittances: India is an important recipient of overseas remittances, and new innovative remittance solutions are needed that are faster, cheaper, and safer.

CHALLENGES FOR THE INDIAN FINTECH SECTOR

While the Fintech sector in India offers significant opportunities for growth and innovation, there are also several challenges that need to be addressed. Here are some of the key challenges faced in the Indian Fintech sector:

Regulatory uncertainty: The legal framework for Fintech in India is still developing, and it is unclear exactly which laws apply to these businesses. This may lead to uncertainty and prevent industry innovation.

Lack of trust: Many Indians still favour conventional banking institutions and are hesitant to use Fintech solutions, especially for bigger purchases. The adoption of Fintech solutions in India may be slowed by this lack of confidence.

Infrastructure and connectivity: Although India has witnessed an increase in digital payments, there are still serious infrastructural and connectivity issues that could hinder the use of Fintech solutions, especially in rural areas.

Cybersecurity risks: As Fintech solutions become more popular, cybersecurity risks are increasing. Fintech companies need to invest in robust cybersecurity measures to protect customer data and prevent fraud.

Talent shortage: In the Indian Fintech industry, there is a lack of qualified personnel, particularly in fields like cybersecurity, data analytics, and machine learning.

Funding constraints: Despite an increase in investment in the Indian Fintech industry, many firms still face financial challenges, especially in the beginning.

Competition from traditional financial institutions: Fintech businesses may face competition in India as traditional financial institutions implement Fintech technologies.

CONCLUSION

The study's findings suggest that Fintech in India offers both significant possibilities and challenges. Fintech's expansion has the potential to transform financial services and advance financial inclusion, digital payments, credit access, cost efficiency, and innovation. To fully realize the potential of Fintech, it is necessary to overcome issues with infrastructure, security and fraud, regulatory uncertainties, skills gaps, and financial literacy. Despite these obstacles, the Indian Fintech industry has seen tremendous development and investment in recent years, and it is currently expanding quickly. The government and regulators have also taken action to assist the sector by launching policies and programs that encourage innovation and entrepreneurship. To overcome the difficulties and realize the full potential of Fintech in India, additional work must be done. Therefore, it is advised that the government, regulators, and players in the private sector continue to collaborate to develop an environment that is favourable for Fintech to succeed, fix the issues, and encourage innovation and growth in the sector.

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Green Banking

As India progresses towards becoming a major global economy, the need for sustainable development has never been more urgent. Green banking, which integrates environmental considerations into banking practices, is not just an ethical choice but a strategic necessity for India. This concept promotes environmentally friendly practices and reduces the bank's carbon footprint by incorporating social, environmental, and ecological concerns into traditional banking practices. The goal is to protect and conserve natural resources and the environment, addressing global warming and climate change by phasing out unsustainable policies and introducing new ones that prioritize keeping the environment green and reducing the burden on natural resources.



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INTRODUCTION

In an era where environmental concerns are increasingly influencing global policies and corporate strategies, the banking sector is no exception. Green Banking—a concept gaining traction worldwide—embodies the integration of environmental sustainability into traditional banking operations. As India continues its journey toward becoming a major global economy, the urgency for sustainable development is more pronounced than ever.

Green banking, a concept gaining momentum worldwide, is particularly significant in the context of India's

economic and environmental challenges. As India progresses towards becoming a major global economy, the need for sustainable development has never been more urgent. Green banking, which integrates environmental considerations into banking practices, is not just an ethical choice but a strategic necessity for India. This concept promotes environmentally friendly practices and reduces the bank's carbon footprint by incorporating social, environmental, and ecological concerns into traditional banking practices. The goal is to protect and conserve natural resources and the environment, addressing global warming and climate change by phasing out unsustainable policies and introducing new ones that prioritize keeping the environment green and reducing the burden on natural resources.

CORE ELEMENTS OF GREEN BANKING

1. **Carbon Footprint Reduction:** Banks are committed to bridling their environmental impact by adopting energy-saving practices, reducing reliance on paper, and advancing digital banking solutions.
2. **Investing Sustainably:** Green banks dedicate resources to ventures and projects that are environmentally friendly, such as renewable energy initiatives, clean technologies, and sustainable farming.
3. **Ethical Financing:** Banks may avoid providing funds to projects or companies that harm the environment, such as those linked to deforestation or pollution.

GREEN BANKING INITIATIVES

Green banking initiatives focus on promoting environmental sustainability through banking practices. Here are some examples:

1. **Paperless Transactions:** Encouraging digital banking services to reduce paper use, such as e-statements, online account management, and digital communication.
2. **Green Investment Funds:** Offering investment products that support environmentally-friendly projects and companies, such as renewable energy, sustainable agriculture, and clean technology.



3. **Sustainable Financing:** Providing loans and financing options for businesses and projects that meet environmental sustainability criteria, such as energy-efficient buildings or eco-friendly transportation.
4. **Carbon Offset Programs:** Implementing programs that offset the carbon footprint of banking operations through initiatives like reforestation or renewable energy projects.
5. **Green Bonds:** Issuing bonds specifically designed to fund projects with positive environmental impacts, such as reducing greenhouse gas emissions or improving waste management.
6. **Energy-Efficient Branches:** Designing bank branches with energy-efficient technologies and practices, such as solar panels, energy-saving lighting, and sustainable building materials.
7. **Environmental Risk Assessment:** Incorporating environmental risk assessments into the decision-making process for loans and investments to ensure that funded projects adhere to sustainability standards.
8. **Green Banking Policies:** Developing internal policies that prioritize sustainability, such as reducing the bank's own carbon footprint, supporting environmental causes, and encouraging staff participation in green initiatives.

Green banking is very important in mitigating the following risks involving the banking sector:

1. **Credit Risk:** Due to climate change and global warming, there have been direct as well as indirect costs to banks. It has been observed that due to global warming, there have been extreme weather conditions which affect the economic assets financed by the banks, thus leading to high incidence of credit default. Credit risk can also arise indirectly when banks lead to companies whose businesses are adversely affected due to changes in environmental regulation.
2. **Legal Risk:** Banks, like other business entities, face legal risk if they do not comply with relevant environmental regulation. They may also face risk of direct lender liability for cleanup costs or claims for damages in case they actually take possession of pollution causing assets.

3. **Reputation Risk:** Due to increasing environmental awareness, banks are more prone to reputation risk, if their direct or indirect actions are viewed as socially and environmentally damaging. Reputation risks emerge from the financing of environmentally objectionable projects.

CHALLENGES AND OPPORTUNITIES FOR GREEN BANKING:

1. **High Initial investment cost:** Implementing green banking practices requires upfront investment in technology and infrastructure.
2. **Risk assessment:** Assessing the environmental and social impact of potential investments can be complex and time-consuming.
3. **Customer Perception:** Some customers may perceive green banking products as less attractive or less financially beneficial compared to traditional options.
4. **Regulatory environment:** The regulatory framework for green banking may vary across countries, creating challenges for banks operating in multiple jurisdictions.
5. **Integration with Existing Systems:** Adapting existing banking systems to incorporate green practices can be challenging and require significant adjustments.
6. **Limited Green Investment Opportunities:** The market for green investments and projects may be underdeveloped, limiting options for banks and their clients.
7. **Skill Gap:** A shortage of skilled professionals in green finance can hinder implementation.
8. **Market Development:** The green finance market in India is still nascent, requiring efforts to develop a robust ecosystem.

Despite these challenges, the opportunities for green banking in India are significant. By leveraging its financial resources and expertise, the banking sector can play a pivotal role in accelerating the country's transition to a low-carbon economy and building a sustainable future.

GREEN REGULATORY FRAMEWORK IN INDIA

India has made significant strides in developing a green regulatory framework for banks. The Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), and other regulatory bodies have introduced guidelines to encourage green banking practices. These include promoting green bonds, integrating environmental risk assessments into lending processes, and encouraging banks to support projects that align with national environmental goals.

Here's an overview of the key regulatory frameworks and guidelines impacting Indian banks:

1. Reserve Bank of India (RBI)

Promoting Green Banking Practise

In 2007, The RBI issued a circular encouraging Indian banks to adopt green banking practices. This circular emphasized the importance of incorporating environmental and social considerations into banking operations.

Environmental Risk Management Guidelines in 2015

RBI issued guidelines requiring banks to integrate environmental risk management into their credit risk assessment processes.

RBI's Framework for Sustainable Finance in 2021

The RBI proposed a framework to support sustainable finance, including the development of policies and practices that align with international sustainability standards. This framework is aimed at fostering green investments and managing environmental risks. It provides a structured approach for banks to promote sustainable finance and integrate ESG (Environmental, Social, and Governance) criteria into their operations.

2. Securities and Exchange Board of India (SEBI)

SEBI's Guidelines on Green Bonds in 2012

SEBI introduced guidelines for issuing green bonds in India, aimed at promoting transparency and standardization in green finance. These guidelines define what constitutes a green bond and set reporting and disclosure requirements. And thereby enabling banks and other entities to raise funds for environmentally sustainable projects.

SEBI's ESG Disclosure Requirements in 2021

SEBI mandated ESG disclosure requirements for listed companies and financial institutions, including banks. This includes disclosure of environmental risks and impacts in annual reports.

3. Ministry of Environment, Forest and Climate Change (MoEFCC)

National Action Plan on Climate Change (NAPCC) in 2016

Although not specific to banks, the NAPCC outlines India's strategy for addressing climate change, including promotion of renewable energy and energy efficiency. Banks are encouraged to support projects aligned with these goals. It drives banks to finance projects that contribute to India's climate goals and sustainable development.

Draft National Environmental Policy in 2020

The draft policy emphasizes sustainable development and environmental conservation, encouraging financial institutions to align with national environmental goals.

Green Banking is not just a trend but a crucial aspect of sustainable development in India. Green banking in India is still evolving, with increasing efforts from both the government and the private sector to integrate sustainability into the financial system.

4. Bureau of Indian Standards (BIS)

BIS Green Building Standards in 2019

Description: BIS introduced standards for green buildings in India, including guidelines for energy efficiency and sustainable construction practices. Banks financing real estate and construction projects are encouraged to support projects that meet these green building standards.

5. Indian Banks' Association (IBA)

Green Banking Guidelines in 2017

IBA issued guidelines for green banking practices, including recommendations for banks to develop green products and integrate environmental considerations into their operations. It provides a framework for banks to develop and implement green banking products and practices.

These regulations and guidelines collectively form a framework that encourages Indian banks to adopt green practices, support sustainable finance, and integrate environmental considerations into their operations and lending processes.

SNAPSHOT OF HOW INDIAN BANKS HAVE BEEN ADVANCING THEIR GREEN BANKING INITIATIVES OVER THE YEARS, CONTRIBUTING TO SUSTAINABILITY AND ENVIRONMENTAL GOALS

❖ STATE BANK OF INDIA (SBI)

SBI has become the first bank in the country to venture into generation of green power by installing windmills for captive use.

In 2015, the SBI launched its first Green Bond issuance in the Indian market, raising INR 500 crore to fund renewable energy projects. This marked a significant step in green finance for the bank.

In 2019, as part of its green banking initiative, it has installed 10 windmills with an aggregate capacity of 15 MW in the states of Tamil Nadu, Maharashtra and Gujarat. It has planned to install an additional 20 MW capacity of windmills in Gujarat soon and touch 100 MW power generation through windmills within five years, windmills are set up with a definite objective

of reducing the dependence on the polluting thermal power and not on purely economic or business considerations.

In India, SBI was the pioneer bank to implement this method of banking. SBI has launched a green housing initiative to promote a carbon-neutral society. The bank is currently offering loans to support the development and implementation of green projects which reduce their environmental impact through operational improvements. In 2009, the State Bank of India (SBI) launched its “Green Channel Counter,” a paperless banking initiative aimed at reducing carbon footprints.

SBI had launched Green Channel Counter (GCC) facility at their branches in 2010 to change the traditional way of paper based banking. The bank had also collaborated with Suzlon Energy Ltd. for the generation of wind power for selected branches by setting of windmills in Gujarat, Tamil Nadu and Maharashtra. It has become a signatory to the Carbon Disclosure Project in which they undertake various environmentally and socially sustainable initiatives through its branches spread across the length and breadth of the country. Export Import Bank of India (EXIM) and SBI entered into an agreement to jointly provide long term loans up to 14 years to Spain based company Astonfield Renewable Resources and Grupo T- Solar Global SA for building solar plant in India.

❖ **HDFC BANK**

In 2016, HDFC Bank introduced its Green Loan product aimed at financing energy-efficient projects and green buildings. The bank also began integrating environmental considerations into its credit assessments.

In 2021, the bank issued its first Green Bond worth USD 500 million to fund green projects and enhance its sustainability portfolio. This issuance supported various projects related to renewable energy and sustainable infrastructure.

HDFC bank is taking up various measures in reducing their carbon footprints in the area of waste management, paper use and energy efficiencies. The bank is encouraging their employees to prevent any wasteful use of natural resources and emission of Greenhouse gasses. They are reducing the use of paper through issuing e-transaction advices to their corporate customers, communicating through electronic media with their high net worth customers and encouraging e-statements to their retail customers.

The organization is exploring renewable energy by setting up of 20 solar ATMs with a pilot ATM set up in Bihar, and by replacing batteries in ATMs with Lithium-ion batteries.

❖ **ICICI BANK**

In 2018, ICICI Bank issued its first Green Bond worth USD 500 million to finance renewable energy and energy efficiency projects. This issuance was

part of their broader strategy to support sustainable development.

In 2022, ICICI Bank announced a commitment of INR 10,000 crore towards green financing over the next five years, focusing on projects in renewable energy, green infrastructure, and sustainable agriculture.

ICICI bank had adopted Go Green initiative, which involves activities such as Green products/ offerings, Green engagement and green communication with customers as per The bank is offering green products and services such as Insta banking. It is a service which gives convenience to the customers to do banking anywhere and anytime through internet banking, mobile banking, IVR banking, etc. This reduces the carbon footprint of the customers as they do not require the physical statement or travel to the bank branches.

They are offering 50% waiver on processing fee of auto loans on the car models which uses alternate sources of energy.

❖ **AXIS BANK LTD**

In August 2011, the bank had initiated the process of collecting all the dry waste generated from the corporate office and thirty four branch offices in Mumbai, and recycle it to notepads, notebooks and envelopes. Till date, more than 1,00,000 kgs of paper has been recycled and converted to 12,000 notebooks, notepads and envelopes which are used at corporate office and branches of the bank.

The corporate office of the bank, located in Mumbai, is designed and constructed as a Platinum LEED certified Green Building; Car pooling has been initiated by a bank to reduce carbon footprint.

They are also encouraging their customers to use e-statements and other electronic communications to reduce paper consumption; Annual reports are being sent through emails.

In 2017, Axis Bank issued its Green Bond worth INR 1,000 crore to fund green projects, including renewable energy and energy-efficient infrastructure. This issuance was aimed at promoting sustainable investment.

In 2020, the bank launched its Sustainability-linked Loan product, which ties the loan terms to the borrower's performance in achieving sustainability targets. This initiative reflects Axis Bank's commitment to integrating ESG factors into its lending practices.

❖ **KOTAK MAHINDRA BANK**

Through the Think Green initiative, the bank had taken several initiatives such as to reduce the paper consumption, the bank is encouraging their customers to sign for e-statements and also they have become partners with Grow-Trees.com to plant one sapling for every e-statement on behalf of its customers. 16,623 saplings were planted FY 2012-13.

The organization had established the Social, Environmental Management System Plan (SEMSP) to evaluate the environmental and social risk of borrowers which is based on an IFC sustainable framework and performance standards.

As per the guidelines of Ministry of Corporate Affairs (MCA), the bank had communicated to their shareholders to adopt electronic copies of annual report instead of physical copies.

❖ CANARA BANK

The bank had taken many green initiatives such as:
– As a part of green banking initiative, the bank had adopted environmentally friendly measures such as mobile banking, internet banking, tele-banking, solar powered biometric operations etc.

Canara bank had set up e-lounges for high-tech banking facilities like internet banking, pass book printing kiosk, ATM, online trading, tele-banking and cash/cheque acceptors.

The bank had implemented e-governance for HRM function and several other administration areas to reduce the paperwork.

In terms of Lending policy, they are giving due preference and weightage to projects which can earn carbon credits like solar energy projects, windmills, etc.

The bank is also not extending any finance to the units which are producing ozone depletion substances such as chlorofluoro carbon, carbon tetrachloride, aerosol products, solvents etc. While appraising any project, the organization insists the manufacturing units which are emitting toxic pollutants, to install water treatment projects to process such pollutants and they also ensure that the borrower to obtain No Objection Certificate (NOC) from central or state pollution control board.

❖ BANK OF BARODA

The Bank had taken various green banking initiatives such as While financing a commercial project, BOB is giving preference to environmentally friendly green projects such as windmills, biomass and solar power projects which help in earning the carbon credits. The organization had made considerable changes in their lending policy, i.e. it is compulsory for industries to obtain No Objection Certificate from the Pollution Control Board and also they are not extending any finance to environmental hazardous industries which are using ozone depletion substances.

The bank had taken several technological initiatives such as compliance with e-business guidelines, use of internet banking, mobile banking to promote paperless banking and also increasing the installation of ATMs in most of uncovered areas to reduce the petrol or diesel consumption in travelling and helps in maintaining a clean environment.

❖ PUNJAB NATIONAL BANK (PNB)

According to the Corporate Social Responsibility Report 2010-11 of PNB, The Bank had taken various steps for reducing emission and energy consumption. PNB is conducting an Electricity Audit of offices as an energy conservation initiative and maintained a separate audit sheet for assessing the impact of green initiatives taken by them. The bank had organized more than 290 Tree Plantation Drives. It started emphasizing on green building practices such as energy efficient lights, immediate repair of water leakage, printing on both sides of paper, mater sensors for lights, fans, etc.

The organization had signed a Green Pledge with the Ministry of New and Renewable energy under which they had set up the butterfly park at the compound of Guruvayur temple which houses 18 types of medicinal plants.

They had formulated guidelines to ensure that all the necessary approvals and permissions, including from Pollution Control Board has been obtained before disbursement of term loans and for the project loans, compliance with environment and social safeguards including rehabilitation and resettlement of project affected people is to be ensured as pre-disbursement condition.


The bank is also considering stepping up sustainable development with particular reference to the Equators Principles on project finance.

The organization had sanctioned nine wind energy projects with an aggregation limit of 185.81 crore and they were also awarded with a second prize for Best Wind Energy Power Financer by wind power India 2011.

CONCLUSION

GREEN BANKING is not just a trend but a crucial aspect of sustainable development in India. As the country navigates the dual challenges of economic growth and environmental sustainability, green banking offers a pathway to achieve both. By integrating environmental considerations into their core operations, Indian banks can contribute significantly to the nation's sustainable future, ensuring long-term economic stability and environmental health. The relevance of green banking in India is, therefore, undeniable and will only grow in importance as the country progresses on its developmental journey.

Green banking in India is still evolving, with increasing efforts from both the government and the private sector to integrate sustainability into the financial system.

The success and feasibility of eco-friendly banking emphasize the urgent need for 'go green' initiatives in the banking sector. However, compliance with green banking standards imposes significant challenges on financial institutions, including technological constraints and deficiencies in technical expertise. 

Governance Challenges in the Era of Digital Transformation and Automation

Digital transformation is currently the buzz - word in every sphere of business activity. A recent report of INDEED¹ says that AI/ML job roles see a 433% increase since 2022. Digital transformation refers to the process of integrating digital technology into all aspects of a business, fundamentally changing how it operates and delivers value to customers.



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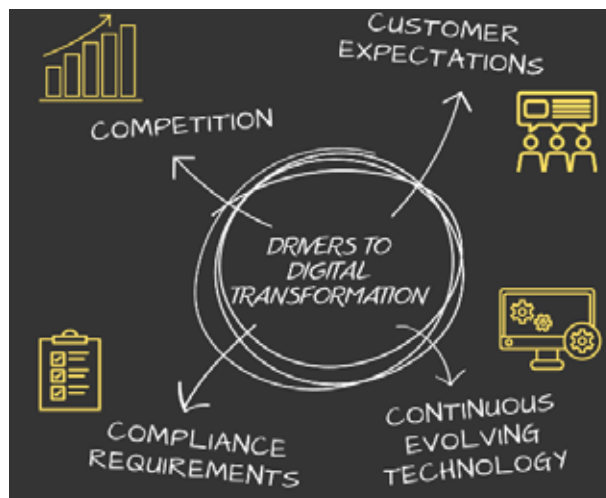
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INTRODUCTION

A I involves leveraging advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), Cloud Computing, and Data Analytics. It aims to improve efficiency, increase agility, and enable organizations to adapt to rapidly changing market conditions.

It aims to achieve better optimisation, introduce greater efficiency, give better experience to customers, and deliver goods and services innovatively. Generally, digital transformation is considered as a tool for achieving efficiency in turnaround time, cost cutting, clean and green ways of working, ability to process large volume of data, have greater control over performance, fraud detection, and last, but not the least, having an effective monetary mechanism as a method to aid in making management manage works efficiently, seamlessly, and speedily. This transformation impacts organizational culture, business models, customer interactions, and even societal norms, making it a crucial strategy for businesses aiming to stay competitive and relevant in the digital age. Currently digital transformation forms a major part of overall governance. Increasingly Board of Directors of companies, consider this subject as part of their task relating to overall governance review and risk management.

DRIVERS TO DIGITAL TRANSFORMATION



i. Technological Advancements:

The most important driver of digital transformation is technological advancements. Technological advancements can render existing ways and means of working, totally outdated, irrelevant, inefficient and ineffective. Therefore, companies have to always lookout for technological solutions in the market that will enable them to achieve better results. There is no doubt that human interface may reduce due to digital transformation and automation. However, the advantage is that the technology will provide same level of satisfaction to all the customers irrespective of caste, colour, creed, religion, race, language and other such factors.

Adoption of technology offers solutions for providing goods and services more efficiently and effectively than ever before, eliminating temperaments of human beings and their discriminatory attitudes. For example, a salesman at the counter could be providing great service wearing a befitting attitude, while another in the same position in the same store may wear an unpalatable attitude. On the other hand, when goods and services are offered through technology, the process becomes smooth and efficient.

Moreover, Regulations supplement technological processing so as to remove discriminatory practices,



preconceived notions, prejudiced opinions based on race, religion and colour.

Technological solutions not only help companies to cut down costs and increase efficiency in a big way, but also will operate as an enabler for doing more business by reaching out to more customers and providing valuable inputs on needs and preferences of customers reducing the cost of testing the waters after spending huge money towards introducing new products or new designs.

ii. Competition:

Secondly, it can be attributed to competition. In fact, competition forces companies to be technologically sound with increased efficiency and reduced cost. Competition also forces companies to look out for better ways of growing business. Digital transformation serves both the purposes. In order to deepen the relationship with customers and to understand needs and preferences of customers and to reach out to them for offering products and services, companies need digital transformation. For that, the data gets captured in a structured and directed manner and it is processed so that the company is able to get leads and see if there is a business opportunity. Such data capturing as well as processing and using the processed data for growing business is not possible in a company which has a large customer base or which targets large number of customers. Moreover, competition forces companies to grow their business as swiftly as may be possible. Laid-back approach will result in potential customers moving away from

the company. Another aspect of competition is, cost of products and services. For example, unless cost of deposits and cost of services are reduced to a reasonable level, a banking company cannot afford to provide its products and services at cost acceptable to the customers. Customers have multiple options and they can approach competition which may provide tailor made solutions at reasonable cost and off the shelf products at rates that will be making the customers just fall for those products. Therefore, cost cutting becomes an essential part of the overall governance to be reviewed by the Board of Directors. Unless they are able to cut down the costs and meet the aspirations of the customers, competition may create difficulties for the survival of the company. For the purpose meeting such challenges too, digital transformation is essential.

iii. Regulatory Stipulations:

Yet another driver for digital transformation comes from any regulatory stipulation.

For example, the banking sector is highly regulated, the Reserve Bank of India has required banking companies to do digital transformation so that customer interest and public interest are served. There is no doubt that digital transformation, automation, and artificial intelligence will drive the banking sector more than ever before and they will become essential drivers of not only growth but the very existence itself. At the same, it is necessary to note that as a result of increased threats coming from cyber security, virus attacks and hacking, cybercrime takes place and

many customers of several banks have lost their hard-earned savings.

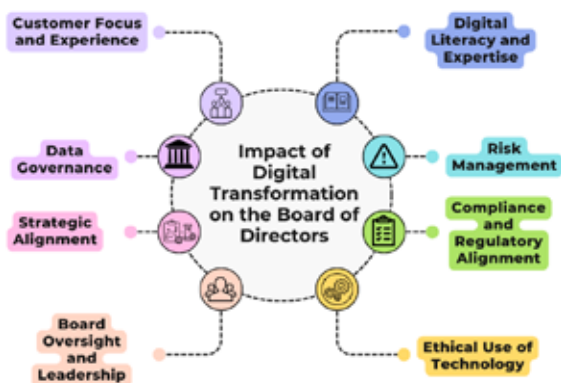
Reserve Bank of India, in a Master Direction² dated 7th November 2023 had advised, inter alia, Scheduled Commercial Banks that key focus areas of IT Governance shall include strategic alignment, risk management, resource management, performance management and business continuity / Disaster Recovery Management.

RBI has advised Banks to put in place a robust IT Governance Framework, inter alia, specifying the specific governance structure and processes necessary to meet the business / strategic objectives. The Master Direction advised banks on risk management policy too which should include IT Related risks, including Cyber Security related risks. Banks must establish a robust IT and Information Security Risk Management Framework. This Master Direction provides several valuable insights on this subject with respect to the ingredients of IT Governance Framework in banking and financial sector.

DIGITAL TRANSFORMATION AND ITS IMPACT ON GOVERNANCE

In the realm of modern business, the concept of digital transformation has transcended beyond the simple digitalisation to automation of processes to technological integration and driver of business growth as a result of which business strategy itself is inter-twined to and dependent upon innovative technological solutions. Therefore, digital transformation, analytics and automation have come to become a pivotal force shaping corporate governance practices.

At its core, digital transformation involves leveraging technological advancements to streamline operations to enhance efficiency and obtain improved customer experience score. This journey is not merely about adopting new tools; it requires a fundamental shift in mindset and organizational culture. It demands a proactive approach towards embracing innovation and a willingness to re-evaluate traditional processes. Yet, alongside these technological advancements, there arises a critical need to redefine and reinforce governance frameworks to effectively manage risks, ensure compliance, and uphold ethical standards in the digital era.



INTEGRATING DIGITAL TRANSFORMATION WITH GOVERNANCE

Digital transformation has a significant impact on the role and functioning of the Board of Directors within a company. Traditionally focused on governance, strategy oversight, and risk management, boards are now increasingly tasked with understanding and guiding the organization through the complexities of digital disruption and technological advancements.

Here's how digital transformation plays an influential role in shaping the governance structure established by and decisions made of the Board of Directors:

i. Digital Literacy and Expertise:

There is a growing demand for Board members to possess digital literacy and expertise in technology-related matters. Understanding emerging technologies such as AI, blockchain, cybersecurity, and data analytics allows boards to make informed decisions, assess risks, and capitalize on digital opportunities. Some Boards recruit tech-experts as Directors or establish technology committees to enhance their digital standings.

ii. Risk Management:

Digital transformation introduces new risks, such as cybersecurity threats, data privacy concerns, and regulatory complexities. Effective digital governance requires robust risk management strategies that anticipate and mitigate these risks proactively. Boards are responsible for overseeing risk management strategies that mitigate these risks while ensuring the organization adheres to ethical standards and regulatory requirements. They establish governance frameworks that promote transparency, accountability, and responsible use of technology.

iii. Compliance and Regulatory Alignment:

As digital landscapes evolve, so do regulatory frameworks governing data protection, data privacy, cyber security concerns and need for protecting customer interests come about. Businesses must ensure their digital initiatives align with applicable laws and ethical standards, integrating regulatory compliances and ethical aspects into their digital strategies. One such regulatory initiative introduced recently by the Central Government is the Digital Personal and Data Protection Act, 2023.

iv. Ethical Use of Technology:

With the increasing reliance on AI, machine learning, and automation, ethical considerations surrounding data ethics, algorithmic bias, and transparency become paramount. Digital governance framework should incorporate ethical guidelines to ensure responsible use of technology. It is also necessary to note that India, being a country with a population of over 140 Crores and all set to touch about 175 Crores in 2062 must introduce and permit digital

transformation and automation carefully so that we do not enter into a situation where automation and concomitant skill development results in large scale unemployment and social unrest.

v. Board Oversight and Leadership:

Board of Directors play a crucial role in overseeing digital transformation initiatives. They must possess the requisite digital literacy to understand and guide strategic decisions related to technology investments, cybersecurity, and innovation. Governance frameworks should support experimentation and adaptation to technological advancements while managing associated risks effectively. Board must support management in driving a digital-first mindset throughout the organization, promoting agility, adaptability, and continuous learning. Boards may advocate for cultural changes that embrace innovation, collaboration, and digital transformation as core components of corporate strategy.

vi. Strategic Alignment:

Boards play a critical role in ensuring that digital transformation efforts align with the company's strategic objectives and long-term vision. They must understand how digital technologies can create new business opportunities, enhance operational efficiency, and improve customer experiences. Boards provide strategic oversight to guide investments in digital initiatives that deliver tangible value and competitive advantage.

vii. Data Governance:

Board must introduce clear policies and processes for data management, ensuring data quality, integrity, and compliances duly taking into account privacy regulations. Implementing robust IT governance frameworks enhances decision-making and supports digital transformation efforts.

viii. Environmental Impact:

With increase in the number of electronic gadgets being put to use due to digital transformation, the Board shall ensure the e-waste is disposed in such a way that it does not create negative impact on the environment. Equal importance has to be given for policy on disposal of e-waste as that of policy on data privacy and security.

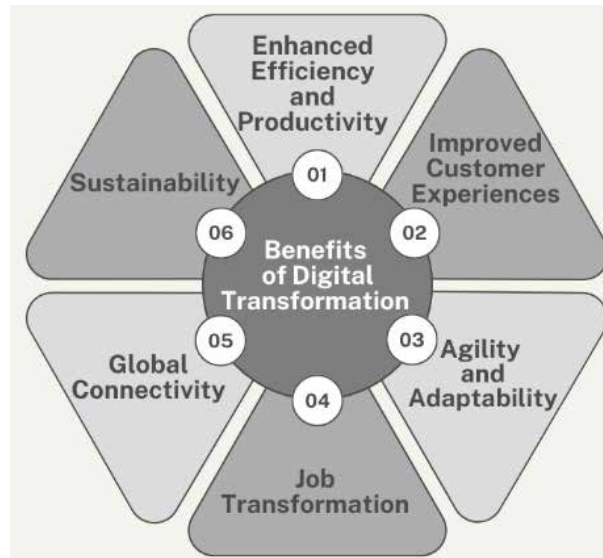
ix. Customer Focus and Experience:

Digital transformation must enhance customer experiences through personalized interactions, seamless transactions, and digital channels. Boards must advise the management to establish customer-centric strategies that leverage data analytics and customer insights to achieve better customer experience. Technological solutions must result in value addition, increase in efficiency, decrease in turnaround time and ultimately aim at building

lasting relationships. There must be proper structures so to be able to monitor and map customer experience and get feedback to ensure that customers do not suffer from any cumbersome processes.

BENEFITS OF DIGITAL TRANSFORMATION

Digital transformation empowers the organisations to stay competitive, improve efficiency, meet the evolving customer expectations in today's digital economy. Some of the key benefits to digital transformation are as follows:



i. Enhanced Efficiency and Productivity:

Automation of processes through technologies like AI, robotics, and IoT streamlines operations, reduces manual errors, and accelerates decision-making. This efficiency allows businesses to allocate resources more efficiently and focus on innovation.

ii. Customer Centric and Value of Customer Experience:

Digital transformation enables personalized customer interactions through data analytics and AI-driven insights. Businesses can anticipate customer needs, deliver tailored experiences and build stronger relationships, enhancing customer satisfaction and loyalty.

For instance, in a speech³ made by the Governor of Reserve Bank of India, Shri Shaktikanta Das, on the 06th September 2023, he had pointed out as follows:

"To focus on customers means embracing a customer-centric approach to innovation by understanding the needs of customers, making provisions that protect customer interests and earn their trust. This calls for developing an organisational culture in which continuous feedback mechanisms are embedded in the business strategy. Designing solutions that safely and efficiently meet customer needs would not only elicit trust of customers, it would also meet business

objectives in a sustainable manner. This can be achieved through simplified user interfaces and quick customer grievance redress mechanisms. Avoiding customer harassment is essential to achieving long-term customer trust”.

iii. Agility and Adaptability:

Cloud computing and digital platforms enable businesses to scale operations rapidly, enter new markets and respond swiftly to market changes. This agility is crucial in competitive industries where speed and flexibility determine success.

iv. Job Transformation:

While digital transformation automates routine tasks, it also creates new roles requiring digital skills. Upskilling and reskilling programs become essential to bridge the digital skills gap and ensure a capable workforce.

v. Global Connectivity:

Digital technologies facilitate global connectivity, enabling businesses to operate internationally with ease. This interconnectedness fosters collaboration, innovation, exchange, and economic growth on a global scale.

vi. Sustainability:

Digital transformation promotes sustainability through remote work, virtual collaboration, and energy-efficient technologies. It enables businesses to reduce their carbon footprint and adopt environmentally friendly practices.

CHALLENGES AND CONSIDERATIONS

Though the digital transformation has many benefits to the businesses, the challenges faced by the Board of Directors and management of large enterprises on account of digital transformation is inevitable and at Board level such challenges must be duly considered and deliberated. The challenges have to be identified proactively to ensure that right decisions are taken at the right time to mitigate the risks and challenges.



Organizations must remain agile, continuously reassessing their strategies to harness emerging technologies and stay ahead of the curve.

i. Legacy systems:

Traditional governance models, designed for hierarchical structures and linear decision-making processes, are increasingly inadequate in the face of rapid digital innovation. The advent of cloud computing, big data analytics, artificial intelligence, and blockchain has ushered in new business models and operational paradigms, necessitating governance frameworks that are agile, adaptive, and responsive to change.

ii. High Cost:

The businesses are mandated to ensure digital transformation. Concomitantly, the Board is always concerned about the cost aspects of digital transformation. It is not the fixed cost alone, but also the recurring cost and the frequent technological advancements that require upgrading of the versions or installing an altogether new system as growth in the technological side happens every day.

iii. Skill gap:

The third important constraint faced by the Board of Directors is that none of them or many of them may not be sufficiently knowledgeable, not speak about skilled or experienced in this subject, which results in great degree of reliance placed by the Board on the representations and recommendations made by internal and external professionals, who may be looking at the market and available products and making their recommendations, without taking into account the long term needs.

iv. Cost of employing high skilled professionals:

Yet another constraint, the Board faces is that they need to hire highly qualified and skilled professionals at a very high cost. In the era of digital transformation Boards often experience difficulty in hiring rightly talented persons because there is a growing demand for skilled professionals. The consequences are that it is very difficult to hire the right person because the cost is prohibitive and demand for such professionals are arising across all sectors and almost at the same time. Yet another issue arising from recruitment of techies is that their pay and perks are probably very high and are at greater variance with the general level of pay and perks in the organisation.

v. Cyber security:

There is another constraint, that comes along with digital transformation. This is a sort of invisible threat and therefore a lot of checks and balances are required to be introduced adding to the cost and also the inability of all such things to provide a reasonable level of assurance that the systems are not likely to be hacked or abused. Privacy concerns have to be taken care because any loss of data or any leakage of data could potentially bring not only huge monetary loss and penalties but also reputation loss.

vi. Adaptability:

The existing manpower always hates changes in the manner in which they deliver their services. If the whole organisation is put into a new way of working, which requires a lot of administrative authentications, protocols, processes, and passwords, it creates a sort of disturbance in the way of working of the people who are long standing loyal employees in the company. It is also a cause of concern at the Board level. Senior people will be finding it difficult to adapt to the new technology or system without assistance. Another connected challenge is that more skilled manpower is required just to guide and assist the employees especially the seniors at the top level to ensure smooth transition to the new digital system.

vii. Inclusion of the stakeholders in the process:

Yet another constraint the Board will be facing on account of digital transformation and automation is that the customers, and suppliers of goods and services and other people who usually interact with the company must also adapt to such changes. Since, they may be supplying to several other organisations or they may be customers of other organisations, if changes are burdensome, they may not continue to be customers or vendors.

REAL-WORLD EXAMPLES

In the recent times, the world has witnessed both the advantages and challenges of digital transformation. Many leading companies have successfully navigated the digital transformation journey. At the same time, some top companies have also faced reputational loss due to leakage of data and disturbing the privacy of the customers.

i. Digitalization in the courts and tribunals:

Digital transformation has enabled senior judges in courts to administer their court proceedings in a reasonably acceptable level with great clarity and great adaptability and flexibility.

ii. Growth of Amazon:

Amazon grew from an online bookstore to a global e-commerce giant by continuously innovating with AI, machine learning, and cloud computing. This has helped amazon to enhance customer experiences and operational efficiency.

iii. Autonomous driving technology by Tesla:

Redefining the automotive industry with electric vehicles and autonomous driving technology, Tesla exemplifies how digital transformation can disrupt traditional sectors.

iv. Better Governance model of Microsoft:

Embracing digital transformation, Microsoft has redefined its governance approach to focus on cloud computing (Azure), AI (Cortana, Azure AI), and cybersecurity (Microsoft Defender). Their governance model emphasizes transparency, compliance, and ethical AI principles.

v. Data leak from the Facebook:

In April 2021, Facebook experienced a data breach that exposed the personal information of millions of users. This had a huge impact on the reputation of Facebook regarding the data protection policy of the company.

vi. Global Outage

Recently, there was an outage that had caused millions of passengers to suffer due to cancellation of flights and flight delays. In short, Digital transformation has profound influence and impact on the lives of the humans that a server shutdown of Microsoft was considered equal to a disaster in the field of technology.

CONCLUSION

The pace of technological advancement shows no signs of slowing down. As such, digital transformation is not a one-time initiative but an ongoing process of adaptation and evolution. Organizations must remain agile, continuously reassessing their strategies to harness emerging technologies and stay ahead of the curve. As technology continues to evolve, our approach should be to harness the potential for the benefit of the society as a whole.

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- ii. *<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/107MDITGOVERNANCE3303572008604C67AC25B84292D85567.PDF>*
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Green Finance and Innovation

According to Pricewaterhouse Coopers Consultants (PWC) 2013, Green Finance in banking sector refers to financial products and services that incorporate environmental factors into the lending decision-making process, as well as in post-financing monitoring and risk management. These offerings are intended to encourage environmentally responsible investments and support low-carbon technologies, projects, industries, and businesses.



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INTRODUCTION

Green Finance refers to the financing of activities and projects which are into sustainable development projects environmental products and policies which encourage the development of a more sustainable economy.

As per Höhne / Khosla / Fekete / Gilbert (2012): “Green finance is a broad term that can refer to financial investments flowing into sustainable development projects and initiatives, environmental products, and policies that encourage the development of a more sustainable economy. Green finance encompasses climate finance but extends beyond it. It also addresses a broader spectrum of environmental goals, such as industrial pollution management, water sanitation, and biodiversity conservation.

Mitigation and adaptation finance is directly linked to activities addressing climate change. Mitigation financial flows refer to investments in projects and programs aimed at reducing or preventing Greenhouse Gas emissions (GHGs), while adaptation financial flows involve investments aimed at decreasing the vulnerability of people & assets to the impacts of climate change.

As per Zadek and Flynn (2013), Green finance also includes operational cost of green investment Projects. Hence, it includes cost such as project preparation, land acquisition cost, etc.

As per Bohnke / Eidt/ Knierim/ Richert/ Rober/ Volz- Green Finance comprises all forms of investment or lending which take into account environmental impact and enhance environmental sustainability.

A crucial aspect of Green Finance is sustainable investment and banking, which involves taking investment and lending decisions based on environmental screening and risk assessment.

According to Pricewaterhouse Coopers Consultants (PWC) 2013, Green Finance in banking sector refers to financial products and services that incorporate environmental factors into the lending decision-making process, as well as in post-financing monitoring and risk management. These offerings are intended to encourage environmentally responsible investments and support low-carbon technologies, projects, industries, and businesses.

Green finance includes financing of projects involved into waste management projects, waste sanitation projects, industry pollution control projects, climate change adaptation projects, etc.

ACHIEVING SUSTAINABLE DEVELOPMENT GOALS (SDGs)

In 2015, all United Nations member countries adopted the 2030 Agenda for Sustainable Development. This agenda outlines 17 Goals and includes 169 targets. These comprehensive and ambitious Goals are interconnected. Green Financing is also crucial for achieving 8 of the 17 Sustainable Development Goals (SDGs), such as:

a) *SDG 3* - Good health and wellbeing-

By 2030, aim to significantly decrease the number of deaths and illnesses caused by hazardous chemicals as well as air, water, and soil pollution and contamination.

Through investment in Green Projects, targets can be achieved by substantially reducing Air, Water and soil pollution and contamination.

b) *SDG 6* - Ensure availability and sustainable management of water and sanitation for all-

By 2030, aim to enhance water quality by decreasing pollution, stopping dumping practices, and minimizing the discharge of hazardous chemicals and materials. Goal includes halving the share of untreated wastewater and significantly increasing recycling efforts.

c) *SDG 7* - Ensure access to affordable, reliable, sustainable and modern energy for all-

By 2030, aim to strengthen international collaboration to improve access to research and technology in clean

energy, including renewable energy, energy efficiency, and advanced cleaner fossil fuel technologies. Additionally, we will encourage investment in energy infrastructure and clean energy technology.

- d) *SDG 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation-*

By 2030, aim to enhance infrastructure and retrofit industries to ensure sustainability, improve resource-use efficiency, and promote the adoption of clean and environmentally friendly technologies and industrial processes, with all countries acting based on their individual capacities.

- e) *SDG 11 - Make cities and human settlements inclusive, safe, resilient and sustainable- Strengthen efforts to protect and safeguard the world's cultural and natural heritage.*
- f) *SDG 13 - Take urgent action to combat Climate change and its impacts- Strengthen resilience & adaptive capacity to climate-related hazards and natural disasters in all countries.*
- g) *SDG 14- Conserve and sustainably use the oceans, seas and marine resources for sustainable development-*

By 2025, aim to eliminate and substantially decrease all forms of marine pollution, especially those arising from land-based activities, including marine debris and nutrient pollution.

- h) *SDG 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss-*

To mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.

Furthermore, Green Financing is closely linked to the concept of Environmental, Social, and Governance (ESG) criteria. ESG factors are used to evaluate the sustainability and ethical impact of investments and Green Financing aligns closely with these considerations

Integrating ESG criteria into investment choices fosters socially responsible investing and supports a more comprehensive approach to financial decision-making.

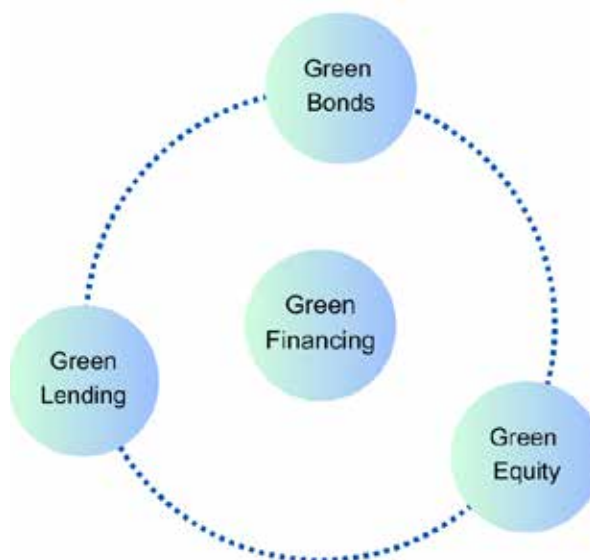
INSTRUMENTS OF GREEN FINANCING

The growth of Green Financing presents significant opportunities for businesses, investors, and policymakers to drive positive change and contribute to a more sustainable economy.

Organizations can improve their environmental performance, decrease their carbon footprint, and enhance their long-term sustainability by backing green projects and initiatives.

Investors can also benefit from the growing market for green investments, which offer the potential for attractive financial returns while also contributing to positive social and environmental outcomes.

Green Financing can be made through various instruments (Figure1) such as:



(figure 1) – Various instruments used in Green Financing

1) GREEN LENDING

Green Lending focuses on providing loans for environmentally sustainable projects. Such projects can range from energy-efficient home renovations to funding solar panel installations for businesses. Lenders offer favourable terms, such as lower interest rates or longer repayment periods. These loans not only help borrowers to reduce their carbon footprint but also promote a culture of sustainability. When businesses invest in green initiatives, it encourages whole community to follow suit, creating a ripple effect of environmental consciousness. Moreover, many Financial Institutions have dedicated programs that highlight their commitment to Green Lending. This alignment with ecological goals can enhance a lender's reputation and attract customers who prioritize sustainability alongside financial growth. After choosing green lending options, individuals and organizations contribute actively to combat climate change while achieving their financial objectives.

KEY ASPECTS OF GREEN PROJECT LENDING

- **Environmental Impact:** Green loans are designed to fund projects which contribute to environmental sustainability. These include renewable energy projects, energy-efficient buildings, clean transportation, and waste management initiatives.
- **Eligibility Criteria:** Lenders generally have strict eligibility criteria for green projects.

These criteria typically align with international standards such as the Green Loan Principles, ensuring that the project effectively supports environmental sustainability.

- **Risk Assessment:** While green projects offer potential environmental benefits, lenders carefully assess the financial risks involved. This includes evaluating project feasibility, market conditions, and the borrower's creditworthiness.
- **Pricing and Incentives:** Green loans often come with competitive interest rates and other financial incentives to encourage borrowers to undertake environmentally friendly projects.
- **Transparency and Reporting:** Lenders and borrowers are expected to maintain transparency in green project financing. This includes regular reporting on the project's environmental performance and the utilisation of loan proceeds.

BENEFITS OF GREEN PROJECT LENDING

- **Environmental Impact:** By funding green projects, lenders help in reducing climate change and protect the environment.
- **Risk Mitigation:** Diversification into green projects help lenders in manage portfolio risk.
- **Reputation Enhancement:** Supporting sustainability initiatives enhance a lender's reputation and attract environmentally conscious customers.
- **Regulatory Compliance:** Green lending aligns with increasing regulatory requirements for financial institutions to consider environmental factors.

CHALLENGES AND OPPORTUNITIES

While green project lending offers significant opportunities, it also possess challenges. These include:

- **Project Evaluation:** Assessing the environmental impact and financial viability of green projects can be complex.
- **Market Development:** The market for green projects is under development, with limited data availability and standardized methodologies.
- **Competition:** As the green finance market growing, competition among lenders is also increasing.

Despite these challenges, the long-term outlook for green project lending is positive. As the world is transitioning to a low-carbon economy, the demand to finance sustainable projects will be continuing to rise.

II) GREEN EQUITY

Investment in equity share capital of companies which are involved in the sustainable development projects.

It is a growing segment of the investment world driven by the increasing awareness of climate change and the desire of investors to align their portfolios with their values.

Companies that emphasize sustainability tend to draw more enthusiastic supporters and cultivate stronger reputations in the marketplace.

Focus of Investors is increasingly drawing towards green equity as they seek opportunities aligning with their values. Companies which prioritize sustainability often attract more passionate supporters and build stronger reputations. It also drives innovation in renewable energy, waste management, and eco-friendly technologies. By investing capital into green initiatives, investors help foster advancements which is crucial for combating climate change. Moreover, green equity can enhance portfolio resilience. As consumer preferences shift towards sustainability, companies embrace these changes may outperform their traditional counterparts over time.

TYPES OF GREEN EQUITY

- **Pure-play green companies:** These businesses are solely focused on environmental products or services.
- **Green leaders:** Established companies with strong sustainability profiles and significant green revenue streams in the market.
- **Green transition companies:** Companies which undergo a transformation towards more sustainable business models.

INVESTING IN GREEN EQUITY

Under Green Equity, investments can be made through various channels:

- **Direct investment:** Buying Equity shares of individual green companies through stock exchange.
- **Green Exchange-Traded Funds (ETFs):** These funds provide diversified exposure to the green economy by investing into Green Exchange Traded funds.
- **Impact investing:** Focusing on investments that generate both financial returns and positive social or environmental impact.

KEY CHARACTERISTICS OF GREEN EQUITY

- **Environmental Focus:** Companies must demonstrate a strong commitment to environmental sustainability, often through measurable targets and initiatives.
- **Positive Impact:** Investments in Green Equity are designed to achieve financial returns while also delivering beneficial environmental results.
- **Diversity:** It encompasses a wide range of sectors, such as renewable energy, clean technology, sustainable agriculture, and green infrastructure.

BENEFITS OF GREEN EQUITY

- **Financial Returns:** Many companies which focus on Green Projects have demonstrated stronger growth potential and offer attractive investment opportunities.



- **Environmental Impact:** By investing in green equity, investors contribute to a more sustainable future.
- **Risk Mitigation:** Diversifying into green investments help manage portfolio risk, as the sector often exhibits resilience during economic downturns.
- **Alignment with Values:** Green equity allows investors to align their investments with their personal beliefs and preferences.

CHALLENGES AND OPPORTUNITIES

While Green Equity presents significant opportunities, it also faces challenges:

- **Valuation:** Assessment of the fair value of Green Companies possess challenge due to evolving nature of the sector.
- **Greenwashing:** Some companies may exaggerate their environmental credentials, which makes it difficult for investors to identify genuine and real green investments.
- **Market Maturity:** As green equity market is under development stage with limited investment options compared to traditional equities, therefore options for investor is very limited.

Despite these challenges, the long-term outlook for green equity is promising. As the global economy is shifting towards sustainability, the demand for green investments is expected to grow with new opportunities for investors.

III) GREEN BONDS

Green bonds are a type of fixed-income instrument which are specifically earmarked to raise capital for projects that have positive environmental or climate-related benefits.

KEY CHARACTERISTICS OF GREEN BONDS

- **Utilisation of Proceeds:** the proceeds from green bonds are exclusively used to finance projects that have a positive impact on the environment

- **Transparency:** To ensure transparency and accountability, green bond issuers are required to provide details on the use of proceeds and the environmental impacts of the projects financed periodically.
- **Issuers:** Green bonds are generally issued by a variety of entities, including governments, corporations, and Financial Institutions.

BENEFITS OF GREEN BONDS:

- **Supports Sustainable Development:** Green bonds are issued with similar terms and conditions to conventional bonds, which provides investors with a familiar investment options with the added benefit of supporting sustainable development.
- **Low Carbon Economy:** Green bonds play a vital role in supporting the transition to a low-carbon economy and mitigating the impacts of climate change.
- **Diversification of Investments:** Green bonds also help issuers to diversify their sources of funding and access a pool of investors which are socially responsible.

CHALLENGES OF GREEN BONDS

- **Standardized Frameworks:** A significant challenge facing the green bond market is the absence of standardized frameworks for the issuance and reporting of green bonds.
- **Transparency:** Lack of Transparency and accountability affect the integrity of the Green Bond Issuers.
- **Pricing:** Due to above challenges, there might be price difference between Green and Conventional Bonds.

GREEN FINANCING AS A CATALYST

Green Financing acts as a catalyst for innovation by:

- **Bridging the funding gap:** Many environmentally focused technologies and projects face challenges in achieving traditional financing due to higher risk or long-term nature. Green Financing fills this gap, which provides essential capital for research, development, and commercialization.
- **Stimulating market growth:** Investing in green projects lead Financial Institutions contributing to the growth of the green economy, creating new markets and opportunities for innovative businesses.
- **Encouraging risk-taking:** Green Financing often involves supporting start-ups and innovative technologies. This willingness to take risks fosters a culture of innovation and experimentation.
- **Promoting collaboration:** Green Financing initiatives often involve partnerships between governments, financial institutions, and private investors, facilitating knowledge sharing and collaboration on innovative solutions.

Case Studies of Green Financing and Innovation

Several compelling case studies exemplify the transformative power of Green Financing and innovation:

- **Renewable energy:** Green Financing have played a pivotal role in financing large-scale renewable energy projects, such as wind farms and solar power plants. This has led to significant reductions in greenhouse gas emissions and increased energy independence.
- **Electric vehicles:** Green loans and equity investments have improved the development and production of electric vehicles, accelerating the transition to cleaner transportation.
- **Sustainable agriculture:** Sustainable investing has increased the innovative agricultural practices, such as organic farming, precision agriculture, and sustainable land management.
- **Green buildings:** Green Financing has enabled the construction of environmentally friendly and energy-efficient buildings, reducing carbon footprints and improving occupant health.

CHALLENGES AND OPPORTUNITIES IN GREEN FINANCING

While Green Financing holds immense promise, it also faces challenges:

- **Risk assessment:** Effectively assessing the risks linked to green investments necessitates specific expertise and data.
- **Policy framework:** A supportive regulatory environment is essential for fostering Green Financing and innovation.
- **Investor education:** Raising awareness about the benefits of green investments and addressing misconceptions is crucial for attracting capital.

Despite these challenges, the opportunities for Green Financing are vast:

- **Growing investor interest:** A growing number of investors are seeking sustainable investment options, driving demand for green financial products.
- **Technological advancements:** Continuous advancements in green technologies are creating new investment opportunities and reducing risks.

THE ROLE OF GOVERNMENTS AND FINANCIAL INSTITUTIONS

Governments and financial institutions play pivotal roles in promoting Green Financing and innovation:

- **Regulatory frameworks:** Clear and consistent regulations are essential for ensuring the integrity and transparency of green financial markets.
- **Financial institutions:** Banks, Insurance companies, and other Financial Institutions can integrate

As investor interest grows, technological advancements accelerate, and policy support strengthens, the potential for Green Financing to drive positive change becomes increasingly evident. The stakeholders with private sector can unlock the full potential of Green Financing and create a world where economic prosperity and environmental sustainability coexist.

sustainability into their core business strategies and develop innovative green financial products.

ROLE OF COMPANY SECRETARIES

Company Secretary is a competent professional to advice, manage and perform various statutory, legal and regulatory functions in various stages of Green Financing.

Relentless efforts of Company Secretary to provide the best of their service through good Corporate Governance practice is extremely important to achieve goals of Sustainability through Green Financing.

Further, Company Secretary, being a dynamic professional can bring innovative instruments to tackle continuous challenges while achieving the objectives of Green Financing.

CONCLUSION

Green Financing and Innovation are indispensable for addressing the climate crisis and building a sustainable future. By channelling funds towards environmentally friendly projects, Green Financing empowers innovators to scale up solutions that mitigate climate change and protect our planet.

As investor interest grows, technological advancements accelerate, and policy support strengthens, the potential for Green Financing to drive positive change becomes increasingly evident. By working together, governments, Financial Institutions, and the private sector can unlock the full potential of Green Financing and create a world where economic prosperity and environmental sustainability coexist.

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Incorporation of AI into Ethical and Sustainable Investing Strategies and its Influence on Financial Results and Decision-Making Pathways

This article examines the integration of AI technologies into ESG investment strategies, highlighting their significant impact on decision-making processes and financial outcomes. The natural world for the social and economic communities to which it belongs. Over the years, ESG has moved from being a “nice to have” to a business must-have. And its importance will only continue today, tomorrow and in the future. Artificial Intelligence (AI) can make real-time decisions, automatically learn and adapt, and respond more accurately to events based on pre-configured algorithms and data analytics. Including the application of human factors and AI. AI is becoming a key tool to drive the interaction between financial performance and sustainable development goals.



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INTRODUCTION

The integration of *Artificial Intelligence (AI)* with Environmental, Social and Governance (ESG) is fundamental to the evolution of today's business world. By integrating intelligence into ESG risk management and strategy, organizations can not only achieve sustainability goals, but also open up new ways to drive sustainability and innovation. The term environmental, social and governance (ESG) is often used interchangeably with sustainability and social responsibility. It refers to three important factors used to assess a company's sustainability and ethics. Using advanced data mining and machine learning algorithms, AI enables investors to analyze a wide range of ESG-related data, eliminate guesswork, and identify resources that will meet security goals. The application of AI-driven ESG analysis allows investors to create well-designed investments that not only target financial success but also follow ethical and moral safety principles. Using AI, investors can analyze the environmental impact, responsibility, and economic governance of investment opportunities. This approach helps in identify ESG risks and opportunities accurately and efficiently, leading to more informed investment decisions. AI also allows investors to update their portfolios in line with market changes and emerging market trends. By regularly monitoring ESG

and using predictive analytics, investors can manage risk and capture opportunities to improve the long-term performance of their portfolios. This strategic approach not only reduces ESG-related risks, but also allows investors to benefit from evolving markets and changes in consumer preferences. In addition, the integration of AI into ESG investments can support transparency, accountability, and stakeholder engagement across the investment ecosystem. AI-powered tools can help in disseminate information about ESG, allowing investors to make informed decisions that align with their profit and sustainability goals. By leveraging the power of AI, investors can leverage the power of AI to gain a competitive advantage while also increasing environmental and social impact. In summary, the use of AI in ESG investments represents a revolution in information management, providing investors with unprecedented opportunities to solve ESG challenges and achieve financial success. The importance of data management and performance improvement in ESG investments cannot be overstated. As investors become more aware of the importance of sustainability and corporate responsibility, the need for investment strategies that not only deliver returns but also contribute to environmental and social benefits is increasing. Good data management in ESG investments requires the creation of balanced data that includes a wide range of ESG factors, including climate change, social impact and ethics. Optimizing performance also requires a strong understanding of ESG-related risks and opportunities, as well as the ability to adjust investment strategies to business changes and security standards. Artificial intelligence (AI) is expected to play a transformative role in ESG investments by improving management and performance. AI encompasses many technologies, including machine learning, natural language processing, and predictive analytics, that enable computers to analyze large amounts of data and extract useful and decisive information. In the context of ESG investing, AI can help to analyze ESG-related information from a variety of sources (such as company reports, news, and social media) to identify investment opportunities, assess risk, and improve business allocation. Using AI-driven analysis, investors can gain

Incorporation of AI into Ethical and Sustainable Investing Strategies and its Influence on Financial Results and Decision-Making Pathways

a deeper understanding of ESG factors, improve their understanding of risks and opportunities, and become more informed about investment decisions. AI enables investors to create diverse investment opportunities that not only meet security objectives but also seek competitive financial returns. In essence, AI has the potential to revolutionize ESG investing by enabling investors to solve complex business problems, create positive impacts on the environment and society, and achieve financial success. The use of ESG standards is therefore a difficult task, facing issues related to data quality, integration with existing standards, management control, financial evaluation and communication between ESG objectives and stakeholders. Solving these problems requires the best possible approach, supported by a strict commitment to sustainable business practices.

ESG STANDS FOR

Environmental

The environmental process assesses the sustainability of a company's operations. It shows the organization's overall impact on the environment and the risks and opportunities it faces due to environmental issues such as climate change and measures to protect the natural layer of capital. Environmental factors that may meet ESG criteria include energy use and performance, carbon footprint (including carbon monoxide emissions), waste management, cloud air and water pollution, biodiversity loss, deforestation, depletion of natural resources, cleanliness and technology.

Social

The social model measures how the company works for different groups of people (employees, customers, suppliers and communities) and its efforts to promote diversity, equity and inclusion. Procedures used include worker safety, product safety, human rights, child labor and other types of procedures.

Governance

The governance aspects determine how the company manages itself and focus on internal controls and practices to comply with the law, business practices and company departmental policies. For example, payment arrangements, financial transparency and business integrity, compliance management and risk management, business practices and finance reporting. ESG has become increasingly important in recent years as more investors, customers and stakeholders demand that companies prioritize business development and accountability. This has led to a proliferation of ESG metrics and measurements used by investors and other stakeholders to evaluate companies on their ESG performance. One of the most important drivers is the shift in investors' preference for companies with good ESG performance. This is partly due to younger investors who are more likely to consider social and environmental issues when making investment decisions. Domestic investors such as pension funds and endowments have also increased their allocations to ESG investments, further helping to bring ESG investments

into the mainstream. The growth of ESG literature and research also contributes to mainstream acceptance. This helps to establish ESG criteria and makes it easier for investors to evaluate companies.

INTEGRATION OF AI IN ESG

The adoption of AI in ESG investing is gaining significant acceptance as industry bodies and regulators, see the importance of incorporating AI-driven analytics into business practices. Financial institutions and asset management firms are integrating AI technology into their ESG investment processes, further strengthening the role of AI in improving business management and efficiency in the context of financial sustainability. The growth of AI in ESG investing continues as researchers and practitioners explore new applications of AI technology, such as educational support and collaborative learning, to solve sustainable business problems. Collaboration between AI experts, ESG researchers, and industry stakeholders can foster innovation and encourage the development of new AI-driven ESG investment tools and methodologies.

TECHNOLOGIES POWERED BY AI FOR ESG INVESTING

Artificial intelligence (AI) technology has played a significant role in the transformation of Environmental, Social, and Governance (ESG) investing, providing intelligent tools to analyze large amounts of ESG-related data and improve decision-making. This chapter provides an overview of key scientific techniques such as machine learning, natural language processing, and predictive analytics, and examines their applications in ESG-related data analysis and improving ESG investment decisions. Machine learning is a branch of artificial intelligence that allows computers to learn from data and make predictions or decisions without being programmed. It has many algorithms, including supervised learning, unsupervised learning, and reinforcement learning. In ESG investing, machine learning algorithms can analyze historical data to identify patterns, trends, and relationships between ESG factors and financial performance. They can also predict future outcomes and develop investment strategies based on analysis of ESG-related information. Natural language processing is a field of artificial intelligence that focuses on enabling computers to understand, interpret, and reproduce human language. It includes techniques such as hypothesis testing, topic modeling, and source recognition. In ESG investing, NLP technology can analyze unstructured data from sources such as company reports, news and social media to uncover insights about environmental performance, social impact and governance practices. NLP can also analyze stakeholder sentiment and identify emerging ESG trends and conflicts. Forecasting involves the use of statistical techniques and machine learning algorithms to analyze historical data and predict future events or outcomes. It includes techniques such as regression analysis, time estimation, and classification. Forecasting in ESG investing can estimate the impact of ESG factors



on financial performance, assess the potential impact of ESG-related risks, and determine working capital based on security objectives. It can also help investors adjust their investments according to changing economic and ESG trends. AI technology can collect, aggregate, and process ESG-related information from a variety of sources, including corporate reports, regulatory information, news, and social media. They enable analysis of ESG factors by managing both standard and non-standard data. AI algorithms can analyze ESG-related data to identify patterns, relationships, and anomalies. They can provide insight into environmental performance, social impact, and governance practices, helping investors understand the sustainability of companies and businesses. AI-powered visualization tools present ESG-related data in intuitive, interactive dashboards, allowing investors to explore trends, compare performance metrics, and make informed decisions based on data. AI technology is enabling investors to make investment decisions using more ESG-related information. By analyzing ESG factors using machine learning algorithms and predictive analytics, investors can identify investment opportunities, assess risk, and optimize market allocation accordingly. AI-driven analysis of ESG factors can improve risk management for ESG investments. Machine learning algorithms identify and analyze ESG-related risks, such as climate change, product disruptions, and regulatory changes, allowing investors to mitigate risk and protect their data from decline. AI technology helps investors develop business strategies with sustainable goals by providing insights into the environmental, social, and operational management of companies and businesses. By integrating AI-powered analytics into data management processes, investors can create balanced portfolios that aim to generate financial returns while driving positive environmental and social benefits.

LEVERAGING AI TO IMPROVE PORTFOLIO MANAGEMENT

Corporate governance is an important part of the business environment; social and governance (ESG) investments and the integration of artificial intelligence (AI) are important to improve data development, optimization and management processes. AI-based data analytics enable investors to use large amounts of ESG-related data to inform their decisions. Machine learning algorithms can analyze historical data on environmental performance, social impact and governance practices to identify opportunities and risks. AI algorithms can create quantitative models that combine ESG factors with traditional financial metrics to create balanced investments. This model optimizes the segmentation of the business according to security objectives, risk and financial objectives, ensuring compliance with ESG principles. AI-powered data analytics help to improve risk management data by identifying and assessing ESG-related risks. AI algorithms help to improve business efficiency through continuous business analysis, ESG-related data, and performance indicators. Machine learning models can instantly adjust data distribution based on market changes, stable markets, and market trends. AI-driven scenario analysis and allows investors to evaluate the impact of ESG variables on portfolio performance. Machine learning algorithms can simulate various events, such as climate change or regulatory change, to analyze their impact on returns and risk profiles and demonstrate revolutionary change. AI algorithms can perform multi-objective optimization to balance financial returns in construction materials, reduce risk, and ESG decisions. Machine learning models can optimize distribution across multiple dimensions,

such as profitability, stability, and risk, to achieve desired investment outcomes. AI technology can integrate ESG factors into strategic management strategies through systems and processes. Machine learning algorithms can rank companies based on ESG performance, identify ESG leaders and laggards, and generate diverse data that drives sustainability. AI-powered ESG risk management tools help investors to assess and mitigate ESG-related risks in portfolio management. Natural language processing can analyze data from company publications, news and social media to identify ESG conflicts, governance concerns and reputational risks that will bring about changes. AI-powered impact assessment tools enable investors to identify and report the environmental and social impacts of their portfolios to assess the positive and negative external benefits created by capital investment, promoting transparency and accountability for stakeholders.

BOOSTING PERFORMANCE WITH AI-DRIVEN ESG ANALYSIS

In the world of Environmental, Social, and Governance (ESG) investing, Artificial Intelligence (AI) plays a key role in identifying ESG-related risks and opportunities, using predictive analytics to improve investing, and demonstrating the real-world impact of data recovery. This section explains how AI-driven ESG analytics can improve investing by focusing on identifying ESG-related risks and opportunities, using predictive analytics, and world-class case studies that demonstrate the effectiveness of AI in ESG investing. AI-driven data analytics enable investors to analyze ESG-related information from a variety of sources, including corporate reports, regulatory documents, news, and social media. Machine learning algorithms can process structured and unstructured data to identify patterns and inconsistencies related to work environments, social interactions, and practices. AI algorithms can determine the context and significance of data related to ESG risk. Natural language processing enables computers to analyze information about ESG conflicts, violations, and reputational risks related to a company, trade, or business, allowing investors to better understand risks that could impact performance. AI-driven analytics can help investors to identify ESG-related opportunities that align with sustainable development and business success. Machine learning algorithms analyze historical data to identify predictive patterns and indicators that could impact asset prices, allowing investors to make informed decisions and provide insights into their information. Predictive analytics can help investors to anticipate and mitigate ESG-related risks before they arise. Machine learning models predict the impact of changes in environmental policies, social policies, and governance on company performance, allowing investors to adjust their records and minimize the risk of falling behind. Predictive analytics optimize portfolio performance by identifying investments with attractive returns. Machine learning algorithms can analyze ESG-related data to identify assets, growth markets, and sustainable business contexts, and guide investors to opportunities that provide competitive financial returns while adhering to ESG principles.

AI has become a powerful tool in ESG investing that allows investors to analyze big data, identify ESG implications, and make informed investment decisions.

ENHANCING TRANSPARENCY AND ACCOUNTABILITY IN ESG INVESTING THROUGH AI

Transparency and accountability are cornerstones of ESG (environmental, social and governance) investing, providing investors with access to better information and holding companies accountable for their best practices. As artificial intelligence (AI) is integrated into ESG investing, there is a significant opportunity to increase transparency and accountability across all aspects of investment decisions. Transparency in ESG reporting and disclosure is crucial for investors to make informed decisions about the environmental and social impacts of their investments. AI can play a key role in transparency through data collection, analysis and reporting. AI-powered algorithms can sift through a variety of irrelevant information from a variety of sources, including company announcements, news media and social media, to extract ESG-relevant information. Natural language processing (NLP) technology enables smart machines to understand and interpret data and identify ESG indicators and key trends. AI-driven predictive analytics can increase confidence in ESG investments by providing investors with comprehensive and up-to-date information on companies' sustainable practices. Stakeholder engagement is essential for transparency and accountability in ESG investing. AI-powered tools can facilitate communication between investors, companies, and other stakeholders, enabling effective communication and collaboration across security issues. Chat bots and virtual assistants powered by AI technology can engage with stakeholders, answer questions, provide information, and guide them through the ESG reporting process. These tools can improve communication lines, making it easier for investors to engage with companies and obtain relevant ESG information. Additionally, intelligence-driven feedback tools can monitor social media and news platforms to assess public perception of a company's sustainability efforts, providing positive feedback to both investors and companies. Stakeholders can collaborate on ESG projects using AI-powered communication tools, thereby increasing transparency and accountability across the investment ecosystem. Accreditation and adherence to ESG standards are crucial to maintaining the integrity of ESG investments. AI-driven analytics can help investors assess a company's compliance with ESG standards and identify potential areas for improvement. Machine learning algorithms can

analyze historical data to identify patterns and trends in a company's ESG performance, flagging gaps or anomalies that may indicate non-compliance with ESG standards. Additionally, intelligence assessment tools that can assess companies' ESG risks, such as environmental liability or conflict, are helping investors make more informed decisions about their investments. Using AI-powered analytics, investors can hold companies accountable for their sustainability practices and encourage them to be transparent and accountable.

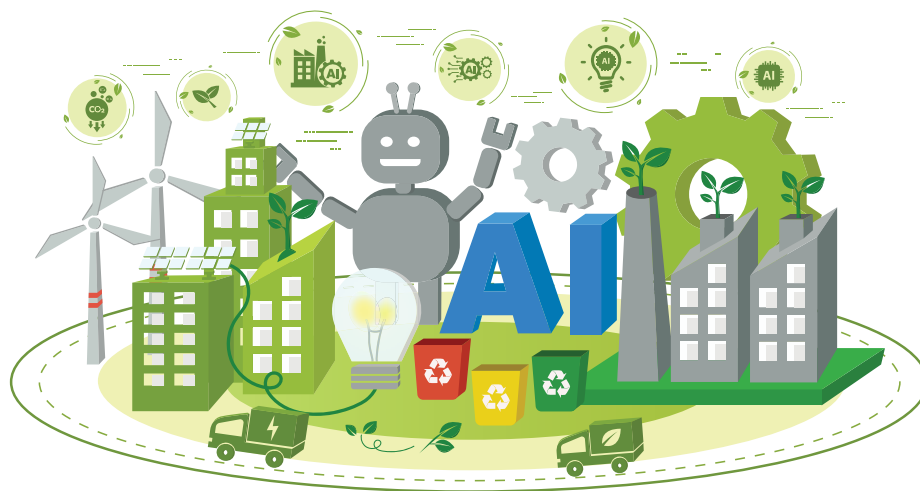
OBSTACLES AND FACTORS TO CONSIDER

Artificial intelligence (AI) is revolutionizing Environmental, Social and Governance (ESG) investing by improving governance and performance. However, there are challenges and decisions that need to be addressed to ensure the effective and ethical use of AI in ESG investments. This section examines issues related to data quality and integrity, ethical considerations and biases in artificial intelligence algorithms, regulatory compliance and privacy issues. One of the main challenges in AI-driven ESG analytics is the availability and accessibility of good ESG-related data. While more ESG information is available, the quality, consistency and scope of this information vary across companies and sectors. Limited data availability can compromise the accuracy and reliability of AI-driven ESG analysis, which can lead to incomplete or misleading results. Ensuring the accuracy and reliability of ESG data used in artificial intelligence-driven analyzes is critical for investment decisions. However, ESG data may contain errors, inconsistencies, or gaps that could affect the integrity of AI algorithms and the validity of their predictions. Data analysis techniques and robustness measures are necessary to overcome these challenges and increase the reliability of AI-driven ESG analysis. Integrating and modeling disparate ESG data is a major challenge for AI-driven ESG analysis. Different companies and organizations use different reporting models, metrics and methods to measure and present ESG-related data this makes it difficult to compare and analyze data across companies and businesses. The development of data modeling and collaboration platforms can facilitate data integration and improve the results of AI-driven ESG analysis. AI algorithms used in ESG investing may be biased based on the training data and assumptions included in the model. Unfair algorithms can lead to inequality, discrimination, and injustice, leading to negative and ethical consequences. Ensuring algorithmic integrity and reducing bias requires rigorous testing, validation, and transparency in AI model design and deployment. The complexity of AI algorithms creates challenges in understanding how decisions and recommendations are made. Lack of explanation and disclosure in AI models can increase concerns about accountability and transparency, preventing stakeholders from trusting and using the results. Improving the explanation of AI algorithms through transparent models, explanation of AI processes, and explanatory frameworks can address these issues and increase trust in AI-driven ESG analysis. AI-driven ESG analysis involves processing large and proprietary data, including financial

data, employee data, and customer data. Ensuring the privacy and confidentiality of personal information is essential to protecting individual rights and complying with regulatory requirements. Implement strong data protection, encryption technology, and access controls to protect privacy and reduce the risk of data leakage and misuse. Transparency, disclosure, and accountability. AI-driven ESG analysis must comply with applicable regulations, including data protection regulations, security regulations, and industry-specific guidance. The implementation of environmental management should be continuously monitored, updated, and followed up with the efforts of AI-driven ESG investment companies. AI-driven ESG analysis involves the collection, processing, and analysis of large amounts of personal and sensitive data, raising privacy and data protection concerns. Protecting privacy requires privacy by design, anonymization of sensitive information, and obtaining informed consent from the data subject. Addressing privacy concerns is critical to building trust with stakeholders and reducing the risk of regulatory penalties and reputational damage. Transparency and disclosure are fundamental principles of ESG investing, ensuring accountability and increasing investor confidence. AI-focused ESG analytics companies should make their processes, resources, and perspectives available to stakeholders, allowing them to assess the validity and credibility of the AI-focused vision. Improved transparency and disclosure practices can support greater accountability, stakeholder engagement, and regulatory compliance in AI ESG investing.

POTENTIAL PATHS AND OPPORTUNITIES AHEAD

Artificial Intelligence (AI) promises to revolutionize Environmental, Social, and Governance (ESG) investing by improving governance and performance. As AI technology continues to advance, several future directions and opportunities emerge in the AI-driven ESG investing space. This section examines emerging trends in AI technology for ESG investing, the potential for greater innovation and integration of AI Artificial Intelligence (AI) promises to revolutionize environmental, social, and governance (ESG) investing by improving governance and performance. As AI technology continues to advance, several future directions and opportunities emerge in the AI-driven ESG investing space. This section examines emerging trends in AI technology for ESG investing, the potential for greater innovation and integration of AI in data management, and opportunities for collaboration and cooperation to drive AI-driven ESG investment initiatives. NLP should play a significant role in ESG investing by enabling computers to analyze and interpret raw data from a variety of sources, including news, social media and corporate events. Advanced NLP algorithms can extract insights from large amounts of data, providing investors with valuable information about a company's ESG performance, conflicts, and the stakeholders most affected. Deep learning techniques, such as neural networks and deep learning, are increasingly used in ESG investing to analyze complex data and identify patterns,



relationships, and anomalies. In-depth studies can reveal the relationship between ESG factors and financial performance, allowing for more accurate estimation of investment risks and opportunities in ESG data. Descriptive AI is growing in popularity in ESG investing as investors seek greater clarity and explanation in AI-driven decisions. AI technology enables stakeholders to understand how AI models arrive at predictions and recommendations, thereby increasing trust and confidence in AI-driven management strategies. - Develop risk management-driven intelligence tools to enable investors to effectively assess and mitigate ESG-related risks. Model the impact of data on performance and implement risk mitigation strategies. AI technology provides a way to create personalized portfolios based on investor-preferred ESG, risk appetite, and financial goals. Using machine learning algorithms and predictive analytics, investment firms can tailor ESG information to meet the unique needs and preferences of their clients, enabling investors to leverage and collaborate more effectively. The future of AI in data management will include the development of autonomous decision-making systems that use AI to make business decisions, remarket information, and develop investment strategies. Autonomous AI-powered systems can instantly adapt to business changes, ESG trends, and investor preferences to increase efficiency and effectiveness. Collaboration between financial institutions, technology companies, research organizations, and regulators is vital to foster innovation and implement AI-driven ESG investments. By sharing data, expertise, and resources, stakeholders can accelerate the development and use of AI technology in ESG investing and collaboration and solve different problems. Public-private partnerships (PPPs) provide an opportunity to leverage government resources and expertise to support AI-focused ESG investment initiatives. Governments can support AI research, fund pilot projects, and develop regulatory frameworks to support the role of AI in the financial industry and encourage public-private partnerships. Collaboration between finance and other sectors, such as technology, education, and nonprofits, can facilitate knowledge exchange, innovation, and capital formation for AI-

focused ESG investments. Joint ventures can benefit and transform investors, businesses, and society as a whole through the use of diverse perspectives and resources.

CONCLUSION

In summary, artificial intelligence (AI) promises to revolutionize Environmental, Social, and Governance (ESG) investing by improving governance and performance. In the discussion, we explore the importance of AI in improving ESG investment practices, identify key insights, and discuss implications for the future of financial stability. Let's now examine the importance of AI in ESG investing, summarize key points, and offer a call to action to continue exploring and using AI technology in ESG investing to ensure financial stability. AI has become a powerful tool in ESG investing that allows investors to analyze big data, identify ESG implications, and make informed investment decisions. By leveraging AI-powered analytics and machine learning algorithms, investors can improve business management, reduce risk, and improve financial performance while adhering to ESG principles and goals. AI enables investors to integrate sustainability considerations into their investment strategies, generating financial returns while delivering social and environmental benefits. The integration of AI into ESG investing offers a number of benefits, including improved risk management, personal development, and enhanced decision-making. AI technology enables investors to solve complex ESG issues, uncover hidden opportunities, and effectively respond to emerging risks. However, the intellectual work in ESG investing also presents challenges, such as good data issues, ethical considerations, and compliance. Overcoming these challenges requires collaboration, innovation, and a commitment to responsible technology adoption. As the demand for sustainable investing continues to grow, ESG investments are urgently needed to continue exploring and implementing smart technologies. Marketers, financial institutions, technology companies, and regulators must collaborate to develop new AI solutions, ensure transparency and accountability, and promote the measurement of financial stability. By harnessing

the power of AI, we can unlock new opportunities for sustainable financial success, drive positive change, and create better relationships and relationships for everyone in the future. In short, AI has the potential to transform ESG investing, improve business management and efficiency, and increase financial success. By leveraging technology and data from insights, we can make progress toward a better, more efficient financial world for traders, businesses, and people. Integrating AI into sustainable development and ESG practices presents both opportunities and challenges. While AI has great potential to create positive change through resource optimization, renewable energy management, cloud computing, and ESG transparency, it still needs to be mindful of data privacy, bias, ethical issues, and accessibility. By encouraging collaboration, building equity, partnering with partners, and conducting continuous research, people can shape the path for AI to become a powerful tool for creating a more productive and balanced future. In summary, it is important to recognize that the complexity of financial intelligence depends on its relationship with other financial technologies (FinTechs), including block chain, cloud computing, big data, and the Internet of Things (IoT).

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From Crisis to Conscience: Tracking the Growth of SRI Dialogue in India through Covid-19

As an increasing number of nations embrace the Sustainable Development Goals (SDGs) and enhance disclosure and reporting norms, Socially Responsible Investing (SRI) is emerging to be an evolving strategy in emerging nations, while maintaining its mainstream grounds in the developed nations. Further, as “sustainability” became a critical factor in ensuring survival and growth, the pandemic of COVID-19 acted as a wakeup call to investors around the globe to incorporate it in their financial decisions. The analytical induction in SRI highlighted a transition of focal lens from performance to sustainability. The finding is crucial, yet reassuring, because the concept of Socially Responsible Investing holds critical significance.



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INTRODUCTION

As the ESG criteria, encompassing environmental concerns, social standards, and governance practices, is being utilized by investors globally to assess an organization's performance and commitment to sustainability, Socially Responsible Investing has been witnessing unprecedented growth in the capital markets over the last two decades (Cooper and Weber 2020; Daugaard 2020; Larcker and Watts 2020). Through the current times when the world confronts challenges such as climate change, inequality, terrorism and labor issues, highlighting the human role (Capelle-Blancard and Petit 2019; Gödker and Mertins 2018), this adoption of SRI strategy by the investors to make informed choices,

favoring organizations that prioritize societal well-being and environmental stewardship has facilitated progress towards a more sustainable global future (Hartzmark and Sussan 2019; PRI 2020; Sutopo et al. 2018).

More recently, as the World Health Organization declared the outbreak of COVID-19 in March 2020 following a sharp rise in the number of infected people and fatalities globally, the implementation of lockdowns and social isolation measures posed serious dangers to many different economic sectors (Fana et al. 2020). The global stock markets witnessed unprecedented shockwaves from COVID-19 pandemic, with high volatility and daily declines ranging from 5% to 10% (Baldwin and Mauro, 2020) resulting in a severe financial crisis (Baker et al., 2020; Morales and Andreosso-O'Callaghan, 2020; Onali, 2020) and stock indices experiencing significant trading downturns in history (Fernandes, 2020; WEF, 2020). During these challenging times, as businesses turned to Corporate Social Responsibility (CSR), COVID-19 also fostered a rising ESG concern among mainstream investors with the SRI strategy witnessing a surge in fund flows amounting to \$500 million from January to March 2020.

But despite the rising relevance and multifold growth in recent times, the global assets in SRI remain concentrated in developed countries (Kar and Kaur, 2023; Vives and Wadhwa, 2012) due to greater disclosure and reporting requirements, robust institutional infrastructure and mature financial markets (OECD, 2019). In contrast, developing countries facing resource constraints, including limited funding, infrastructure, and technical capabilities, along with pressing call to prioritize immediate socioeconomic needs over long-term ESG concerns, has hindered the penetration of SRI in developing nations. SRI investing has become a mainstream investment strategy in these countries, supported by robust regulations, a mature investor base, and corporate volunteering initiatives.

Thus, much of the concentration of research on sustainability and social responsibility is limited to developed nations, as compared to their emerging counterparts whereas countries like ours had a very resounding ecosystem embedded with ethics and values in the past. Addressing this imbalance requires efforts to enhanced research

in trends and drivers in developing countries, ensuring their unique challenges and perspectives are adequately addressed.

Against the backdrop of the disruptions in financial markets caused by COVID-19 an opportunity arises to investigate and document SRI penetration in emerging nations amidst distressed times. Hence, this study makes a significant contribution to the existing literature by comprehending the trends in rising academia interest and mainstream popularity of ESG and SRI over the pandemic period, using the content analysis for the emerging nation of India. The study covers the period from 2018 to 2023, analyzing SRI performance during pre-crisis, crisis, and post-crisis periods.

THEORETICAL FRAMEWORK

A significant number of studies have been contributed analyzing the SRI strategy and its relevance in present times. Ancient Indian texts and Hindu scriptures, including the Ramayana, Upanishads, Vedas, Arthashastra, Brahmanas and Mahabharata contain numerous references advocating ecological harmony, social welfare, and the sustainability of economic practices. Ancient Vedic philosophy in Bharat, as articulated in the Aranyakas (or forest books), presents a holistic way of life that balances material prosperity with ethical responsibility and environmental stewardship, values that resonate strongly with the modern principles of SRI. Vedic texts and rituals reverently recognize natural elements—the earth (Bhu), atmosphere (Bhuvah), and sky (Sva)—and their associated deities, including Prithvi (earth), Ap (water), Agni (fire), and Vayu (wind). Foundational epics and scriptures such as the Ramayana, Upanishads, Bhagavad Gita, Mahabharata, Puranas, and Smriti convey early messages on ecological balance and advocate for the ethical stewardship of nature, underscoring sustainability's deep roots in India's ancient traditions (Kar and Tiwari, 2019). These scriptures advocate for a way of life. Globally, Camilleri (2021) explains the evolution of SRI over the years while highlighting the rising interest over the past two decades, though the themes of SRI can be traced back to ancient times in history as Socially responsible activities have their origins deeply rooted in society since ancient eras (Renneboog et al., 2008), and religious groups have long practiced them (Hussein and Omran, 2005). During the 16th-17th century, SRI thrived and prospered within the religious and ethical investor classes (Gregory et al., 1997). More recently, following the Bhopal, Chernobyl and Exxon Valdez tragedies, religious screens have expanded holistically, in response to various environmental and social issues.

Studies have examined the impact of ESG performance on financial performance and risk characteristics globally (Brammer et al., 2006; Humphrey et al., 2012; Statman & Glushkov, 2009). Results from these studies show that ESG integration does not detract investment performance or differentiate risk characteristics relative to non-ESG integrated strategies. The Underperformance Hypothesis stemming from the Modern Portfolio Theory (Markowitz, 1952) proposes lower returns from screening

due to the reduction of diversification benefits and additional monitoring and information costs associated with screening strategies (Cortez, Silva, & Areal, 2009; Adler and Kritzman (2008), Belghitar et al. (2014). Involvement in Corporate Social Responsibility (CSR) presents companies with a valuable opportunity to gain a competitive edge (Porter & Kramer, 2006) and serves as an indicator of management quality (Waddock & Graves, 1997). Consequently, social screens can be regarded as valuable instruments utilized by portfolio managers to identify companies characterized by superior management capabilities (Bollen, 2007) and reduced default risk (Hoepner et al., 2016). In Brazil, Socially responsible investing in Brazil has majorly attracted investments from foreign and global institutional investors (Matt, 2018), with higher participation of retail investors observed only in the past decade with the development of the Brazilian Corporate Sustainability Index. Meanwhile, in India, contrasting results to the Modern Portfolio Theory have been recorded by the SRI instruments. Studies investigating their performance found these investments to be earning higher excess returns as well as lower risks against conventional benchmarks (Srinivasan, 2014; Tripathi and Bhandari, 2015). Cheung et al. (2012) established a positive relationship between corporate social responsibility and the firm valuation of companies by constructing an SRI index constituting the top 100 of the largest listed Chinese companies. Tripathi and Kaur (2020) found evidence of conventional index underperformance relative to the social responsibility Index of China (SSE-SRI) consistently during the documented period of the study. In contemporary India, the momentum for SRI is bolstered by the adoption of global Sustainable Development Goals (SDGs), the introduction of ESG indices, and the implementation of comprehensive Business Responsibility and Sustainability Reporting (BRSR) frameworks. Additionally, government initiatives, such as the National Action Plan on Climate Change (NAPCC), the National Clean Air Programme, the Swachh Bharat Mission, the Atal Mission, the Smart Cities Mission, and Metro Rail projects, further drive the integration of sustainability into economic and social policies (Kar and Kaur, 2023a). Rahman and Iqbal (2019) call for further amelioration of efforts in Research and Development, Export and Import and Foreign Direct Investment to influence green growth and renewable power.

While Gregory et al. (1997), Guerard (1997), Goldryer and Diltz (1999), Mill (2006), Schroder (2007) already proposed that SRI acted as a financial safe haven during falling markets, more literature on SRI was contributed after the recent outbreak of COVID 19 pandemic. In 2020, Garel and Romec (2021) found the corporations with a social conscience responding well to the pandemic crisis, providing insights into investor sentiment and environmental sector expectations, Broadstock et al. (2020) found that ESG stocks with high scores observe resilience during pandemics because investors held onto them for rendering refuge during market fall. Given the high market volatility from pandemic, investors became more risk-averse, finding refuge in the 'safer' SRI assets, increasing risk premiums from SRI as against conventional stocks

(Vayanos, 2004, Caballero and Krishnamurthy, 2008). In another study Albuquerque et al. (2020) investigated the impact of the Covid-19 crisis on returns for U.S. companies with high ESG ratings revealing that these companies achieved higher operational profit margins during the market distress. Chiappini et al. (2021) conducted a study to analyze the performance of sustainable indexes during the Covid-19 pandemic, comparing SRI between Europe and the United States. Their findings indicated that the pandemic containment measures negatively affected sustainability metrics. The resilience of SR strategies (Albuquerque et al, 2020) was a little stronger in countries and during periods in which the number of COVID-19 cases was increasing.

These findings have significant implications in both academic and practical investment contexts, especially in comparing the performance of SRI and conventional counterparts during the Covid-19 crisis. To investigate the rising interest and discussion on SRI in India across newspapers and academic journals during the select study period we employ a simple content analysis by employing online search engines and archive collections.

METHODOLOGY

In order to comprehend rising academia interest and mainstream popularity of ESG and SRI over the pandemic period, we carry out a content analysis for the emerging nation of India, following Capelle-Blancard and Monjon's (2012) methodology. The pandemic period is determined by the number of confirmed cases of COVID-19 in the world available on the Johns Hopkins University's website and assumes to be extending from February 1, 2020 (when the number of global cases exceeded 10,000) till June 1, 2020. We assessed the prevalence of SRI by counting its occurrence in academic publications and periodicals. This involved conducting searches using specific query "Socially Responsible" or "Sustainable" or "ESG" Investing' and 'India' during the study period. These searches were performed using Google search (web-based, Google Books, and Google Scholar), while we also accessed

digital repositories from reputable academic publishers like ScienceDirect (Elsevier), Wiley, Inderscience, SpringerLink, and Jstor, known for their international academic publications.

FINDINGS

SRI in Articles and News During the Identified Break Periods

Periods	Years	Web	News	Academic Papers	
Pre-COVID 19	2018-2019	8060	3280	1150 ^a	73 ^b
COVID 19	2020-2021	27000	9520	2090 ^a	138 ^b
Post-COVID 19	2022-2023	42700	21000	3390 ^a	305 ^b

Source: Authors' compilation

Academic articles from ^aGoogle Scholar or ^bScienceDirect-Elsevier, Wiley Interscience, SpringerLink, and Jstor

Further, we document the rising popularity of the SRI concept in public debate in the country of India, given the notable performance of this strategy over the pandemic period across globe. We run our queries over 2018-2019 (identified by the Pre-Covid-19 Period), 2020-2021 (identified by the Covid-19 Period) and 2022- 2023 (identified by the Post Covid-19 Period).

Looking at the results (Table 4.4.1) , it is confirmed that SRI is receiving greater attention in the social narrative and academia with an approximate 430% rise in webpages, 540% increment in newspaper articles, and 330% increase academic journal articles devoted to the Responsible manner of investing. The highest percentage increase in newspaper articles catalyzes deeper penetration of this socially conscious Investment Strategy among the mainstream investor while catching up with global momentum on sustainability during the dire times of the pandemic.

SRI in Journal Articles During the Identified Break Periods

Academic Journals	2018-2019		2020-2021		2022-2023	
	No. of Articles	Percentage of Articles	No. of Articles	Percentage of Articles	No. of Articles	Percentage of Articles
Environment	20	27%	37	27%	67	22%
Ethics	15	20%	5	4%	6	2%
Governance	7	9%	18	13%	46	15%
Moral	2	3%	3	2%	9	3%
Performance	24	32%	29	21%	55	18%
Screening	8	11%	4	3%	15	5%
Diversification	6	8%	25	18%	70	23%
Filter	8	11%	11	8%	18	6%
Sustainable	11	15%	41	30%	91	30%

Source: Authors' compilation

What interests us is finding about what these articles talk about, or what issues are touched by the scholars within the wide scope of responsible investing. For this we explore within the collection of articles to find concept relevant and indicative of trends in SRI. A list of nine¹ proxy words have been allotted, likely to be representing themes of SRI across literature, and number of corresponding Academic Papers or Research articles (Table 4.4.2) in which they appear across the identified break periods, have been recorded. The shift in the patois over the period from before pandemic to one after the pandemic has been recorded by presenting the percentage of these articles over the total number of articles devoted to the broader theme of SRI.

Results are documented in absolute and relative measures. Notably the term 'Environment' has consistently been prevalent across pre, post and during the Covid-19 Period. Further, the terms 'Ethics' and 'Performance' lost its proportion, while the term 'Sustainable' rose in frequency of appearance. In fact usage of the 'sustainable' term increased more than twice over the period 2018–2023. Clearly, the shift from 'personal values' to 'ESG' factors (footnote 1) has been the driver during the panic times. Other terms finding momentum over the pandemic times have been 'Governance' and 'Diversification'. The recent reorientation of the focus of interest in academia is in fact, in line with initial portrait of the SRI, which includes pursuit of financial returns alongwith creation of positive social/environmental impact.

DISCUSSION

Posing as a threat to humankind while causing disturbances to ecosystems and economies alike, the COVID-19 pandemic served as a reminder to investors worldwide to consider impacts of their 'rational' financial choices, prompting them to integrate 'sustainability' into the same. During this tumultuous period of pandemic, more and more investors turned to SRI. Stocks to harness the resilience of responsible stocks. As the effects of the COVID-19 crisis on both the real economy and the financial system underscored the shortcomings of many forecasting models, sustainability became a vital element in securing the survival and expansion of businesses. Socially Responsible Investing functions as a catalyst harmonized with sustainable growth, serving the financial objectives of an economic system while concurrently mitigating risks stemming from adverse consequences resulting from irresponsible conduct.

In the wake of the COVID-19 outbreak, the current study examined document the rising popularity of the SRI concept in public discourses in the emerging country of India. Dubbed as the first "sustainability" crisis of the modern times, COVID-19 has reoriented the public narrative on SRI from just 'Performance' to Sustainability, climate change and ESG concerns. Our content analysis on Scholarly articles in India amid the testing times of

The resurgence of SRI as a focal point in modern financial discussion can be seen as being only a continuation of this indigenous tradition, which may now be reframed to address the pressing global challenges of sustainability and equity.

the pandemic revealed growing popularity of SRI, as it emerged as a crucial refuge. The finding is crucial, yet reassuring because the concept of Socially Responsible Investing holds critical significance in an emerging nation like India, serving as a vital mechanism for addressing the needs of the population at the bottom of the pyramid. This perspective shift is particularly significant in the Indian context, where the principles underpinning SRI—ethics, morality, altruism, responsibility, and environmental consciousness—are not new but are deeply rooted in the Bhartiya ancient knowledge systems. Bharatiye philosophy, as reflected in texts such as the Vedas, Upanishads, and Arthashastra, has long emphasized the symbiotic relationship between economic activity and social welfare. Reinstating the essence of “सर्वे भवन्तु सुखिनः सर्वे सन्तु निरामयाः। सर्वे भद्राणि पश्यन्तु मा कश्चिद्दुःखभाग्भवेत्।”, the shloka from *Brihadaranyaka Upanishad* is a universal prayer for the well-being, happiness, and health of all living beings, reflecting the deep sense of compassion and inclusivity. Hence, the resurgence of SRI as a focal point in modern financial discussion can be seen as being only a continuation of this indigenous tradition, which may now be reframed to address the pressing global challenges of sustainability and equity. By aligning with these timeless values, SRI in India not only addresses the urgent needs of the marginalized but also reconnects with the Bhartiya values.

CONCLUSION

India, currently ranked as the world's sixth-largest economy, has experienced consistent and robust growth rates stimulated by India's regulatory landscape for corporate governance and sustainability. Starting in 2007, the RBI introduced CSR guidelines for banks, and the ESG India Index was launched. The National Action Plan on Climate Change followed in 2008. The Ministry of Corporate Affairs advanced ESG disclosures with the 2011 National Voluntary Guidelines, while the Companies Act of 2013 mandated CSR spending and enhanced governance. SEBI expanded CSR reporting from the top 100 to 500 companies in 2015 and introduced green bond guidelines in 2016. Key indices and frameworks like the NSE's ESG index (2017) and NITI Aayog's adoption of SDGs (2018) further embedded sustainability into the financial sector. By 2020, major firms committed to net-zero emissions, and in 2021, SEBI mandated Business Responsibility and Sustainability Reporting for the top

¹ The first group is about personal values: 'Ethics', 'Moral'. The second group deals with financial characteristics: 'performance' and 'diversification'. The third group refers to the SRI strategy 'screen', While the fourth group involves some proxies for the ESG factors: 'environment', 'sustainable', and 'governance'

1,000 companies. Enforcement grew stronger in 2022, with penalties for environmental violations by the National Green Tribunal. The government's flagship Plastics Pact, in collaboration with WRAP and WWF India, aims to unite businesses, governments, and NGOs to reduce, reuse, and recycle plastics within their value chains. Additionally, flagship schemes such as the Swachh Bharat Mission – Urban (SBM-U), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities Mission (SCM), Pradhan Mantri Awas Yojana – Urban (PMAY-U), Metro Rail Projects, and the National Clean Air Programme (NCAP) have bolstered India's efforts to align with ESG standards.

While the integration of CSR principles into financial markets has spurred the gradual evolution of SRI in emerging economies like India, further efforts are called for mainstreaming the strategy in other emerging nations where the emphasis often lies on financial growth over resource sustainability. Thus, the study yields scholarly implications for different participants of financial markets.

In pursuit of achieving global sustainability objectives, there is a call for the harmonization of Environmental, Social, and Governance (ESG) norms and guidelines across the world's economies. Developed nations have a role as mentors and are called for enhanced coordination with emerging nations in an effective implementation and enforcement of these frameworks. Policymakers and regulators, particularly in emerging economies, are tasked with the formulation, execution, and enforcement of ESG regulations to elevate reporting standards.

International corporations must synergize and exchange their ESG-driven business strategies, ethical competencies, and sustainable practices. These interconnected networks of corporate giants have the potential to instill sustainability principles within global financial markets. Simultaneously, fostering consistent disclosures and voluntary reporting by businesses in emerging economies will facilitate the permeation of sustainable strategies throughout the economy.

Asset managers bear a responsibility in dispelling apprehensions surrounding Socially Responsible Investing (SRI) and cultivating investor interest in ESG securities, especially in emerging economies with a growth orientation. Proactive investors seeking globally diversified portfolios will, in turn, wield their influence to encourage corporations to consistently, transparently, and accurately disclose significant ESG concerns.

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2

RESEARCH CORNER



- A NEW PATH TO SUSTAINABILITY: LEVERAGING CIRCULAR ECONOMY FOR WASTE MANAGEMENT IN INDIA

A New Path to Sustainability: Leveraging Circular Economy for Waste Management in India

This article explores the integration of circular economy principles into India's waste management sector, highlighting the potential for sustainable growth and environmental resilience. It examines how transitioning from a linear "take-make-dispose" model to a circular economy can reduce waste, create economic value, and foster innovation. The discussion includes the role of digital technologies, sustainable investing, and tailored strategies for overcoming local challenges. By aligning financial resources with circular goals, this approach offers a transformative path for India's development, emphasizing the importance of collaboration and systemic change for a more sustainable future.



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annually, with an expectation of increase by 70 percent by 2050².

Integration of circular economy practices could bring tremendous growth, not just in the waste management industry, but the economy as a whole³. This can be accomplished by many strategies such as focused waste reduction strategies, implementation of significant improvements in business expansion, and circular economy fostering the creation of job opportunities. Integration of circular economy differs from the traditional approach of the linear model which focuses on the "take-make-dispose" approach. Integration of circular economy with the waste management industry places a strong focus on maximizing the value of products, materials, and resources throughout their entire lifespan. Further, adoption of a circular economy, creates multiple job opportunities across the economy⁴. These job opportunities include roles in recycling and waste management, sustainable manufacturing, renewable energy, and green technologies.

In this article, the authors explore the integration of waste management into the circular economy, demonstrating how this synergy not only reduces environmental impact but also transforms waste into valuable resources. By aligning these practices with sustainable investing, the article aims to highlight the financial and ecological benefits of supporting circular economy initiatives. It seeks to illustrate how waste management, when incorporated into circular economy models, can offer compelling opportunities for smart, sustainable investments that drive long-term value.

INTRODUCTION

Recently, the concept of Circular Economy has started to gain momentum, with investors and financial experts looking at it as a tool for sustainable development across industries. Among various innovations, one significant innovation is transforming the traditional "take-make-dispose" model¹, thereby making strides in the waste management industry as well. This intervention in the waste management industry becomes crucial as exceeding waste landfills and excessive consumption make waste management a global sustainability issue. As of 2024, over two billion tons of municipal solid waste is generated

CIRCULAR SOLUTIONS: TRANSFORMING WASTE MANAGEMENT FOR A SUSTAINABLE FUTURE

According to the Circularity Gap Report, 2023⁵, only 7.2% of the economy is circular in nature. This means that only 7.2% of used materials are recycled back into the economy, which is a decline from the previous years. While circular economy is designed to foster economic prosperity while advocating for environmental preservation, various definitions restrict its operations to recycling alone⁶. There is a wide scope to integrate circular economy in the waste management industry. For instance, in 2021, Denmark

achieved a 93% return rate for disposable packaging, recycling 1.9 billion cans and bottles⁷. This success was driven by Dansk Retursystem, the national deposit and return system that allows consumers to return used beverage containers at supermarkets and kiosks for a cash deposit.

The primary goal of the circular economy is to restore and regenerate material cycles, ensuring that the value of materials is preserved at every stage of a product's life⁸. This approach seeks to minimize waste generation and ultimately close the loop by enabling high-value recycling processes. There is a significant impact on local environments through waste management community led initiatives. A remarkable case for this is the Japanese Kamikatsu community⁹ whose waste separation program has resulted in a stupendous recycling rate of over 80%. There are various contributing factors to this success, citizen mobilisation and innovative local policies, that specifically showcases the power of community-led initiatives in reaching sustainability goals.

However, there is no straightjacket formula for the adoption of such policies. Waste management strategies have to be built and tailored specifically to different regions. It also requires intervention of corporates. As a part of their journey to achieve their climate initiatives by 2030, IKEA has built a first ever second-hand furniture store in the Swedish town of Eskilstuna¹⁰. This might face certain cultural barriers in the Asian countries, including India. In addition to this, India also has certain drawbacks with regards to waste management despite strong legislation¹¹. While Indian citizens are becoming eco conscious, this consciousness is also not observed in every strata of the society. There is a visible socio-economic divide, where awareness about environmental issues, specifically waste management is lacking. On the other hand, there is often the choice of convenience over careful garbage segregation and recycling techniques¹². In a study carried out by the Economic Advisory to the PM¹³, it was revealed that in the Municipal Corporation of Delhi, only 12 out of 250 wards achieve 100% waste segregation at the source. In contrast, Kerala leads in this effort by imposing fines of up to 10,000 rupees on individuals and businesses that fail to properly segregate and manage their waste.

This preference may be influenced by factors such as differences in waste separation education, lack of awareness about relevant legislation, and limited access to recycling facilities in certain regions. As a result, a significant portion of waste in India ends up in landfills or is improperly disposed of, contributing to environmental degradation and missed opportunities for resource recovery¹⁴. To effectively address these challenges, it is essential to develop tailored strategies that consider local behaviours, preferences, and infrastructure limitations.

Implementing these strategies requires a multi-faceted approach. Educational campaigns are crucial to raising awareness and changing public attitudes toward waste management, ensuring that people understand the importance of proper waste separation and the benefits of recycling. Regulatory incentives, such as subsidies

or tax breaks for businesses and households that adopt sustainable practices, can further encourage the adoption of these methods.

Anchored in the open circular economy innovation model, these initiatives leverage collective intelligence and creativity to design and implement systems that not only reduce waste but also recycle materials and foster a continuous flow of resources. This model goes beyond traditional waste management practices, which often focus mainly on recycling, by embracing the 5 R's—Reduce, Reuse, Recycle, Repair, and Rot¹⁵. Forward thinking companies such as Patagonia have imbibed this philosophy pretty early on. Since its sustainability commitment in 1986, Patagonia has been a leader in the circular economy. Its Worn Wear program¹⁶ promotes repairing, reusing, and recycling garments. The initiative offers repair services and trade-in options, providing store credits for used items. This approach extends product lifespan and reduces waste.

These companies are succeeding because they understand that the circular economy principles offer a more holistic approach, emphasizing the importance of reducing waste at the source, extending the life of products through reuse and repair, and returning organic materials to the earth through composting¹⁷.

It becomes crucial to weave the principles of the 5 R's into every aspect of waste management¹⁸. This also becomes significant in the current scenario with the quantities of waste increasing at a mammoth rate. High consumption rates, increasing population and industrialisation have led to increasing landfills and increasing quantities of waste¹⁹. However, there is a widespread misconception that a large portion of this waste, especially plastic, is recycled and re-entered into the system. Unfortunately, this assumption is inaccurate. A considerable amount of waste ends up in landfills, leading to the use of valuable land, the release of greenhouse gases, and the contamination of nearby water sources²⁰. Each of these issues is crucial to the circular economy, which seeks not only to reduce waste but also to optimize resource use across different sectors.

By integrating these elements into waste management strategies, communities can create more resilient and sustainable systems that minimize environmental impact and support the circular economy. This comprehensive approach not only addresses immediate waste management challenges but also contributes to long-term sustainability goals by keeping materials in use for as long as possible and reducing the need for new resource extraction.

INVESTING FOR TOMORROW: ALIGNING FINANCE WITH CIRCULAR ECONOMY GOALS

Governments and regulators are increasingly focusing on critical issues such as climate change and global warming, creating an urgent need to explore the factors enabling businesses to participate in green finance²¹. Germany allocated €2.5 billion to boost EV infrastructure and offers a €9,000 subsidy per vehicle to encourage adoption. In

Shenzhen, China, an annual subsidy of USD 75,500 per electric bus was provided to major operators to support their transition. Meanwhile, Vietnam saw a 2,435% increase in rooftop solar PV installations since early 2019, largely due to a feed-in tariff scheme²².

The rising prominence of the waste management industry, driven by efforts toward its enhancement and expansion, has made it particularly attractive to investors, especially those interested in eco-friendly ventures²³. The adoption of circular economy principles and sustainable investing channels financial resources into the research and development (R&D) of clean energy, as well as environmentally friendly products and processes²⁴. This approach complements green investment strategies aimed at environmental protection.

Green finance creates opportunities for various agencies to take responsibility for climate and environmental issues, primarily by providing the necessary funding for green investments aimed at producing renewable energy and supporting sustainable growth²⁵. In an increasingly globalized and rapidly changing market, it is crucial to optimize resource consumption, minimize waste, and develop resilient business models to remain competitive. Current literature extensively explores the circular economy business model as a means to achieve sustainability²⁶.

The successful adoption of circular practices necessitates the integration of GF and green investment, which involve the allocation of financial resources to support environmentally sustainable projects and initiatives, such as renewable energy, energy efficiency, and sustainable transportation²⁷. The market for Green, Social, Sustainability, and Sustainability-Linked (GSSS) bonds, encompassing green, solar (yellow), and marine (blue) bonds, is steadily growing. A Fitch Ratings report indicates that GSSS-linked debt bonds represented US\$20 billion in the Indian debt market as of January 2023²⁸.

However, many environmentally sustainable projects are considered high-risk due to their relatively untested nature and lack of an established track record. Green finance plays a critical role in mitigating these risks by providing long-term, patient capital to support the development and deployment of such projects²⁹. Green investment contributes to addressing climate change by fostering the development of new technologies, products, and processes that enable communities and businesses to adapt to the evolving climate. Furthermore, green investment can stimulate economic growth by creating new business opportunities³⁰.

Overall, green finance and green investment are essential for achieving a sustainable future and tackling the challenges posed by climate change. They do so by offering the necessary financial support for environmentally sustainable projects and driving the innovation of technologies and products that promote environmental sustainability. In a circular supply chain, green finance and green investment can assist companies in designing, producing, and using products and services in ways

Integration of circular economy practices could bring tremendous growth, not just in the waste management industry, but the economy as a whole.

that minimize waste and environmental impact while maintaining economic viability³¹. This approach includes developing closed-loop supply chains that recover and reuse materials, utilizing renewable energy sources, and promoting sustainable practices throughout the production process and product lifecycle.

The dimensions of green finance are crucial when making investment decisions within the finance sector, as these decisions can lead to long-term investments in green and sustainable economic activities. Investors with a long-term commitment to environmental values are particularly attracted to green bond issuances, which often result in favorable reactions in the stock market³². For the green bond market to be effective, it is essential that green bonds are used to finance environmentally friendly products. This requires robust monitoring regimes, such as voluntary certification standards proposed by various organizations and associations.

Green investment represents a shift toward the circular economy, incorporating controls and routines to implement green innovations and thereby establishing a circular business model³³. This transition brings about changes in industry practices, environmental awareness, the production of green products, and environmental management to preserve natural resources. In a circular economy framework, waste is eliminated by ensuring that materials are properly treated and reappraised, leading to the creation of new assets.

Despite the development of policy frameworks and instruments intended to support the circular economy, there is a significant gap between policy intentions and actual implementation, even in advanced regions such as the European Union³⁴. Challenges related to technological innovation, market acceptance, and regulatory frameworks contribute to this gap. A more critical and nuanced approach is required to fully understand and realize the potential of the circular economy.

Although research on the circular economy is expanding, there remains a substantial gap in the comprehensive understanding and application of policies that can effectively promote its principles across various sectors and regions³⁵. This gap is particularly noticeable when addressing the diverse challenges—cultural, behavioral, economic, and regulatory—that hinder the transition from a linear to a circular model.

SMART SOLUTIONS: DIGITAL INNOVATIONS STEERING THE CIRCULAR ECONOMY FORWARD

Digital technologies play a crucial role in transforming data collection and management across various domains, particularly in advancing circular economy practices, life cycle analysis, and the analysis of life cycle inventory data. For example, by integrating technologies such as the Internet of Things (IoT) into CE initiatives, organizations can establish closed-loop systems that enable the continuous repurposing of materials, significantly reducing waste and minimizing environmental impact³⁶.

Additionally, the use of blockchain technology, with its smart contract functionality, automates processes like recycling, remanufacturing, and product reuse, thereby streamlining circular economy initiatives³⁷. Through blockchain integration, organizations can enhance supply chain visibility, optimize resource utilization, and drive continuous improvements in sustainability performance through data-driven life cycle analysis.

Moreover, digital tools facilitate transparency and collaboration across supply chains, empowering stakeholders to make informed decisions that minimize environmental impact and optimize resource use. By leveraging digital technologies for data collection and management, organizations can strengthen sustainability efforts, reduce waste, and accelerate the transition toward a more circular and efficient economy³⁸.

In the context of sustainable waste management, there is a growing emphasis on practices such as reducing production, meticulous waste categorization, promoting reuse and recycling, and harnessing energy through recovery methods³⁹. This paradigm marks a significant shift from traditional practices like landfill disposal, open dumps, and open incineration, which are increasingly recognized as unsustainable within the circular economy framework⁴⁰.

The rapid advancement of digitalization has a profound impact on the environment. While the overall effects of digitalization on the environment are still debated, digitalization is a key driver in the transition toward low-carbon development strategies within the circular economy⁴¹. The waste management industry has actively embraced digitalization to promote waste avoidance, reduction, reuse, and recycling before resorting to landfill disposal⁴². The adoption of digital technologies, such as robotics in waste management and urban waste separation, represents a critical step toward the transformation and movement toward a circular economy.

In the current landscape of sustainable development, the convergence of digitalization, waste management, and the circular economy offers a promising path toward mitigating environmental risks and fostering long-term ecological resilience. At the core of this paradigm shift is the recognition of the transformative potential of digital technologies as catalysts for resource optimization, operational efficiency, and environmental stewardship⁴³.

Central to this discourse is the understanding that traditional linear models of production and consumption, characterized by the 'take-make-dispose' approach, are inherently unsustainable in the face of escalating environmental degradation and resource depletion. The circular economy paradigm emerges as a compelling alternative, advocating for a regenerative approach where resources are conserved, reused, and recycled within a closed-loop system, thereby decoupling economic growth from resource consumption and environmental harm⁴⁴. In this context, the waste management industry plays a pivotal role in driving the transition toward a more sustainable and circular economy.

TURNING THE TIDE: INTEGRATING CIRCULAR ECONOMY WITH WASTE MANAGEMENT AND SUSTAINABLE INVESTING

Waste and pollution impose substantial economic costs on society, both directly and indirectly. Direct costs include expenses related to waste management activities such as the collection, transportation, and disposal of waste. According to a World Bank report (2018), the global cost of waste management is expected to rise from \$205 billion in 2010 to \$375 billion by 2025⁴⁵, with the majority of this increase occurring in low- and middle-income countries. In the Indian context, these escalating costs highlight the urgent need for more efficient waste management strategies.

A key advantage of the circular economy is its ability to reduce waste and pollution by keeping materials and products in use for extended periods. The Global Waste Management Outlook 2024⁴⁶, published by the United Nations Environment Programme (UNEP) and the International Solid Waste Association (ISWA), highlights the essential role of circular economy practices in reducing waste. It projects that adopting a fully zero-waste circular economy model could lead to recycling 60% of municipal solid waste (the waste collected from homes and businesses) while managing the remainder safely. By 2050, this approach could cut the global volume of municipal solid waste from over 4.5 billion tonnes annually to under 2 billion tonnes.

Additionally, this scenario would eliminate uncontrolled waste and reduce landfill waste by more than 40%, bringing it down to approximately 630,000 tonnes. These changes would not only address the climate crisis but also enhance human health. This reduction in waste leads to a lower environmental impact, including decreased greenhouse gas emissions, land use, and water consumption. In India, where rapid industrialization and urbanization have increased waste generation, the adoption of circular economy principles could play a vital role in mitigating environmental degradation.

Another significant benefit of the circular economy is the creation of economic value. By using resources more efficiently, businesses can lower costs and enhance profitability. In India, the circular economy model also



offers new business opportunities, such as recycling and repair services, product-as-a-service models, and industrial symbiosis. Furthermore, the circular economy has the potential to create jobs in sectors like waste management, renewable energy, and green manufacturing which are critical for a country like India⁴⁷, where job creation is a pressing need.

However, the implementation of a circular economy in India faces several challenges. One of the primary obstacles is changing consumer behaviour⁴⁸. For the circular economy to thrive, Indian consumers must be willing to purchase recycled products and engage in practices such as repair and reuse. This shift requires raising awareness, providing incentives, and overcoming barriers related to convenience and perceptions of quality. Additionally, for circular cities in India, decision-makers must closely monitor material cycles and maintain comprehensive databases on waste production and treatment.

The acceleration of how goods and services are produced and consumed in India, driven by the emergence of the circular economy calls for innovative, creative, and transparent approaches that mimic natural processes⁴⁹. The European Commission's 2018 action plan⁵⁰, which aims to recycle 70% of municipal waste by 2030, offers a strategic model that India could adapt to its own context. Similar initiatives are crucial for India to achieve its sustainable development goals.

The adoption of circular processes in India has the potential to expedite the achievement of SDGs outlined in the United Nations' 2030 Agenda for Sustainable Development. By gradually adopting circular economy principles, India can reduce the strain on its material resources⁵¹. Achieving this requires institutional changes and the promotion of technological advancements on a significant scale. The rapid pace of technological developments aligned with the needs of expanding the circular economy is crucial for this transformation.

At the heart of this digital transformation is the need to harness information and connectivity to reimagine waste as a valuable resource, ready for recovery, repurposing, and reintegration into the production cycle. In India, sustainable investing plays a critical role in supporting this transition. By channelling financial resources into environmentally sustainable projects, sustainable investing can drive innovation in the waste management industry and support the broader adoption of circular economy practices. This investment is essential for overcoming the challenges

associated with circular economy implementation and for fostering long-term economic and environmental resilience in India.

SUGGESTIONS: FORGING THE PATH FORWARD

The integration of circular economy principles into waste management represents a pivotal shift toward sustainable development, addressing the global challenge of escalating waste and environmental degradation. As industrialization and urbanization continue to accelerate, especially in countries like India, the linear "take-make-dispose" model is increasingly unsustainable. The circular economy offers a transformative alternative that not only reduces waste and pollution but also creates economic value through efficient resource use, innovation, and job creation.

To realize the full potential of the circular economy in India, a systemic approach is essential—one that prioritizes product design for durability, reuse, and recyclability. This approach requires collaboration across sectors, effective management of resources, and the creation of incentives for adopting circular practices. Moreover, the role of digital technologies cannot be overstated; they are crucial for enhancing transparency, optimizing resource use, and fostering innovation in waste management processes. Blockchain, IoT, and data-driven life cycle analyses are examples of how digital tools can revolutionize waste management, enabling the continuous circulation of materials within the economy.

However, the transition to a circular economy is not without challenges. In India, significant obstacles include changing consumer behaviour, overcoming socio-economic divides, and ensuring access to recycling facilities across diverse regions. Addressing these challenges necessitates tailored strategies that consider local contexts, extensive public education campaigns, and regulatory incentives to encourage sustainable practices.

Sustainable investing plays a critical role in this transition, providing the necessary capital to support the development and deployment of environmentally friendly technologies and processes. By aligning financial resources with circular economy goals, investors can drive long-term value creation while contributing to environmental resilience. This approach not only mitigates the risks associated with high-impact, unsustainable practices but also opens new avenues for green growth and innovation.

To further advance the circular economy in India, policymakers and stakeholders should focus on developing robust frameworks that integrate circular economy principles across all sectors, supported by continuous investment in R&D, infrastructure, and skills development. Additionally, fostering cross-sector collaboration and public-private partnerships will be essential in scaling circular practices and achieving sustainable development goals. Through a concerted effort that combines innovation, investment, and education, India can lead the way in creating a more sustainable, circular economy that benefits both society and the environment.

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Dear Professional Colleague,

Sabka Saath, Sabka Vikas, Sabka Vishwas, and Sabka Prayas

These words of Shri Narendra Modi, Hon'ble Prime Minister of India acts as guiding force for the *Kartavya Kaal* wherein inclusive economic participation from all citizens is essential to steer India's economic growth towards the vision of a developed economy by 2047. Indian economy is aiming towards being the third largest by 2030 and the ambition of USD 30 trillion economy by 2047 requires crafting a new narrative of strategic development that embodies resilience, innovation and quality.

The Government has dedicated the last decade on reforming, formalizing and revitalizing the Indian economy by scrapping over 1,500 outdated processes, rules and regulations, facilitating ease of doing business, reshaping contours of real estate and the MSME sector, nurturing startups and fintechs, enacting IBC in 2016 and GST Act in 2017, strengthening dispute resolution mechanisms, subsuming 29 Central labour laws into 4 comprehensive labour codes, digitizing interfaces, simplifying FDI routes, etc.

The next decades of the *Kartavya Kaal* will showcase a multifaceted approach harnessing India's intellectual capital and demographic dividend to foster macro-economic growth and all-inclusive welfare. Active participation and responsible stewardship of the corporate sector will play a vital role in spurring economic growth to position India as a developed nation. The call for opportunities rings louder than ever and Professionals like Company Secretaries will emerge as facilitators providing the impetus, guidance and direction for Indian corporates.

With a view to support this ambitious initiative of the Government of India, I am extremely delighted to inform that the ICSI is organizing its 52nd National Convention of Company Secretaries to be held from **Friday, November 8 to Sunday, November 10, 2024** on the theme **India@2047: Expanding Horizons for Professionals** at **Hotel Sahara Star, Mumbai**, the economic hub and financial capital of India. The Convention aims to delve into the pivotal role of professionals, particularly Company Secretaries, in driving sustainable development and effectively contributing to this national vision.

The event will provide an insightful platform featuring prominent speakers, industry leaders and policymakers to discuss and deliberate on the economic landscape of India and the evolving opportunities for Professionals. Your kind presence will surely enable exchange of ideas, experiences and networking with your professional colleagues from all parts of the country and abroad. Your spouse, children and other guests are also welcome to the National Convention, sight-seeing, cultural programme and other attractions.

The Institute also proposes to release a Souvenir containing messages of good wishes, theme articles, programme details, and other interesting features on this significant occasion. We request you to use your good offices in obtaining advertisement and sponsorship support for this mega event. We are delighted to call upon you to register for the 52nd National Convention of Company Secretaries at Mumbai.

I look forward to our meeting at the *City of Dreams!*

With best regards,

Yours' sincerely,

CS B. Narasimhan
President, The ICSI





52nd National Convention of Company Secretaries

India@2047: Expanding Horizons for Professionals

"Remember the time before independence...yes, people had different methods of working but the goal was same and the goal was big - the freedom of India. In this Amrit Kaal we have to come together and work towards another big goal of a Viksit Bharat."

- Shri Narendra Modi, Hon'ble Prime Minister

The vision of *Viksit Bharat* outlines a comprehensive roadmap to transform India to mark its presence amongst the top three economies by 2047 – the 100th year of its independence, which encompasses varied facets of development, such as economic growth, environmental sustainability, social progress and good governance. And for an Institute functioning with a vision "to be a global leader in promoting good corporate governance", it is pertinent that the roles and responsibilities of Company Secretaries are synergized with the national aspirations.

The Union Budget 2024 is a significant milestone in India's journey towards becoming a developed nation by 2047. The Budget lays a solid foundation for a prosperous and resilient economy with far-reaching and transformative provisions with focus upon employment generation, support to the middle class, agriculture growth, MSMEs, urban infrastructure development, next-generation reforms and improving factors of production.

Initiatives like Digital India and Make in India are revolutionizing industries and empowering millions. At the same time MSMEs are shaping India's economic future and paving the way for a *Viksit Bharat*. The nation's unwavering commitment to green energy, climate change and cutting-edge infrastructure is laying the foundation for a sustainable future. In healthcare and space exploration, India is reaching unprecedented heights, exemplifying its resilience and visionary ethos.

The theme of the 52nd National Convention, **India@2047: Expanding Horizons for Professionals** symbolizes a journey of limitless possibilities and expanding horizons for professionals with excellence and innovation in the nation's journey towards a global leader through promotion of good governance, technology, sustainable development, education, entrepreneurship, and innovation.

In the corporate arena, Company Secretaries have transcended traditional roles, becoming pivotal architects of organizational strategy, governance, and sustainable practices. Today, the role of a Company Secretary has evolved from an administrative function to a strategic ally, who is instrumental in navigating complex business landscapes and driving long-term growth.

The 52nd National Convention aims to brainstorm new ideas, foster knowledge sharing, capacity building, and collaborative initiatives through discussions during the Technical Sessions leading to fruitful outcomes to contribute towards vision of *Viksit Bharat*. The **sub-themes** for the technical sessions for the three-day Convention covering aspects of the theme in a professional context are as under:





52nd National Convention of Company Secretaries

Venue of the Convention



Hotel Sahara Star

Opposite : Domestic Terminal-1, 70C,
Nehru Road, Vile Parle, Mumbai- 400 099

About Mumbai

Mumbai, capital of Maharashtra, situated on west coast of India is also known as 'Financial Capital of India' or the 'City of Dreams'. Mumbai is in all ways a mega-city which attracts people to give shape to their dreams and aspirations. But it is also a city with strong historical links, wonderful architecture, museums, beaches, places of worship. A city of diverse cultures and a melting pot of commerce, industry, education, entertainment, enterprise, and politics.

The incredible culture of Mumbai is a perfect union of festivities, religion, music, food and theaters. Fun is equally important to the people of Mumbai. This is evident from the way various festivals are celebrated here, in particular, *Ganesh Chaturthi*, a 10-day festival which is celebrated with grandeur and glory.

Mumbai is famous for its handmade fabrics, textiles and jewellery. A good reason to visit Mumbai is the food, be it street food or local favourites or the seafood. Offshore, nearby Elephanta Caves holds ancient cave temples dedicated to the *Lord Shiva*.

Tourist Attractions



Gateway of India

The Gateway of India is an arch monument built during the 20th century to commemorate the landing of King George V and Queen Mary at Apollo Bunder on their visit to India in 1911. The monument has also been referred to as the Taj Mahal of Mumbai. Today, it is a favourite among locals and tourists for the beautiful view of the Arabian Sea. Distance from venue about 26 km.

Chhatrapati Shivaji Terminus

The modern railway station of Mumbai, Chhatrapati Shivaji Terminus is also known as Victoria Terminus. Built in 1888, it is one of the UNESCO World Heritage Site and has a great historic significance. It is a perfect fusion of Late-Italian and Victorian/Gothic and Mughal Architecture Styles. Distance from venue about 25 km.





52nd National Convention of Company Secretaries



Siddhivinayak Temple

Siddhivinayak Temple is located in Prabhadevi in Mumbai. It is a temple dedicated to *Lord Ganesha* and was originally constructed in 1801 and is considered one of the richest temples of the country. Inside a little mandap is the shrine of Siddhivinayak with the wooden doors of the sanctum carved with figures of Ashtavinayak while its inner roof is plated with gold. Distance from venue about 10 km.

Mahalakshmi Temple

Mahalakshmi Temple is one of the most famous temples of Mumbai situated on Bhulabhai Desai Road in Mahalakshmi area. The temple was built in 1831 by Dhakji Dadaji, a Hindu merchant. The Mahalakshmi temple contains images of the Tridevi goddesses Mahakali, Mahalakshmi, and Mahasaraswati. Distance from venue about 18 km.



Marine Drive

The best location in Mumbai to watch the sunset is the Marine Drive, a 3 Km. long arc shaped road along the coast of South Mumbai. Popularly known as the Queen's Necklace because of its shape and yellow streetlights, Marine Drive is a place which is

Juhu Beach

Probably one of the most visited places in Mumbai, Juhu Beach is situated in Ville Parle. Juhu Beach comes to life mostly in the evening, when people from all walks of life visit here to enjoy sunset, play in the water and treat their taste buds. With the houses of many Bollywood stars and Celebrities near the Juhu Beach, it is another famous tourist location of the city. Distance from venue about 5 km.



Kala Ghoda

Kala Ghoda is known as the art district of South Mumbai, where art galleries, museums, educational centers and cinemas are clustered together. Translating as 'the black horse', Kala Ghoda is named after the black stone statue of King Edward VII mounted on a horse which is a focal point of the area. Kala Ghoda area is an abode for art lovers, and is one of the most artistic and culturally rich place in Colaba. Distance from venue about 25 km.

Lonavala & Khandala

Lonavala and the adjacent Khandala are twin hill stations, in the Sahyadri ranges situated at a distance of about 96 Km. from Mumbai. Lonavala and Khandala are home to amazing landscapes, forts, ancient caves, sunset points, beautiful lakes and waterfalls.



Alibaug

Alibaug is a coastal town in Raigad, Maharashtra located about 100 Km. from Mumbai. It is well known for its sandy beaches, forts, temples and beautiful scenery. Alibaug is a holy place for Goddess Shree Padmakshi Renuka, the goddess of Konkan.





52nd National Convention of Company Secretaries

Tentative Programme Schedule

DAY-1: FRIDAY, NOVEMBER 8, 2024	
11:00 AM Onwards	Registration of Delegates
12:00 Noon – 2:00 PM	Lunch
2:00 PM – 3:30 PM	Opening Plenary
3:30 PM – 5:00 PM	Technical Session-I
5:00 PM – 5:30 PM	Tea Break & B2B Session
5:30 PM – 6:30 PM	Special Session
7:30 PM Onwards	Cultural Evening & Dinner

DAY-3: SUNDAY, NOVEMBER 10, 2024	
9:30 AM – 11:00 AM	Open House
11:00 AM – 12:30 PM	Technical Session-V
12:30 PM – 1:00 PM	Tea Break & B2B Session
1:00 PM – 2:30 PM	Technical Session-VI
2:30 PM Onwards	Lunch

DAY-2: SATURDAY, NOVEMBER 9, 2024	
10:00 AM – 11:30 AM	Technical Session-II
11:30 AM – 12:00 Noon	Tea Break & B2B Session
12:00 Noon – 1:30 PM	Technical Session – III
1:30 PM – 2:30 PM	Lunch Break
2:30 PM – 3:00 PM	Special B2B Session
3:00 PM – 4:30 PM	Technical Session-IV
4:30 PM – 5:00 PM	Tea Break & B2B Session
5:00 PM – 6:30 PM	Special Session
7:30 PM Onwards	Cultural Evening & Dinner

Delegate Fee and Registration Process

Delegate Registration Fee* (Non-Residential)

Delegate Category	Early Bird Registration-I (Extended upto September 15, 2024)	Early Bird Registration-II (From September 16, 2024 to October 31, 2024)	Delegate Fee (From November 1, 2024 onwards including on the spot registration)
Member of ICSI/ ICAI/ ICMAI	Rs.8,000	Rs.9,000	Rs.10,000
Accompanying Spouse / Child (5 years and above) / Sr. Member (60 years and above)	Rs.6,500	Rs.7,500	Rs.8,500
Student of ICSI	Rs.6,000	Rs.7,000	Rs.8,000
Non-Member/Guest	Rs.10,000	Rs.11,000	Rs.12,000
Foreign Delegate	USD 175	USD 225	USD 275

*Exclusive of GST @18% on non-residential basis. GST is not applicable for foreign delegates.

The above fee includes Lunch (3), Dinner (2), Morning / Evening Conference Tea, Coffee, Conference Kit and Souvenir. The Delegate Fee is payable in advance and is non-refundable & non transferable.





52nd National Convention of Company Secretaries

Registration Process

- Delegates are requested to register for the Convention by visiting the Registration Link: <https://tinyurl.com/3re42saw>
- Registration for the Convention shall be through Online Mode only.
- Please note that payments are not accepted through Demand draft, Cheque & Cash.



Programme Credits

- 10 (Ten) Structured CPE Credits for members of the Institute

Speakers



Participants





52nd National Convention of Company Secretaries

Accompanying Guests, Spouse and Children

Accompanying Guests, Spouse and Children registered for the Convention will be eligible to participate in Lunch, Dinner, Sight Seeing, Cultural Evening Programme(s) and other attractions of the Convention.

Articles for Souvenir

Members who wish to contribute article for publication in the Souvenir are requested to send the same through email at **conference@icsi.edu** on or before **September 15, 2024**. The article should be between 2,500 – 4,000 words (font size Arial 11 point – single space / single column and without any diagrams / sketches / downloaded pictures from internet). The content shall be original work of the author. Articles will be checked for plagiarism by the Institute.

The Articles Screening Committee constituted specially for the 52nd National Convention will consider the Articles received and the decision of the Committee will be final in all respects. Member whose article is published in the Souvenir shall be granted 4 (FOUR) CPE Credits (Structured) and select publications of the Institute in recognition of his/her efforts. **Please send article in the MS Word mentioning your Name, Designation, Organisation/Firm Name.** Articles not complying with above specifications including length of the article shall be rejected.

How to reach Mumbai



By Air

Chhatrapati Shivaji International Airport, formerly known as Sahar International Airport, is the primary international airport serving the Mumbai Metropolitan Area. It is situated about 30 Kms. from Chhatrapati Shivaji Terminus (CST) Station. The Santa Cruz Domestic Airport is about 4.5 Kms. from the International Airport.



By Train

The main Railway stations in Mumbai are Chhatrapati Shivaji Terminus (CST), Bandra Terminus, Mumbai Central and Lokmanya Tilak Terminus Railway Station, Kurla. These major railway stations connect Mumbai with different parts of the country.



By Road

Mumbai is well-connected with national highways and expressways. Mumbai visit by bus is the most economical for individual tourists. Government, as well as private buses, operate daily services to this route. Mumbai bus stand is situated at the centre of the city.

CS B. Narasimhan
President, The ICSI

CS Dhananjay Shukla
Vice President, The ICSI

CS Pawan G. Chandak
Council Member, The ICSI &
Programme Director

CS Asish Mohan
Secretary, The ICSI

CS Mehul Ganesh Rajput
Chairman, WIRC, The ICSI





52nd National Convention of Company Secretaries

Hotel Booking For Delegates

1. The members/students/others (as the case may be) are required to first get themselves registered as delegate for the 52nd National Convention of Company Secretaries.
2. The ICSI has taken best/ negotiated rates from some of the hotels and blocked the rooms at concessional rates for delegates of National Convention. The delegates are advised to avail this opportunity latest by **September 15, 2024**. The rates may be changed post this date at the discretion of the hotel.
3. **For booking of rooms in hotel, delegates may select the hotel as per their choice from the list of hotels given below. They may download the Room Booking Form from the link given against that hotel's name. They are required to fill-up details including the Delegate Registration No. in the form and after that scanned copy of this form is required to be sent by e-mail to respective hotel. After receiving the same, the hotel will share link for the payment and accordingly, delegates may make the payment and book rooms by their own.**
4. All payments related to hotels are to be settled by the delegate with the hotel concerned directly.
5. **All delegates may kindly note that hotel rooms shall be booked on full occupancy basis.** The sharing of the room with the other delegate is permissible and will depend completely on the mutual understanding amongst the delegates. The details of the accompanying delegate are to be filled in the form at the time of booking of the hotel. The ICSI in no way is involved in the process and would not be suggesting any names for sharing of room.
6. Hotel may allow delegates for early check-in, if some of them are reaching before check-in time, but this facility is subject to availability of rooms at that point of time. Lunch is also being arranged to be served from 12:00 Noon onwards at Convention Venue to facilitate such delegates who are reaching Mumbai before check-in time of their respective hotels.
7. Delegates are free to book their stay in any hotel of their choice at their own.

Sl. No.	Name & Address of the Hotel	Hotel Booking Form	Star Category	Distance from Convention Venue	Distance from Airport	Distance from Railway Station	No. of Rooms blocked for delegates	Room Tariff (Per Room Per Night Including Breakfast)			Contact Details
								Single Occupancy	Double Occupancy	Triple Occupancy	
1.	Hotel Sahara Star , Opp: Domestic Terminal-1, 70C, Nehru Road, Vile Parle, Mumbai-400 099	https://tinyurl.com/Hotel-Form	5 Star	Convention Venue	650 M from Terminal 1 4 KM from International Terminal	25 KM from CST 18 KM from Mumbai Central	100	9,000 +GST	10,000 +GST	11,000 +GST	8657931933 reservations@saharastar.com
2.	Hotel Ibis Mumbai Airport, Near Domestic Airport-Western	https://tinyurl.com/nha5yixj	3 Star	100 Meters	1 km from Terminal 1 & 4 kms appx from International Terminal	25 KM from CST 18 KM from Mumbai Central	35	7,000 +GST	7,500 +GST	—	Ms. Vanessa Pereira, Sales Manager Mob: 9167797714 022-67167782 Pereira, vanessa@accor.com
3.	Hotel Orchid , T-1, 70C, Nehru Road, Navpada, Vile Parle (E), Mumbai-400 099	https://tinyurl.com/y558kmmx	5 Star	100 Meters	1 km from Terminal 1 & 4 kms appx from International Terminal	25 KM from CST 18 KM from Mumbai Central	60	8,000 +GST	8,000 +GST	105000 +GST	CENTRAL RESERVATIONS +91 916 916 6789 7.30 AM to 9.30 PM reservations@orchidhotel.com
							20 Executive	8,500 +GST	8,500 +GST	11000 +GST	
							Premium (based on availability)	10,000 +GST	10,000 +GST	13000 +GST	





52nd National Convention of Company Secretaries

Sponsorship/Advertisement Tariff

Sl. No.	Details	Rs.
1.	Principal Sponsor <ul style="list-style-type: none"> Advertisement in Souvenir Delegate fee exemption Display at Convention Backdrop Stall (6'x6') Publicity material in delegate kits Special Acknowledgement 	20,00,000 4 Delegates (Residential) 6 Delegates (Non Residential)
2.	Co-Sponsor <ul style="list-style-type: none"> Advertisement in Souvenir Delegate fee exemption Display at Convention Backdrop Publicity material in delegate kits Special Acknowledgement 	15,00,000 2 Delegates (Residential) 5 Delegates (Non Residential)
3.	Sponsorship for Bags <ul style="list-style-type: none"> Advertisement in Souvenir Delegate fee exemption Display at the Convention site/ Convention Bag Publicity material in delegate kits Special Acknowledgement 	12,00,000 2 Delegates (Residential) 4 Delegates (Non Residential)
4.	Diamond Sponsor <ul style="list-style-type: none"> One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site Special Acknowledgement 	8,00,000 5 Delegates (Non Residential)
5.	Souvenir Sponsor <ul style="list-style-type: none"> Logo on the Souvenir cover page One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site Special Acknowledgement 	6,00,000 4 Delegates (Non Residential)
6.	Gold Sponsor <ul style="list-style-type: none"> One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site Special Acknowledgement 	5,00,000 3 Delegates (Non Residential)
7.	Cultural Programme Sponsor Day 1 <ul style="list-style-type: none"> One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site & Cultural Programme Site Special Acknowledgement 	5,00,000 3 Delegates (Non Residential)
	Day 2 <ul style="list-style-type: none"> One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site & Cultural Programme Site Special Acknowledgement 	5,00,000 3 Delegates (Non Residential)
8.	Silver Sponsor <ul style="list-style-type: none"> One Special Full Page advertisement in Souvenir Delegate fee exemption Display at Convention Site Special Acknowledgement 	3,00,000 2 Delegates (Non Residential)





52nd National Convention of Company Secretaries

Sl. No.	Details	Rs.
9.	Advertisements in Souvenir <ul style="list-style-type: none"> - Back Cover - Inside Cover - Special Full Page (coloured printing) - Full Page (B/W) - Half Page (coloured printing) - Half Page (B/W) 	1,00,000 70,000 50,000 30,000 30,000 15,000
10.	Advertisements in Souvenir (Concessional tariff for PCS) <ul style="list-style-type: none"> - Special Full Page (coloured printing) - Full Page (B/W) - Half Page (coloured printing) - Half Page (B/W) 	25,000 15,000 15,000 7,500
11.	Banner <ul style="list-style-type: none"> • 8' x 3' + Spl. Full Page Advertisement (Colour) • 8' x 3' • 6' x 3' 	1,00,000 50,000 35,000
12.	STALL <ul style="list-style-type: none"> • 6' x 6' 	1,00,000 2 Delegates (Non Residential)
13.	Distribution of Publicity Material, literature, Pen/Pad etc.	1,00,000 1 Delegate (Non Residential)
14.	Sponsorship of Pen/ Pad for Convention Delegates <ul style="list-style-type: none"> • Logo on Pen and notepad (Cover page) • Advertisement in Notepad (Back Cover) • One Special Full Page advertisement in Souvenir • Delegate fee exemption • Special Acknowledgement 	3,50,000 2 Delegates (Non Residential)
15.	Miscellaneous <ul style="list-style-type: none"> • For any member who procures advertisements above Rs.2,00,000-Delegate Fee (non-residential) exemption for 2 delegates • For any member who procures advertisements above Rs.5,00,000 -Delegate Fee (non-residential) exemption for 4 delegate • 10% Incentive to the RO/Chapter for procuring any of above sponsorships / advertisements 	

QUERY/ CLARIFICATION

For any query/clarification, please contact:

Query / Clarification	Name of the ICSI Official	E-mail ID	Contact No.
Delegate Registration	Mr. Niranjan Sarkar	niranjan.sarkar@icsi.edu	0120- 4522087
Hotel booking for Delegates	Ms. Vinny Mehta	vinny.mehta@icsi.edu	9650555384
Sponsorship	Ms. Pooja Sharma	pooja.sharma@icsi.edu	9625655045





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- **Fund formation:** Multiple jurisdictions. Vision boarding on ESG. Structuring (fund, GP entity, sponsor entity) and more
- **Corporate & Commercial Law:** M&A, governance, and business structuring.
- **Private Equity & Venture Capital:** End to end support of the transaction from diligence to execution.
- **Technology:** Most emerging tech such as fintech, health-tech, AI, big data & analytics, space tech, automated driving, block chain and many many more
- **Intellectual Property:** All forms of IP from protection to enforcement around the world, various technology related laws in various industry segments.
- **M&A:** Entry strategies, FDI, and complex transactions
- **Employment Law:** Contracts, policies, and labor law compliance.
- **Real Estate & PropTech**
- **Inhouse Counsel:** Ongoing corporate legal services.
- **MSME & Accelerators:** Structuring, implementation of running the accelerators and fundraising.
- **Affiliate Services:** Accounting, tax, and company compliance.
- **Dispute Resolution:** Arbitration and mediation

3

LEGAL WORLD



- RAYMOND WOOLLEN MILLS LTD v. M.R.T.P. COMMISSION & ANR [SC]
- GULSHAN KUMAR AHUJA v. MONIKA GARG & ANR [NCLAT]
- NIKHIL JAIN & ORS v. ANIL GOEL LIQUIDATOR OF BIRLA COTSYN INDIA LTD [NCLAT]
- EXTREME INFOCOM PVT. LTD. v. NATIONAL INTERNET EXCHANGE OF INDIA [CCI]
- RAJIV RAI SACHDEV v. PROCTER & GAMBLE HYGIENE AND HEALTH CARE LTD & ANR [CCI]
- OMKAR REALTORS AND DEVELOPERS PVT. LTD v. KUSHALRAJ LAND DEVELOPERS PVT. LTD [SC]
- SRI SUJIES BENEFIT FUNDS LTD v. M. JAGANATHAN [SC]
- G.D. PHARMACEUTICALS PVT LTD v. M/S CENTO PRODUCTS (INDIA) [DEL]
- U.P. STATE ROAD TRANSPORT CORPORATION v. BRIJESH KUMAR [SC]



Corporate Laws

Landmark Judgement

LMJ 09:09:2024

RAYMOND WOOLLEN MILLS LTD v. M.R.T.P. COMMISSION & ANR [SC]

Civil Appeal No. 4126 of 1991

Kuldip Singh & S. Mohan, JJ. [Decided on 26/02/2024]

Equivalent citations: 1993 SCR (2) 127; 1993 SCC (2) 550; 1994 AIR SCW 1557; (1993) 78 Comp Cas 471.

Monopolies and Restrictive Trade Practices Act, 1969- Resale price maintenance- price list to dealer did not provide for charging less than the MRP- MRTPC passed cease and desist order- appellant challenged that the alleged RTP is not affecting the market- whether the order passed by the MRTPC is correct and justified -Held, Yes.

Brief facts:

The appellant was found to be following the practice of retail Price maintenance, which was a restrictive trade practice under the MRTP Act. The MRTP commission, after investigation, passed a cease and desist order against the Appellant. This order was challenged before the Supreme Court by the Appellant.

Decision: Dismissed.

Reason:

The price lists indicate the rate per metre of each of the textile product manufactured. There is nothing to indicate that the dealers could charge a price lower than those mentioned in the price list. As rightly pointed out by the Commission there is not even an indication in the price list that the rates prescribed are the maximum recommended rates. In the presence of the same, the dealers could sell the products even at lower rates. This will encourage the consumers to ask any rebate in the rates indicated in the price list.

The Commission observes as follows:

"The object of clause (f) of Section 33 is that when specified rates are mentioned in the price list issued by the manufacturer and the sale and purchase including resale of the products was governed by those rates, there should be a clear mention in the price list that the dealers can

sell at prices lower than those shown therein so that the ultimate consumers may not be led or misled by the fact that the prices mentioned in the price list are final and not subject to negotiation. In this view of the matter, the fact that in actual practice some of the retailers might have sold the products at prices lower than those mentioned in the price list would not be material and the situation would be fully covered by clause (f)."

We are in entire agreement with this finding. The submission of Mr. Desai, relying on Tata Engineering and Locomotive Co. Ltd. case (supra), that no evidence was let in by the Director General cannot be accepted. It is on the price list, without any indication as to the maximum price, the charge is made of violation of restrictive trade practice under section 33 (f) falling under section 2(o) (ii) of the Act. In such a case, we are unable to see as to why evidence is necessary. The whole case depends on the admitted price list issued by the appellant. The ruling of Tata Engineering and Locomotive Co. Ltd. (supra) has no application to the facts of the present case because that was a case of distributorship where distributor takes care of the post-sale service that is peculiar to the nature of the trade there, namely, the Locomotives, which cannot be so in this case, the trade being of textile and nothing peculiar to this trade. Accordingly, we find no merit in the appeal which is hereby dismissed. However, there shall be no orders as to cost.

LW 63:09:2024

GULSHAN KUMAR AHUJA v. MONIKA GARG & ANR [NCLAT]

Company Appeal (AT) (Insolvency) No. 1202 of 2024

Rakesh Kumar Jain & Arun Baroka. [Decided on 22/08/2024]

Insolvency and Bankruptcy Act, 2016- section 9- CIRP initiated by operational creditor- the defence of preexisting disputes set up by the corporate debtor was rejected by the NCLT- CIRP admitted- whether the admission of CIRP is correct- Held, Yes.

Brief facts:

The present Appeal is being filed by the Appellant / Corporate Debtor, a member of the suspended board of directors of the Corporate Debtor against the Impugned Order, wherein the NCLT the Adjudicating Authority admitted the application filed by Respondent No.1 under Section 9 Code and initiated the Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor rejecting the contention of the Appellant that there exists pretexting dispute.

Decision: Dismissed.

Reason:

The main issue which emerges is whether in the instant case any preexisting dispute exists which would not allow initiation of Section 9 proceedings under the Code against the Appellant / Corporate Debtor/ Corporate Debtor.

The Appellant / Corporate Debtor contends that there is a pre-existing dispute between the parties. This dispute is with respect to payment of GST dues on the alleged invoices. The Appellant / Corporate Debtor has also challenged the genuineness of the invoices issued by Respondent No. 1 / Operational Creditor before the Hon'ble Punjab and Haryana High Court Chandigarh. Appellant / Corporate Debtor further contends that Directorate General of GST Intelligence had conducted a raid on the factory of the Corporate Debtor between 25th February 2019 and 26th February 2019 regarding bogus invoices to evade GST payment. The Appellant / Corporate Debtor also contends that the issue regarding invoices and payment of GST was existing much before the issuance of the demand notice dated 27 May 2019. The Appellant / Corporate Debtor contends that it had issued emails dated 27th May 2019 and 28th May 2019 in which it had raised the issue of payment of GST to the Directorate General of GST Intelligence but due to inadvertence these mails could not be filed before the Adjudicating Authority. The Appellant / Corporate Debtor has now filed these emails in the Appeal.

From the material on record it is noted that the Operational Creditor has filed all the GST returns applicable to him. These are available in Appeal Paper Book (APB) from pages 317 to 397. It is also an admitted fact that the intelligence officer of Directorate General of GST Intelligence had raided some cotton suppliers, including the Operational Creditor and also issued summons to it. But it has not initiated any legal case against the Operational Creditor.

But in the instant case all GST Returns (GSTR) have been filed by the Operational Creditor and are available in the Appeal Paper book. The Operational Creditor was also raided by the Directorate General of GST Intelligence, but they were not proceeded against for any violation. Further, neither the Operational Creditor nor the Directorate General of GST Intelligence has even impleaded the Respondent No. 1 / Operational Creditor before the Hon'ble High Court. Under these conditions it is difficult to accept the proposition that the GST is a matter of dispute between the parties. The facts of the instant case are distinguishable and we do not find any preexisting dispute between the parties due to the GST.

Based on above analysis and the facts of the instant case, we don't find that the claim of an operational creditor is undisputed and the operational debt remains unpaid. As a result, our findings are:

- The Corporate Debtor received goods from Respondent No. 1 / Operational Creditor and has an outstanding debt exceeding Rs. 1 lakh.
- The Appellant / Corporate Debtor's claims of a pre-existing dispute due to the GST raids and alleged fake invoices are not substantiated with material on record as the correspondence and proceedings involving the GST authorities do not constitute a genuine preexisting dispute between the Corporate Debtor and Respondent No. 1 / Operational Creditor concerning the operational debt.
- The Appellant / Corporate Debtor's contentions that the company is solvent and the matter should be resolved through civil proceedings or arbitration are not relevant to the initiation of CIRP under the IBC.

The appeal lacks merit as the Appellant / Corporate Debtor failed to demonstrate a pre-existing dispute as required under Section 9 of the IBC. The Adjudicating Authority rightly admitted the application filed by Respondent No. 1 / Operational Creditor and initiated the CIRP against the Corporate Debtor.

LW 64:09:2024

NIKHIL JAIN & ORS v. ANIL GOEL LIQUIDATOR OF BIRLA COTSYN INDIA LTD [NCLAT]

Company Appeal (AT) No.148 of 2024

Yogesh Khanna & Ajai Das Mehrotra. [Decided on 20/08/2024]

Companies Act,2013- section 230- scheme of amalgamation proposed by the liquidator- section 37 of LODR required NOC from stock exchange for the amalgamation- whether this requirement of NOC is applicable to the scheme of amalgamation proposed by liquidator- Held,No.

Brief facts:

The broad question of law to be addressed in the present Appeal was whether Regulation 37(1) and (2) of the LODR would apply to the Scheme submitted by the Liquidator under Section 230 of the Companies Act read Regulation 2B of the Liquidation Process Regulations, and alternatively, whether the clarification introduced by way of Regulation 37(7) of the LODR for restructuring proposals under Section 31 of the Code would also apply to a Scheme for revival of a company in liquidation under Regulation 2B of the Liquidation Process Regulations read with Section 230 of the Companies Act, 2013 especially considering two modes of revival are in similar continuum.

Decision: Allowed.

Reason:

Section 230(2) of the Companies Act refers to the requirements / disclosures for a Scheme of Arrangement and it does not prescribe any requirement for a prior NoC from the stock exchanges. Now the Ld. NCLT has stalled the proceedings in the present Scheme by directing the Liquidator to obtain NoC from BSE.

In Pentamedia Graphics Limited v. The Bombay Stock Exchange, 2006 SCC Online Mad 918 (at Paragraph 38-41) it was held the requirement of NoC from stock exchanges is not mandatory for approval of a Scheme and it is only required for continued listing of the Company, which can be pursued after the Scheme as well.

Thus, under the Companies Act, there is no requirement for prior NOC from the stock exchanges or SEBI before the Scheme is filed before the Ld. NCLT, and the requirement is only to give notice to the stock exchanges and SEBI once the Scheme is filed with the Ld. NCLT for calling/dispensing with meetings of creditors and members, which has been duly complied with by the Liquidator / Applicant of the Scheme.

Now the requirement for prior NOC from the stock exchanges is imposed by Regulation 37(1) and (2) of the LODR. On a plain reading of Regulation 37(1) and 37(2), it becomes clear that Regulation 37(1) mandates the 'listed entity' i.e. the 'company' must apply for the NOC from the stock exchanges. Similarly, Regulation 37(2) imposes a prohibition on the 'listed entity' / 'company' from filing any scheme for approval without the NOC from stock exchanges.

Now in cases of companies in liquidation, a scheme of arrangement is not filed by the 'company' / 'listed entity'. It is rather filed by the liquidator. Further, under Section 230(1) of the Companies Act, the Liquidator is treated as separate and independent from the 'company'. This is evident from the plain language of Section 230(1), which stipulates the Tribunal may, on the application of the company or of any creditor or member of the company, or in the case of a company which is being wound up, of the liquidator.

Thus section 230(1) of the Companies Act contemplates four different categories of persons who can apply to the NCLT for approval of a Scheme. Pertinently, Section 230(1) treats the liquidator as a separate and distinct category of person who can file a scheme before the Ld.NCLT. It does not consider the liquidator to be the same as the company, hence the rigors of Regulation 37(1) and 37(2) of LODR shall not apply.

Now we come to applicability of Regulation 37(7) to find out if the requirement for prior NOC does not apply only to 'restructuring proposals' approved as part of a resolution plan by the NCLT under section 31 of the Code. Pertinently, a scheme of arrangement for revival of a company in liquidation is also a 'restructuring proposal'. It contains all the same attributes and characteristics of a resolution plan under Section 31 of the Code. It is just a different mode contemplated under the Code for achieving the same objective i.e. revival of the Corporate Debtor.

Hence whatever benefits and rigors that applies to a resolution plan under Section 31 of the Code must equally apply to a scheme of arrangement submitted under Section 230 of the Companies Act read with Regulation 2-B of the Liquidation Process Regulations. Both these modes of revival operate in a similar continuum. They deserve equal treatment.

In view of the above stated facts and circumstances, we hold:

- a) the Impugned Order dated 4th April 2024 is set aside.
- b) prior NOC from stock exchanges under Regulation 37(1) (2) of the LODR is not required for schemes for revival of companies undergoing liquidation under the Code.
- c) Alternatively, the clarification introduced by way of Regulation 37(7) of the LODR for restructuring proposals also applies to Scheme by the liquidator under Section 230 of the Code, which is in similar continuum as a restructuring proposal by way of a resolution plan under Section 31 of the Code.
- d) We direct the Ld. NCLT to proceed with hearing the scheme on merits without insisting on prior NOC from the stock exchanges and dispose of the same expeditiously, preferably within four weeks.



LW 65:09:2024

EXTREME INFOCOM PVT. LTD. v. NATIONAL INTERNET EXCHANGE OF INDIA [CCI]

Case No. 10 of 2023

Ravneet Kaur, Anil Agrawal, Sweta Kakkad & Deepak Anurag.[Decided on 20/08/ 2024]

Competition Act,2002- section 4- abuse of dominance- predatory pricing by OP- denial of market access- whether the allegation is tenable-Held,No.

Brief facts:

The present Information has been filed by the Informant against the Opposite Party alleging that the OP is resorting to predatory pricing with a view to reduce or eliminate competition in violation of Section 4(2)(a)(ii) of the Act which is leading to denial of market access to other entities like the Informant as per Section 4(2)(c) of the Act.

Decision: Dismissed.

Reason:

Be that as it may, the Commission places reliance on the earlier submissions of the OP. The OP stated that the Informant hosted higher traffic of 2.393 Tbps whereas the OP is having traffic of 1.3 Tbps. The Commission notes that the Informant has stated the traffic to be 1.6 Tbps in about 35 points of presence across 6 cities. As per OP, the number of networks connected with the OP as on 31.07.2023 was about 298, while the Informant's was about 430. Further, the OP submitted that in the last 20 years, it has managed only approximately 298 ISPs. Also, the OP submitted that the Informant currently has a network of over 350+ ISPs. Further, the OP provided the following data:

Table 1: Number of connected networks in six markets where the Informant is present
Year OP Informant
Table 2: Number of IX points in six markets where the Informant is present
Year OP Informant.

From the aforesaid, the Commission observes that the Informant appears to have more IX points and greater number of connected networks than those of the OP during the period 2016-22 in six markets where the Informant is present (i.e. Mumbai, Delhi-NCR, Chennai, Hyderabad, Kolkata and Bengaluru).

The Commission also takes note of the email dated 18.06.2022 sent to RailTel by the Informant stating that it has been operating internet exchange for the last 6 years which is the

biggest IX of India (600+ AS networks and 1.8 Tbps of traffic between its 35 DCs/8 cities).

Based on the data provided by the OP, it appears that in terms of volume of traffic and number of connected networks, the Informant has significant presence vis-à-vis OP in abovementioned six cities. The Commission also notes that despite the OP being the oldest IX provider and the much later entry of the Informant in the market, the Informant has been able to increase its relative presence in the relevant market which suggests that the relevant market remains contestable. It cannot be concluded that the OP is in a position to affect the relevant market in its favour and thus, the OP does not seem to hold any particular advantage over the competitors in the relevant market, as alleged. Thus, from the data available on record and the facts and circumstances present in the matter, the Commission is of the view that dominance of the OP is not getting established. Accordingly, the Commission is not inclined to delve further into the matter.

In view of the foregoing analysis based on facts and circumstances present in the matter, the Commission is of the view that the OP does not appear to be dominant in the aforesaid delineated relevant market and consequently, there is no competition concern arising in the present matter. Therefore, the matter is directed to be closed forthwith under Section 26(2) of the Act.

LW 66:09:2024

**RAJIV RAI SACHDEV v. PROCTER & GAMBLE
HYGIENE AND HEALTH CARE LTD & ANR [CCI]**

Case No. 39 of 2023

**Ravneet Kaur, Anil Agrawal, Sweta Kakkad &
Deepak Anurag. [Decided on 09/08/2024]**

**Competition Act, 2002- section 4- abuse of
dominance- sanitary pads- using of the ideas of
techno-innovators without their permission in the
products of OP - whether the allegation is tenable-
Held, No.**

Brief facts:

The primary grievance of the Informant in the present matter seems to be the launch of "Whisper ultra clean" Sanitary Pads by the OPs in the Indian market, which product, as per the Informant, has exactly the same claims, features, and benefits, which the Informant had suggested to the OPs vide his submission dated 18.05.2018 under PG Connect + Develop program. As per the Informant, such information/ idea to develop the OPs' sanitary pads and diapers by incorporating Informant's green technology Enliven therein was shared by the Informant with the OPs without signing an NDA under the terms and conditions of the said program, as per which the OPs were not to use the information shared for any purpose without express approval of the Informant. However, the OPs used the said idea to incorporate herbal technology in their well-known sanitary pad brand 'Whisper', without authorisation from the Informant.

As per the Informant, the OPs are a dominant player in the sanitary pad market and as such, their such conduct of wilfully

collecting and compiling innovation data of techno-innovators like the Informant by fraudulently luring and inducing them through P&G Connect + Develop, and thereafter using their idea in its own products without collaboration with/ permission of the innovator, amounts to abuse of dominant position by the OPs in terms of Section 4 of the Act.

As per the Informant, such conduct of the OPs resulted in denial of market access to the Informant to the sanitary pads market as he lost the first edge to collaborate and bring into the market this technology despite being the inventor/ innovator of such technology with duly registered patents in his name.

Decision: Dismissed.

Reason:

As such, in the absence of dominant position of the OPs in the delineated relevant market, the allegations of abuse made against the OPs need not be examined by the Commission.

Be that as it may, based on the information available on record, the Commission is of the view that the alleged conduct cannot be considered as an abuse of dominant position by the OPs. The Informant has not provided any evidence indicating that the OPs used the Informant's information to develop and launch their products. Additionally, there is no evidence suggesting that the OPs prevented the Informant from introducing a similar product into the market. Furthermore, there is no record of the Informant having a similar product in development that was close to being launched and accordingly the Informant lost the first-mover advantage due to OPs' product launch. Moreover, it is not demonstrated that having a first-mover advantage is crucial in this market. As such, for the reasons stated above, there does not seem to be any abuse of dominant position by the OPs in the delineated relevant market.

In view of the above, the Commission is of the considered opinion that no prima facie case of contravention of the provisions of Section 4 of the Act is made out against the OPs in the present matter. Hence, the matter is directed to be closed in terms of the provisions contained in Section 26(2) of the Act. All pending applications stand disposed of accordingly.

LW 67:09:2024

**OMKAR REALTORS AND DEVELOPERS PVT. LTD v.
KUSHALRAJ LAND DEVELOPERS PVT. LTD [SC]**

Civil Appeal No.858 of 2023

**P.S.Narasimha & Pankaj Mithal, ,JJ. [Decided on
23/08/2024]**

**Consumer Protection Act- respondent booking of
flat for the residential purpose of director- the same
flat allotted to another person- NCDRC allowed
refund of the amount paid with interest to the
respondent- whether correct- Held, yes.**

Brief facts:

The present case is of double allotment of the same flat by the builder. The appellant builder allotted on flat to the Respondent. The Respondent required this flat for the residential purposes

of its director. The Respondent made payment towards this flat but the possession was not delivered. Therefore, the respondent filed a consumer complaint before the NCDRC which allowed the complaint and ordered the Appellant to refund, within 2 months, an amount of Rs.7,16,41,493/- along with delay compensation @ 6% per annum from the respective dates of deposits till its payment, failing which the rate of interest payable would stand increased to 9% per annum.

Decision: Dismissed.

Reason:

In the case at hand, the complainant specifically mentions that the flat was being purchased for the purpose of residence of one of its Directors and his family and that the company is a family owned company. The mere fact that the respondent-company is a real estate company, it does not mean that the flat was purchased by it for commercial purpose or for resale so as to earn profits. It is the appellant who is contending that the respondent is not a consumer and as such the complaint is not maintainable, therefore, the burden lies heavily upon it to lead evidence to prove that the respondent in purchasing the flat in question is indulging in real estate business. There is no evidence on record to show that the flat so purchased by the respondent was in any way connected with the real estate business rather than for personal use of its Director and his family.

In view of the aforesaid facts and circumstances of the case and the law as has been culled out above, we do not find any error or illegality in the finding of the NCDRC that the purchase of the aforesaid flat was for personal use and not as part of the commercial activity and as such the complaint filed by the respondent was maintainable.

Undisputedly, the flat in question was allotted in favour of the respondent vide letter dated 29.06.2016 with an addendum dated 30.06.2016. The delivery of possession was notified by the appellant as latest by 31.12.2018 but was advanced to the first quarter of 2017. Thus, in order to make finance arrangements, respondent entered into negotiation with the finance company whereupon it was revealed that the said flat stood already reserved/allotted in favour of one Mr. Nakul Arya. The aforesaid fact of reservation/allotment of the flat in favour of Mr. Nakul Arya is not in dispute. The explanation is that the flat allotted to the respondent and Mr. Nakul Arya were different but there was confusion with regard to the number of the flat allotted to each one of them. This confusion with regard to double allotment of the flat persisted till it was resolved by the appellant as per the deed of rectification dated 17.03.2018. It means that the confusion of double allotment of the flat notwithstanding some litigation in court prevailed and was finally resolved on 17.03.2018. In this view of the matter, the appellant could not have insisted for transferring possession of the flat and could not have terminated the allotment of the respondents vide its letter dated 31.08.2017 i.e. prior to the resolution dated 17.03.2018. At the same time, the appellant instead of refunding the amount deposited by the respondents, forfeited the same vide letter dated

18.11.2017. Since the very cancellation/ termination of the allotment of the respondents in the facts and circumstances of the case is not justified, consequently the forfeiture is also bad in law. The NCDRC upon consideration of the above facts and circumstances, irrespective of the fact that the appellant may have the power to advance the date of delivery of possession of the flat allotted or offer possession on the basis of part occupancy certificate, rightly held that the appellant was guilty of adopting unfair trade practice and since there was double allotment of the flat, there was deficiency in service.

In the light of the above discussion, we agree with the NCDRC that the complaint of the respondents was maintainable and that since the services rendered by the appellant were held to be deficient. It has thus rightly issued directions to refund the forfeited amount of Rs. 7,16,41,493/- along with the delay compensation @ 6% per annum from the date of deposit till refund within two months, failing which the interest would be payable @ 9% per annum.



LW 68:09:2024

SRI SUJIES BENEFIT FUNDS LTD v. M. JAGANATHAN [SC]

Criminal Appeal No. 3369 of 2024

Hima Kohli & Ahsanuddin Amanullah, JJ.[Decided on 13/08/2024]

Negotiable Instruments Act,1881- section 138- trial court convicted the respondent for the offence of dishonour of cheque- on appeal appellate court set aside the judgement of the trial court- on further appeal the High court confirmed the judgement of the appellate court- whether the appellate court and High court were correct in setting aside the conviction- Held, No.

Brief facts:

The Respondent ("the accused") borrowed loan amounts on several dates from the Appellant ("the complainant") over a period of about two years. In order to partly discharge the aforesaid loan amounts, Cheque No.0150573 dated 03.02.2003 was issued by the accused for a sum of Rs.19,00,000/- (Rupees Nineteen Lakhs) in favour of the complainant. On presentation the cheque was dishonoured and the complainant filed a complaint under section 138 of the NIA before the Judicial Magistrate Court No.VII, Coimbatore (hereinafter referred to as the "Trial Court"). The learned Trial Court, after perusing the evidence on record and hearing the parties, passed judgment

whereby it convicted the accused for the offence under Section 138, N.I. Act and sentenced him to undergo one year simple imprisonment and to pay a fine of Rs.38,00,000/- (Rupees Thirty Eight Lakhs) as compensation to the complainant.

The accused appealed to the Appellate Court, which allowed the accused's appeal and acquitted the respondent holding that the cheque was not issued towards a legally enforceable liability. The appellant challenged the order of the Appellate Court before the High Court. The High Court dismissed the appeal vide the impugned judgment. Hence the present appeal before the Supreme Court.

Decision: Allowed.

Reason:

The fact that the cheque was issued as a consequence of failure to repay the loan taken by the respondent from the appellant to which the interest was added would more or less settle the issue. However, in the present case, a discrepancy apropos the rate of interest, whether it be 1.8%, 2.4% or 3% per month was not sufficient to disbelieve the claim of the appellant. Though the respondent before the learned Trial Court had contended that there was no loan transaction between the parties, but still, before the Appellate Court, by way of additional evidence, he marked receipts to show the repayment of loan. Even there, the respondent did not produce all the receipts showing total discharge of the loan amount, as was noted by the Appellate Court, and only the difference in the rates of interest as well as the finding that substantial amount has been repaid led to the acquittal of the respondent.

On this issue, we would like to indicate that neither in the pro- notes nor in the Statement of Accounts, the principal amount has been disputed and the amount arrived at, as reflected in the cheque whether it is in respect of 1.8% interest or 3% interest per month cannot be given undue importance for the reason that the pronotes indicated that under normal circumstances, when there would be repayment by the respondent, the rate would be 1.8% per month but in the event of non-repayment, how much interest by way of an added burden would lie on the respondent has not been specified. Thus, if the rate of interest of 3% instead of 1.8% per month has been added on the principal amount and the amount in the cheques reflects the same, it cannot be said that the cheques were not for repayment of the principal amount, totalling Rs.14,50,000/- (Rupees Fourteen Lakhs and Fifty Thousand). When the respondent does not dispute that he has handed over the cheques or signed on them, it was incumbent upon him, the moment he claims the amount(s) were repaid to the appellant to have either taken back the cheques or instructed the bank concerned to not honour the concerned cheques. However, closure of the bank accounts within a few weeks of issuance of the cheque raises serious questions about the conduct and intent of the respondent.

The learned Trial Court, in our view, has meticulously gone into each and every issue while holding in favour of the appellant and the Appellate Court as also the High Court have only gone by scrutiny of the interest amount mentioned

on the pronote and effected in the Statement of Accounts of the appellant and the evidence produced before the Appellate Court by the respondent to indicate that some repayment(s) was/were made. This, according to us, is erroneous and cannot be sustained.

Furthermore, the reasoning given by the Appellate Court, having taken note of the Tamil Nadu Act, fails to appreciate that even going by what has been written on the pronote i.e., 1.8% per month would lead to the interest being 21.6% per annum, which also is above the cap of 12% per annum prescribed in the Tamil Nadu Act. Thus, if the parties amongst themselves, agreed to a rate which is not in conformity with the Tamil Nadu Act, it was for the respondent to raise an objection or move the appropriate forum for getting the same corrected/taken care of, so that the interest rate did not exceed 1% per month but having agreed to a rate of 1.8% per month, the subsequent amount of interest calculated @ 3% per month does not have much force for it was upon the respondent to challenge the rate of interest. The respondent also cannot be said to be a layman, and being a subscriber to a chit fund company, he is expected to be aware of the laws and also of what is beneficial for him. Having issued the pronotes, he cannot now take a plea in these collateral proceedings under the N.I. Act to contend that the rate of interest was more than what was permissible under the Tamil Nadu Act.

For reasons aforesaid, the Appellate Court's order as also the impugned judgment are set aside. The order of the learned Trial Court stands restored albeit with certain modifications. It is considered appropriate to direct the respondent to pay fine amounting to one and a half (1½) times the amount mentioned in the cheque. Accordingly, the respondent is held liable to pay an amount of Rs.28,50,000/- (Rupees Twenty Eight Lakhs and Fifty Thousand). Further, as has been averred by the respondent in his compliance affidavit that he is 86 years old and living with his wife who is also advanced in age and without issue, the sentence of imprisonment is waived, however, subject to payment, in terms of the present judgment within eight months from today, failing which such sentence of simple imprisonment for one year shall stand revived.

LW 69:09:2024

G.D. PHARMACEUTICALS PVT LTD v. M/S CENTO PRODUCTS (INDIA) [DEL]

CS(COMM) 53/2019 & I.A. 2215/2021

Mini Pushkarna, J. [Decided on 07/08/ 2024]

Trademarks Act, 1999- well-known trademark- BAROLINE- used since 1929- whether entitled to be declared as well-known trademark- Held, Yes.

Brief facts:

The present suit has been filed for permanent injunction restraining infringement of trademark and copyright, passing off, rendition of accounts or profits, damages, delivery up, acts of unfair competition, etc.

The plaintiff's flagship brand "BOROLINE", which is the subject matter of the present suit, has been used by the plaintiff in relation to antiseptic creams, alongside a distinctive get up, packaging and colour scheme, continuously, uninterruptedly, bonafidely, and exclusively, for nearly ninety years.

It is the case of the plaintiff that the defendant has adopted the mark/name "BOROBEAUTY", which is used and represented in a manner, which is deceptively similar to plaintiff's use of its registered trademark "BOROLINE". Being aggrieved by the fact that the defendant had imitated the plaintiff's iconic trade dress of a distinct dark green tube ending in an octagonal black cap that has come to be recognized with the plaintiff's product, the present suit has been filed.

Decision: Allowed.

Reason:

The learned counsel for the defendant further submits that the defendant does not intend to even use the prefix "BORO" and shall change the name of its product to some other name, which is distinct and different from the name of the plaintiff's product. Accordingly, the suit can be decreed in favour of the plaintiff, in view of the aforesaid stand taken by the defendant.

At this stage, learned counsel appearing for the plaintiff presses the prayer for declaration of the plaintiff's trademark "BOROLINE", as a well-known mark. This Court notes the submission of the plaintiff that the trademark in question was adopted by the plaintiff in or around the year 1929, and has been used continuously, extensively, uninterruptedly, and in a bonafide manner since the year 1930. On account of its long and extensive use, the trademark "BOROLINE" has acquired immense distinctiveness and popularity.

This Court notes the submission made by learned counsel appearing for the plaintiff that the trademark "BOROLINE" has been selected as an Indian "Consumer Super Brand" six times consecutively between the years 2003 and 2017. It was selected as a "Master Brand" in the year 2014 and was listed among the "Most Desirable 30 Power Brands" in the year 2018.

Therefore, it is the case of the plaintiff that the plaintiff's products are not only known for their superior quality, but are well recognized and immensely popular amongst doctors, chemists, patients and over three generations of loyal consumers, since 1929.

Perusal of the plaint shows that the sale of the plaintiff's antiseptic cream with the trademark "BOROLINE" has grown phenomenally over the years. The plaintiff's trademark "BOROLINE" has attained prominence and immense goodwill in the market and is highly popular. By virtue of extensive sales, marketing, advertising and publicity, the plaintiff's "BOROLINE" trademark has acquired a tremendous reputation across India.

It is to be noted that various factors have been detailed in the Trademarks Act, 1999 which are to be taken into account while determining whether a trademark is a well-known trademark. Considering the aforesaid factors, with respect to

the trademark "BOROLINE", it is to be noted that the same has been in extensive use for more than ninety years. Due to its extensive and continuous use, the trademark of the plaintiff, is recognized not only throughout the geographical extent of India, but is also recognized in other countries, as is manifest from the various documents placed on record showing the registration of the said trademark in various countries.

Thus, this Court is of the view that the plaintiff's trademark qualifies as a well-known trademark. There is no denying the fact that "BOROLINE" has attained the status of a household name, and is one of the oldest trademarks, which has been in continuous use, preceding the independence of India.

Considering the aforesaid detailed discussion, the trademark "BOROLINE" of the plaintiff, is declared as a well-known trademark under Section 2(1)(zg) and Section 11(2) of the Trademarks Act, 1999. Accordingly, it is directed that the Registrar of Trademarks shall add the same to the list of well-known trademarks, upon the plaintiff completing the requisite formalities.

Considering the submissions made by learned counsel appearing for the defendant with regard to change in its trademark and trade dress, and in view of the fact that the plaintiff's mark "BOROLINE" has been declared as a well-known mark, prayer of the plaintiff for permanent injunction against the defendant, is liable to be allowed.

The defendant is directed to change its trade dress and trademark, which shall be totally distinct and different from the plaintiff's well-known trademark and trade dress. The defendant shall not use the trade dress of dark green colour, which is used by the plaintiff. Further, the defendant shall adopt a new trade name, which would not include the prefix "BORO" and would not be similar to the trademark of the plaintiff, "BOROLINE".



**Labour
Law**

LW 70:09:2024

U.P. STATE ROAD TRANSPORT CORPORATION v. BRIJESH KUMAR [SC]

Civil Appeal No. of 2024 (@ SLP (C) No.10546 of 2019)

P.S. Narasimha & Pankaj Mithal, JJ.[Decided on 28/08/2024]

Respondent, son of a deceased employee, given employment as contractual conductor- he was

dismissed from services for misconduct- no domestic inquiry was conducted- upon challenge the High court held the dismissal to be bad on the ground that he was appointed on compassionate ground- whether correct- Held, the reason was incorrect but quashing of the termination order was correct.

Brief facts:

The father of the respondent was a regular conductor working with the appellant (UPSRTC) who died while in service. At that time, the respondent was a minor. His mother moved an application for his compassionate appointment but in vain. Again similar application was made when the respondent attained the age of majority i.e. 18 years on 10.07.2008 seeking employment of compassionate ground.

The appellant (UPSRTC) appointed him on preferential basis as a contract conductor instead on compassionate ground. Accordingly, the respondent submitted the security deposit and entered into an agreement with the appellant (UPSRTC) on 12.12.2012 to function as a contract conductor. The respondent, thus, joined as contract conductor.

During his service as contract conductor, he was found guilty of misconduct and his services were terminated. He challenged the termination alleging that he was appointed on compassionate basis and, therefore, was a permanent employee whose services could not have been determined without holding a disciplinary inquiry.

The writ petition was allowed by the single Judge and on appeal confirmed by the division bench. Therefore, the appellant (UPSRTC) has come up in the present appeal.

Decision: Dismissed.

Reason:

There is no dispute to the legal proposition that any appointment made on compassionate basis is in the nature of a permanent appointment and is not liable to be treated as temporary or contractual. However, the fact remains whether in the instant case, the appointment of the respondent is under the Dying in Harness Rules or is independent of it on contractual basis.

The record reveals that instead of offering compassionate appointment to the respondent under the Dying in Harness Rules, the respondent was extended the benefit of the policy decision dated 09.08.2012 taken in the 188th meeting of the Board of Directors of the appellant (UPSRTC). The said policy envisages to offer preferential treatment in the matter of appointment on contractual basis to the dependents of the deceased employees. The scheme nowhere provides for compassionate appointment to the dependents. Accordingly, appellant (UPSRTC) vide letter dated 19.10.2012 offered contractual appointment to respondent as conductor pursuant to his application for compassionate appointment. He was called upon in the office of the appellant (UPSRTC) with

the relevant documents and to deposit a security amount of Rs.10,000/-. The respondent duly accepted the said offer and in response thereof submitted the security deposit and entered into a written agreement on 12.12.2012 accepting the contractual appointment as conductor.

The mere fact that the respondent was appointed on contract basis pursuant to the application for compassionate appointment would not make his appointment to be one under Dying in Harness Rules.

There appears to be no document on record to prove that the appointment of the respondent was on compassionate basis so as to treat him as a permanent employee of the appellant (UPSRTC). Despite repeated queries, no specific material was shown from the side of the respondent to establish that the respondent in fact was appointed on compassionate basis. The respondent had accepted the offer of contractual employment with his open eyes and had even signed the agreement to that effect which is not disputed. Thus, his appointment was simply on contract basis and cannot be treated as permanent.

In view of the aforesaid facts and circumstances, we are of the opinion that the learned Single Judge and the Division Bench manifestly erred in law in holding that the respondent was appointed under Dying in Harness Rules. The High Court, erroneously on complete misreading of the material on record, held that the appointment of the respondent to be on compassionate basis and that he is liable to be treated as a permanent employee. The High Court has erred factually in treating the appointment of the respondent under the Dying in Harness Rules, though, it is not so.

The services of the respondent have been determined solely on the ground of misconduct as alleged but without holding any regular inquiry or affording any opportunity of hearing to him. The termination order has been passed on the basis of some report which probably was not even supplied to the respondent. No show cause notice appears to have been issued to the respondent. Therefore, the order of termination of his services, even if on contractual basis, has been passed on account of alleged misconduct without following the Principles of Natural Justice. The termination order is apparently stigmatic in nature which could not have been passed without following the Principles of Natural Justice.

In the light of the above facts and discussion, we are of the opinion that the order dated 30.01.2016 terminating the services of the respondent is bad in law and cannot be sustained. It has rightly been set aside though on a different ground that the respondent is a permanent employee having been appointed on compassionate basis. The appointment of the respondent, in fact, is a contractual appointment entitling him to continue as such in service and to claim regularization if so advised in accordance with law.

The judgments and orders of the High Court dated 12.01.2018 and 12.09.2018 are set aside to the extent they hold the appointment to be on compassionate basis under the Dying in Harness Rules and that of a permanent nature but quashing of the termination order is maintained.

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FROM THE GOVERNMENT



- STRIKING OFF OF LLP UNDER SECTION 75 OF THE LLP ACT, 2008 READ WITH RULE 37 OF THE LLP RULES, 2009
- THE COMPANIES (INDIAN ACCOUNTING STANDARDS) AMENDMENT RULES, 2024
- THE COMPANIES (REGISTRATION OF FOREIGN COMPANIES) AMENDMENT RULES, 2024
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- CYBERSECURITY AND CYBER RESILIENCE FRAMEWORK (CSCRF) FOR SEBI REGULATED ENTITIES (RES)
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- EXCLUSION OF “CREDIT SUISSE AG” FROM THE SECOND SCHEDULE OF THE RESERVE BANK OF INDIA ACT, 1934
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- FREQUENCY OF REPORTING OF CREDIT INFORMATION BY CREDIT INSTITUTIONS TO CREDIT INFORMATION COMPANIES
- MODIFIED INTEREST SUBVENTION SCHEME FOR SHORT TERM LOANS FOR AGRICULTURE AND ALLIED ACTIVITIES AVAILED THROUGH KISAN CREDIT CARD (KCC) DURING THE FINANCIAL YEAR 2024-25
- PRUDENTIAL TREATMENT OF BAD AND DOUBTFUL DEBT RESERVE BY CO-OPERATIVE BANKS



Corporate Laws

01 Striking off of LLP under section 75 of the LLP Act, 2008 read with Rule 37 of the LLP Rules, 2009

[Issued by the Ministry of Corporate Affairs Public Notice No. ROC/LLP/Sec.75/2024/747 dated 22.08.2024.]

In the matter of striking off of LLP under section 75 of the LLP Act, 2008 read with Rule 37 of the LLP Rules, 2009.

1. Notice is hereby given that the below mentioned LLPs 08 (Eight) numbers have made application in Form 24 for striking off their names from the Register in pursuance to the Section 75 of the LLP Act, 2008 read with the Rule 37(1)(b) of the LLP Rules, 2009.

And therefore, the Registrar proposes to remove/ strike off the names of above-mentioned LLPs from the Register and dissolve them unless a cause is shown to the contrary, within one month from the date of this notice.

2. Any person objecting to the proposed removal/striking off name of LLPs from the register of LLPs may send his/ her objection to the office address mentioned here in above within one month from the date of publication of this notice.

HIMANSHU SHEKHAR

Indian Corporate Law Service (I.C.L.S.)

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02 The Companies (Indian Accounting Standards) Amendment Rules, 2024

[Issued by the Ministry of Corporate Affairs File No. 01/01/2009-CL-V (Part. XII) dated 12.08.2024.]

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government, in consultation with the National Financial Reporting Authority, hereby makes the following rules further to amend the Companies (Indian Accounting Standards) Rules, 2015, namely: —

1. (1) These rules may be called the Companies (Indian Accounting Standards) Amendment Rules, 2024.
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Indian Accounting Standards) Rules, 2015 (hereinafter referred to as the said rules), in the

“Annexure”, under the heading “B. Indian Accounting Standards (Ind AS)”, —

MANOJ PANDEY

Additional secretary

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03 The Companies (Registration of Foreign Companies) Amendment Rules, 2024

[Issued by the Ministry of Corporate Affairs File No. Policy-01/7/2022-CL-V-MCA dated 12.08.2024.]

In exercise of the powers conferred by clause (c) and clause (h) of sub-section (1) and subsection (3) of section 380, clause (a) of sub-section (1) and sub-section (3) of section 381, section 385, clause (a) of section 386, section 389 and section 390, read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Registration of Foreign Companies) Rules, 2014 namely: -

1. (1) These rules may be called the Companies (Registration of Foreign Companies) Amendment Rules, 2024.
- (2) They shall come into force with effect from 09th day of September, 2024.
2. In the Companies (Registration of Foreign Companies) Rules, 2014, -
 - (i) in rule 3, in sub-rule (3), for the word, “ registrar”, the words, “Registrar, Central Registration Centre” shall be substituted.
 - (ii) in rule 8, in sub-rule (1), the following proviso shall be inserted, namely:-

“Provided that the documents for registration by a foreign company referred to in sub-rule (3) of rule (3) shall be delivered in Form FC-1 to the Registrar, Central Registration Centre”.

MANOJ PANDEY

Additional secretary

04 Notice in the matter of Section 75 of the Limited Liability Partnership Act, 2008 read with Rule 37 (2) of Limited Liability Partnership Rules, 2009

[Issued by the Ministry of Corporate Affairs No. No. ROC/LLP-24/Web Publication/2023-2024/1869 dated 09.08.2024.]

List of the LLPs which have made an application in Form 24 for striking off their respective names from the Register in pursuance to Rule 37(1)(b) of the Limited Liability Partnership Rules, 2009.

ANU VIVEK (I.C.L.S.)

Assistant Registrar of Companies

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05 The Companies (Adjudication of Penalties) Amendment Rules, 2024

[Issued by the Ministry of Corporate Affairs File No. 1/25/2013-CL-V(Part) dated 05.08.2024.]

In exercise of the powers conferred by section 454 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Adjudication of Penalties) Rules, 2014, namely: -

1. (1) These rules may be called the Companies (Adjudication of Penalties) Amendment Rules, 2024.
- (2) They shall come into force from the 16th day of September, 2024.
2. In the Companies (Adjudication of Penalties) Rules, 2014,-
- (i) after rule 3, the following rule shall be inserted, namely:-
 "3A. Adjudication Platform.- (1) On the commencement of the Companies (Adjudication of Penalties) Amendment Rules, 2024, all proceedings (including issue of notices, filing replies or documents, evidences, holding of hearing, attendance of witnesses, passing of orders and payment of penalty) of adjudicating officer and Regional Director under these rules shall take place in electronic mode only through the e-adjudication platform developed by the Central Government for this purpose.
 (2) In case the e-mail address of any person to whom a notice or summons is required to be issued under these rules is not available, the adjudicating officer shall send the notice by post at the last intimated address or address available in the records and the officer shall preserve a copy of such notice in the electronic record in the e-adjudication platform referred to in sub-rule (1):

MANOJ PANDEY
Additional Secretary

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06 The Limited Liability Partnership (Amendment) Rules, 2024

[Issued by the Ministry of Corporate Affairs File No. 01/2/2021-CL-V-MCA-Part(3) dated 05.08.2024.]

In exercise of the powers conferred by sub-sections (1) and (2) of section 79 of the Limited Liability Partnership Act, 2008 (6 of 2009), the Central Government hereby makes the following rules further to amend the Limited Liability Partnership Rules, 2009, namely: -

1. (1) These rules may be called the Limited Liability Partnership (Amendment) Rules, 2024.
- (2) They shall come into force with effect from 27th day of August, 2024.
2. In the Limited Liability Partnership Rules, 2009, in rule 37,-

- (i) in sub-rule (1),-
- (A) in clause (b), after the word "Registrar", the words "the Centre for Processing Accelerated Corporate Exit" shall be inserted;
- (B) in the first proviso, after the word "Registrar", the words "the Centre for Processing Accelerated Corporate Exit" shall be inserted;
- (C) the following Explanation shall be inserted, namely:-
"Explanation.- for the purposes of this sub-rule, the Centre for Processing Accelerated Corporate Exit means the office of Centre for Processing Accelerated Corporate Exit established by the Central Government, vide notification number S.O. 1269(E), dated 17th March, 2023 issued under sub-sections (1) and (2) of section 396 of the Companies Act, 2013 (18 of 2013)";
- (ii) in sub-rule (3), after the word "Registrar" occurring at both places, the words "or the Centre for Processing Accelerated Corporate Exit, as the case may be" shall be inserted;

MANOJ PANDEY
Additional Secretary

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07 Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Review of statement of investor complaints and timeline for disclosure of statement of deviation(s)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/114 dated 22.08.2024]

1. SEBI vide Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 specified provisions for continuous disclosures and compliances by InvITs. The said circular was consolidated as Chapter 4 of the Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 ("Master Circular").
2. To improve ease of doing business related to activities of InvITs and REITs, a working group was constituted by SEBI to examine and give recommendations on ease of doing business measures ("Working Group"). The Working group, inter-alia, gave recommendations on the provisions related to the review of statement of investor complaints and timeline for disclosure of statement of deviation(s).

Review of statement of investor complaints

3. With regard to the provisions related to the review of statement of investor complaints, paragraph 4.16.3 and 4.16.4 of the Master Circular reads as under:

"4.16.3. All complaints including SCORES complaints received by the InvIT shall be disclosed in the format mentioned in Annexure – 7 on the website of the InvIT

and also filed with the recognized stock exchange(s), where its units are listed within 21 days from the end of financial year or end of quarter, as the case may be.

4.16.4. The Trustee and the Board of Directors/Governing Body of the Investment Manager, shall review the aforementioned statement, before submission of the same to the Stock Exchange(s), and shall ensure that all investor complaints are redressed by the Investment Manager in timely manner."

4. Based on the recommendations of the Working Group and the Hybrid Securities Advisory Committee ("HySAC"), it is noted that the requirement of prior review of statement of investor complaints by the Board of Directors of the Investment Manager (i.e. before submission to the stock exchanges) is not in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"). As per the LODR Regulations, a prior review by the Board of Directors of the listed entity is not required and such statement is instead required to be placed before the Board of Directors on a quarterly basis.

RITESH NANDWANI

Deputy General Manager

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08 Amendment to Master Circular for Real Estate Investment Trusts (REITs) dated May 15, 2024 - Review of statement of investor complaints and timeline for disclosure of statement of deviation(s)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/115 dated 22.08.2024]

1. SEBI vide Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 specified provisions for continuous disclosures and compliances by REITs. The said circular was consolidated as Chapter 4 of the Master Circular for Real Estate Investment Trusts (REITs) dated May 15, 2024 ("Master Circular").
2. To improve ease of doing business related to activities of InvITs and REITs, a working group was constituted by SEBI to examine and give recommendations on ease of doing business measures ("Working Group"). The Working group, inter-alia, gave recommendations on the provisions related to the review of statement of investor complaints and timeline for disclosure of statement of deviation(s).

Review of statement of investor complaints

3. With regard to the provisions related to the review of statement of investor complaints, paragraph 4.16.3 and 4.16.4 of the Master Circular reads as under:

"4.16.3. All complaints including SCORES complaints received by the REIT shall be disclosed in the format mentioned in Annexure – 4 on the website of the REIT and also filed with the recognized stock exchange(s), where its units are listed within 21 days from the end of

financial year or end of quarter, as the case may be.

4.16.4. The Trustee and the Board of Directors/Governing Body of the Manager, shall review the aforementioned statement, before submission of the same to the Stock Exchange(s), and shall ensure that all investor complaints are redressed by the Manager in timely manner."

4. Based on the recommendations of the Working Group and the Hybrid Securities Advisory Committee ("HySAC"), it is noted that the requirement of prior review of statement of investor complaints by the Board of Directors of the Manager (i.e. before submission to the stock exchanges) is not in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"). As per the LODR Regulations, a prior review by the Board of Directors of the listed entity is not required, and such statement is instead required to be placed before the Board of Directors on a quarterly basis.

RITESH NANDWANI

Deputy General Manager

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09 Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 date 20.08.2024]

Background:

1. SEBI had issued Cybersecurity and Cyber resilience framework for Market Infrastructure Institutions (MIIs) in 2015. Subsequently, SEBI had issued other Cybersecurity and Cyber resilience frameworks in line with MIIs circular of 2015 for following REs:
 - 1.1. Stock Brokers and Depository Participants
 - 1.2. Mutual Funds (MFs)/ Asset Management Companies (AMCs)
 - 1.3. KYC Registration Agencies (KRAs)
 - 1.4. Qualified Registrar to an Issue and Share Transfer Agents (QRTAs)
 - 1.5. Portfolio Managers
2. Further, SEBI has also issued various advisories to REs, from time to time, on Cybersecurity best practices.
3. In order to strengthen the cybersecurity measures in Indian securities market, and to ensure adequate cyber resiliency against cybersecurity incidents/ attacks, Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI REs has been formulated in consultation with the stakeholders. The CSCRF aims to provide standards and guidelines for strengthening cyber resilience and maintaining robust cybersecurity of SEBI REs. This framework shall supersede existing SEBI cybersecurity circulars/ guidelines/ advisories/ letters (list of such superseded circulars/ guidelines/ advisories/ letters are given as part of the framework attached as **Annexure-1**).

Objective:

4. The key objective of CSCRF is to address evolving cyber threats, to align with the industry standards, to encourage efficient audits, and to ensure compliance by SEBI REs. The CSCRF also sets out standards formats for reporting by REs.

Approach:

5. The CSCRF is standards based and broadly covers the five cyber resiliency goals adopted from Cyber Crisis Management Plan (CCMP) of Indian Computer Emergency Response Team (CERT-In) for countering Cyber Attacks and Cyber Terrorism including:
 - 5.1. Anticipate
 - 5.2. Withstand
 - 5.3. Contain
 - 5.4. Recover
 - 5.5. Evolve
6. These cyber resiliency goals have been linked with the following cybersecurity functions:
 - 6.1. Governance
 - 6.2. Identify
 - 6.3. Protect
 - 6.4. Detect
 - 6.5. Respond
 - 6.6. Recover
7. CSCRF follows a graded approach and classifies the REs in the following five categories based on their span of operations and certain thresholds like number of clients, trade volume, asset under management, etc.:

SHWETA BANERJEE
Deputy General Manager

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10 Modalities for migration of Venture Capital Funds registered under erstwhile SEBI (Venture Capital Funds) Regulations, 1996 to SEBI (Alternative Investment Funds) Regulations, 2012

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-POD-1/P/CIR/2024/111 dated 19.08.2024]

1. Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations") have been amended and notified on July 20, 2024, to provide flexibility to Venture Capital Funds ('VCFs') registered under the erstwhile SEBI (Venture Capital Funds) Regulations, 1996 ("VCF Regulations"), for migrating to AIF Regulations and to, inter-alia, avail the facility of dealing with unliquidated investments of their schemes upon expiry of tenure. Copy of the aforesaid notification is available at link.

2. In terms of Regulation 19V(1) of AIF Regulations, "Migrated Venture Capital Fund" means a fund that was previously registered as a Venture Capital Fund under the VCF Regulations and subsequently registered under AIF Regulations as a sub-category of Venture Capital Fund under Category I - Alternative Investment Fund, in accordance with the provisions of Chapter III - D of AIF Regulations.
3. In terms of Regulation 19X(1) of AIF Regulations, an application for seeking registration as a Migrated Venture Capital Fund shall be made to SEBI in the manner specified by SEBI. In this regard, while applying to SEBI for migration to AIF Regulations as "Migrated VCFs", VCFs shall submit the following:
 - 3.1. Original certificate of registration issued under VCF Regulations.
 - 3.2. Requisite information as per the format specified in Annexure I.
4. While opting for migration to AIF Regulations, VCFs having only schemes whose liquidation period (in terms of Regulation 24(2) of VCF Regulations) has not expired, shall be subject to the following conditions -
 - 4.1. The facility of migration to AIF Regulations shall be available till July 19, 2025.
 - 4.2. The tenure of scheme(s) of the Migrated VCF, upon migration, shall be determined in the following manner:
 - 4.2.1. In case a definite tenure was disclosed in the Private Placement Memorandum (PPM) of the scheme(s) under the VCF Regulations, such scheme(s) shall continue with the same tenure upon migration.
 - 4.2.2. In case a definite tenure was not disclosed in the PPM of the scheme(s), the residual tenure of the scheme(s) of the Migrated VCF shall be determined prior to the application for migration, with the approval of 75 percent of investors by value of their investment in the scheme(s).

SANJAY SINGH BHATI
Deputy General Manager

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11 Guidelines for borrowing by Category I and Category II AIFs and maximum permissible limit for extension of tenure by LVFs

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-POD-1/P/CIR/2024/112 dated 19.08.2024]

1. Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations") have been amended and notified on August 06, 2024, with respect to (i) norms for borrowing by Category I and Category II AIFs, and (ii) maximum permissible limit for extension of tenure by Large Value Fund for Accredited Investors (LVFs). Copy of the aforesaid notification is available at link.
- A. Guidelines for borrowing by Category I and Category II AIFs**

12

Amendment to Master Circular for Real Estate Investment Trusts (REITs) dated May 15, 2024 – Board nomination rights to unitholders of REITs**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/108 dated 06.08.2024]**

2. In terms of Regulation 16(1)(c) and Regulation 17(c) of AIF Regulations, Category I and Category II AIFs shall not borrow funds directly or indirectly or engage in any leverage for the purpose of making investments or otherwise, except for borrowing funds to meet temporary funding requirements and day-to-day operational requirements for not more than thirty days, on not more than four occasions in a year and not more than ten percent of the investable funds and subject to such conditions as may be specified by SEBI from time to time.
3. In this regard, in order to facilitate ease of doing business and provide operational flexibility, it has been decided to allow Category I and Category II AIFs to borrow for the purpose of meeting temporary shortfall in amount called from investors for making investments in investee companies ('drawdown amount').
4. Category I and Category II AIFs may borrow for the purpose of meeting shortfall in drawdown amount, subject to the following additional conditions:
 - 4.1. If AIF intends to borrow funds for meeting shortfall in drawdown amount, the same shall be disclosed in the PPM of the scheme.
 - 4.2. Such borrowing shall be done only in case of emergency and as a last recourse, when the investment opportunity is imminent to be closed and the drawdown amount from investor(s) has not been received by the AIF before the date of investment, in spite of best efforts by manager to obtain the drawdown amount from the delaying investor(s).
 - 4.3. The amount borrowed shall not exceed twenty per cent of the investment proposed to be made in the investee company, or ten per cent of the investable funds of the scheme of AIF, or the commitment pending to be drawn down from investors other than the investor(s) who has failed to provide the drawdown amount, whichever is lower.
 - 4.4. The cost of such borrowing shall be charged only to investor(s) who failed to provide the drawdown amount for making investments.
 - 4.5. The flexibility of borrowing to meet shortfall in drawdown amount shall not be used as a means to provide different drawdown timelines to investors.
 - 4.6. The manager shall disclose the details with respect to amount borrowed, terms of borrowing and repayment to all the investors of the AIF/scheme, on a periodic basis as per the terms of agreement with the investors of the AIF.
5. Further, all Category I and Category II AIFs shall maintain thirty days cooling off period between two periods of borrowing as permissible under AIF Regulations. The cooling off period of thirty days shall be calculated from the date of repayment of previous borrowing.

SANJAY SINGH BHATI
Deputy General Manager

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1. Para 18.2.2. (b) of Chapter 18, titled "Board nomination rights to unitholders of REITs", of the Master Circular for Real Estate Investment Trusts dated May 15, 2024 requires as under:

"(b) Eligible Unitholder(s) shall be entitled to nominate only one Unitholder Nominee Director, subject to the unitholding of such Eligible Unitholder(s) exceeding the specified threshold. If the right to nominate one or more directors on the Board of Directors of the Manager is available to any entity (or to an associate of such entity) in the capacity of shareholder of the Manager or lender to the Manager or the REIT (or its HoldCo(s) or SPVs), then such entity in its capacity as unitholder, shall not be entitled to nominate or participate in the nomination of a Unitholder Nominee Director."

2. Market participants have requested to provide clarity on the availability of the right to nominate a director on the Board of Directors of the Manager of REIT, to a unitholder where such nomination right is also available to a unitholder in the capacity of lender to the Manager or the REIT (or its HoldCo(s) or SPVs).
3. In order to promote ease of doing business and based on the request of the industry and recommendation of Hybrid Securities Advisory Committee (HySAC), it is proposed to insert the following proviso under paragraph 18.2.2. (b) of Master Circular for Real Estate Investment Trusts dated May 15, 2024:

"Provided that the above restriction relating to the right to nominate a Unitholder Nominee Director shall not be applicable if the right to appoint a nominee director is available in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993."
4. This circular shall come into force with immediate effect.
5. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 4(2)(g) of the SEBI (Real Estate Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.
6. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.
7. This Circular is available on the website of the Securities and Exchange Board of India at www.sebi.gov.in under the category "Legal" and under the drop down "Circulars".

RITESH NANDWANI
Deputy General Manager

13 Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Board nomination rights to unitholders of InvITs

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/109 dated 06.08.2024]

1. Para 22.3.1. (b) of Chapter 22, titled “Board nomination rights to unitholders of Infrastructure Investment Trusts (InvITs)”, of the Master Circular for Infrastructure Investment Trusts dated May 15, 2024 requires as under:

“(b) Eligible Unitholder(s) shall be entitled to nominate only one Unitholder Nominee Director, subject to the unitholding of such Eligible Unitholder(s) exceeding the specified threshold. If the right to nominate one or more directors on the Board of Directors of the Investment Manager is available to any entity (or to an associate of such entity) in the capacity of shareholder of the Investment Manager or lender to the Investment Manager or the InvIT (or its HoldCo(s) or SPVs), then such entity in its capacity as unitholder, shall not be entitled to nominate or participate in the nomination of a Unitholder Nominee Director.”

2. Market participants have requested to provide clarity on the availability of the right to nominate a director on the Board of Directors of the Investment Manager of InvIT, to a unitholder where such nomination right is also available to a unitholder in the capacity of lender to the Investment Manager or the InvIT (or its HoldCo(s) or SPVs).
3. In order to promote ease of doing business and based on the request of the industry and recommendation of Hybrid Securities Advisory Committee (HySAC), it is proposed to insert the following proviso under paragraph 22.3.1. (b) of Master Circular for Infrastructure Investment Trusts dated May 15, 2024:

“Provided that the above restriction relating to the right to nominate a Unitholder Nominee Director shall not be applicable if the right to appoint a nominee director is available in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993.”

4. This circular shall come into force with immediate effect.
5. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 4(2)(h) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.
6. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.
7. This Circular is available on the website of the Securities and Exchange Board of India at www.sebi.gov.in under the category “Legal” and under the drop down “Circulars”.

RITESH NANDWANI
Deputy General Manager

14 Valuation of Additional Tier 1 Bonds (“AT-1 Bonds”)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/IMD/PoD1/CIR/P/2024/106 dated 05.08.2024]

1. This has reference to clause 9.3.1.1 and clause 9.4.2 of the Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 for Mutual Funds (“Master Circular”), on valuation of bonds with multiple call options.
2. National Financial Reporting Authority (NFRA), in its report to Department of Economic Affairs, Ministry of Finance, has recommended that since the market practice for AT-1 bonds has been observed to trade at or quote prices closer to Yield to Call (YTC) basis, valuation of AT-1 Bonds on Yield to Call basis (adjusted with appropriate risk spreads) will be consistent with the principles of market-based measurement under Ind AS 113.
3. NFRA, in its report, has further stated that the above recommendation on YTC methodology is confined only to the interpretation of Ind AS 113 with reference to the valuation of AT-1 bonds and the issue of deemed maturity date for other purposes is outside NFRA’s remit.
4. In view of the above, in order to align the valuation methodology with the recommendation of NFRA, it has been decided that the valuation of AT-1 Bonds by Mutual Funds shall be based on Yield to Call.
5. For all other purposes, since liquidity risk of perpetual bonds is required to be suitably captured, deemed maturity of all perpetual bonds shall continue to be in line with the clause 9.4.2 of the Master Circular.
6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with the provisions of Regulation 25(19), 47 read with Regulation 77 of SEBI (Mutual Funds) Regulations, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
7. The circular is available at www.sebi.gov.in under the link “Legal -> Circulars”.

PETER MARDI
Deputy General Manager

15 Institutional mechanism by Asset Management Companies for identification and deterrence of potential market abuse including front-running and fraudulent transactions in securities

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/107 dated 05.08.2024]

1. In order to address instances of market abuse including front running and fraudulent transactions in securities, consultations were held with relevant stakeholders including Mutual Funds’ Advisory

Committee ('MFAC') on the proposal of putting in place a structured institutional mechanism at the end of AMCs, which can proactively identify and deter instances of such market abuse. Further a public consultation was also carried out on the abovementioned proposal.

2. Accordingly, the SEBI (Mutual Funds) Regulations, 1996 (hereinafter referred to as "MF Regulations") have been amended vide notification no. SEBI/LAD-NRO/GN/2024/197 dated August 01, 2024 (link), to give effect to the above proposal.
3. In view of the above amendment, AMCs shall put in place an institutional mechanism for identification and deterrence of potential market abuse including front-running and fraudulent transactions in securities. This mechanism shall consist of enhanced surveillance systems, internal control procedures, and escalation processes such that the overall mechanism is able to identify, monitor and address specific types of misconduct, including front running, insider trading, misuse of sensitive information etc. The mechanism shall ensure the following –

3.1. Accountability:

- 3.1.1. The Chief Executive Officer or Managing Director or such other person of equivalent or analogous rank and Chief Compliance Officer of the asset management company shall be responsible and accountable for implementation of the institutional mechanism for deterrence of potential market abuse, including front-running and fraudulent transactions in securities.

3.2. Alert-based surveillance mechanism:

- 3.2.1. AMCs shall develop and implement systems and procedures to generate and process alerts in a timely manner.

3.3. Processing of alerts:

- 3.3.1. During the processing of alerts, AMCs shall consider and review all recorded communications including chats, emails, access logs of dealing room and CCTV footage (if available).
- 3.3.2. AMCs shall also maintain and monitor entry logs to the AMCs' premises.

3.4. Standard operating procedures:

- 3.4.1. The AMCs shall formulate written policies and procedures for conducting examination and taking action in case of potential market abuse including front-running and fraudulent transactions in securities by its employees and connected entities.
- 3.4.2. Such policies/procedures shall be approved by AMCs' Board of Directors.

3.5. Action on suspicious alerts:

- 3.5.1. AMCs shall take suitable action upon becoming aware of any potential market abuse by its employees or

brokers / dealers, including suspension or termination of such persons/entities.

3.6. Escalation process:

- 3.6.1. AMCs shall have an escalation process to promptly inform its Board of Directors and Trustees, regarding instances of potential market abuse, if any, and results of the examination conducted by the AMCs.

3.7. Whistle blower policy:

- 3.7.1. AMCs shall have a documented whistle blower policy in line with sub-regulation (29) of regulation 25 of the SEBI MF Regulations.

3.8. Periodic review:

- 3.8.1. AMCs shall ensure that the procedures and/or systems put in place are reviewed and updated at appropriate periodic intervals.

4. Trade related information from exchanges:

- 4.1. For effective functioning of the institutional mechanism, the stock exchanges and depositories shall develop systems, in consultation with AMFI, to enable data sharing with AMCs.
5. Reporting to SEBI – In reference to alerts generated by AMCs as mentioned under para 3.2 above, AMCs shall report all examined alerts to SEBI along with action taken, in the Compliance Test Report ('CTR') and the Half-yearly Trustee Report ('HYTR') submitted to SEBI, in the following format:

Sr. No.	Alert type and description	Observations made from the alert	Actions taken by the AMC

6. In order to ensure uniform implementation of the abovementioned institutional mechanism across the industry, AMFI in consultation with SEBI, shall prescribe the detailed implementation standards within fifteen days from the date of this circular. The detailed implementation standards issued by AMFI shall mandatorily be followed by all AMCs.
7. This circular is issued in exercise of the powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 25 (27) and Regulation 77 of the SEBI (Mutual Funds) Regulations 1996 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
8. This circular is available at www.sebi.gov.in under the link "Legal ->Circulars".

PETER MARDI

Deputy General Manager

16 Amendment to Circular for mandating additional disclosures by FPIs that fulfil certain objective criteria

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/104 dated 01.08.2024]

- SEBI vide Circular No. SEBI/ HO/ AFD/ AFD-PoD-2/ CIR/P/2023/148 dated August 24, 2023 mandated additional disclosures for FPIs that fulfil objective criteria as specified in the said Circular. Further, FPIs satisfying any of the criteria listed under Para 8 of the said Circular were exempted from the additional disclosure requirements, subject to conditions specified in the said Circular. The said circular has been subsumed subsequently in the Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors ("FPI Master Circular") dated May 30, 2024.
- In this regard, it has been decided that University Funds and University related Endowments shall not be required to make the additional disclosures as specified in Para 1(xiii) of Part C of the FPI Master Circular, subject to compliance with certain conditions. In view of the above, the FPI Master Circular stands modified as follows:
 - After clause (g) of Para 1(xiv) of Part C, the following shall be inserted:

"(h) University Funds and University related Endowments, registered or eligible to be registered as Category I FPI, subject to them fulfilling the following additional conditions:

 - Indian equity AUM being less than 25% of global AUM
 - Global AUM being more than INR 10,000 crore equivalent
 - Appropriate return/filing to the respective tax authorities in their home jurisdiction to evidence the nature of a non-profit organisation exempt from tax."
- The eligible jurisdictions with respect to the exemption granted to University Funds and University related Endowments shall be as specified by SEBI from time to time, in consultation with the pilot Custodians and DDPs Standards Setting Forum, through the Standard Operating Procedure framed in terms of Para 1(xii) of Part C of the FPI Master Circular.
- The provisions of this circular shall come into force with immediate effect.
- This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulations 22(1), 22(6), 22(7) and 44 of SEBI (FPI) Regulations, 2019 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
- This circular is available at www.sebi.gov.in under the link "LEGAL > Circulars".

MANISH KUMAR JHA
Deputy General Manager

17 Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments in 01 Entry

[Issued by the Reserve Bank of India vide RBI/2024-25/70 DOR.AML.REC.42/14.06.001/2024-25 dated 27.08.2024]

- Please refer to Section 51 of our Master Direction on Know Your Customer dated February 25, 2016 as amended on January 04, 2024 (MD on KYC), in terms of which "Regulated Entities (REs) shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967 and amendments thereto, they do not have any account in the name of individuals/entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC)."
- In this connection, Ministry of External Affairs (MEA), Government of India has informed about the UNSC press release SC/15800 dated August 23, 2024 wherein the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning ISIL (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities removed the entry below from the ISIL (Da'esh) and Al-Qaida Sanctions List after concluding its consideration of the de-listing request for this name submitted through the Office of the Ombudsperson established pursuant to Security Council resolution 1904 (2009), and of the Comprehensive Report of the Ombudsperson on this de-listing request.

A. Individuals

QDi.070 Name: 1: YASSINE 2: CHEKKOURI 3: na 4: na

Name (original script): ياسين شكوري

Title: na **Designation:** na **DOB:** 6 Oct. 1966 **POB:** Safi, Morocco **Good quality a.k.a.:** na **Low quality a.k.a.:** na **Nationality:** Morocco **Passport no:** Morocco number F46947 **National identification no:** Morocco H-135467

- In accordance with paragraph 58 of resolution 2610 (2021), the Committee has made accessible on its website the narrative summaries of reasons for listing of the above entries at the following URL: www.un.org/securitycouncil/sanctions/1267/aq_sanctions_list/summaries.
 - Press release dated August 23, 2024 regarding the above can be found at <https://press.un.org/en/2024/sc15800.doc.htm>
- Further, the UNSC press releases concerning amendments to the list are available at URL: <https://www.un.org/securitycouncil/sanctions/1267/press-releases>
- The details of the sanction measures and exemptions are available at the following URL: https://www.un.org/securitycouncil/sanctions/1267#further_information

6. In view of the above, REs are advised to take appropriate action in terms of Section 51 of the MD on KYC and strictly follow the procedure as laid down in the UAPA Order dated February 02, 2021 (amended on August 29, 2023) annexed to the MD on KYC.
7. Updated lists of individuals and entities linked to ISIL (Da'esh), Al-Qaida and Taliban are available at: www.un.org/securitycouncil/sanctions/1267/aq_sanctions_list <https://www.un.org/securitycouncil/sanctions/1988/materials>
8. Further, as per the instructions from the Ministry of Home Affairs (MHA), any request for de-listing received by any RE is to be forwarded electronically to Joint Secretary (CTCR), MHA for consideration. Individuals, groups, undertakings or entities seeking to be removed from the Security Council's ISIL (Da'esh) and Al-Qaida Sanctions List can submit their request for delisting to an independent and impartial Ombudsperson who has been appointed by the United Nations Secretary-General. More details are available at the following URL: <https://www.un.org/securitycouncil/ombudsperson/application>
9. REs are advised to take note of the aforementioned UNSC communications and ensure meticulous compliance.

VEENA SRIVASTAVA
Chief General Manager

18 Cessation of "Credit Suisse AG" as a banking company within the meaning of sub section (2) of Section 36 (A) of the Banking Regulation Act, 1949

[Issued by the Reserve Bank of India vide RBI/2024-25/66 DoR.RET. REC.37/12.07.160/2024-25 dated 22.08.2024]

It is advised that the "Credit Suisse AG" has ceased to be a banking company within the meaning of the Banking Regulation Act, 1949 vide Notification DoR.LIC.No. S1372/23.03.025/2024-25 dated June 4, 2024, which is published in the Gazette of India (Part III - Section 4) dated August 17 – August 23, 2024.

LATHA VISHWANATH
Chief General Manager

19 Cessation of "Krung Thai Bank Public Company Limited" as a banking company within the meaning of sub section (2) of Section 36 (A) of the Banking Regulation Act, 1949

[Issued by the Reserve Bank of India vide RBI/2024-25/69 DoR.RET. REC.40/12.07.160/2024-25 dated 22.08.2024]

It is advised that the "Krung Thai Bank Public Company Limited" has ceased to be a banking company within the meaning of the Banking Regulation Act, 1949 vide Notification DoR.LIC.No.S1999/23.13.066/2024-25 dated July 3, 2024, which is published in the Gazette of India (Part III - Section 4) dated August 17 – August 23, 2024.

LATHA VISHWANATH
Chief General Manager

20 Exclusion of "Credit Suisse AG" from the Second Schedule of the Reserve Bank of India Act, 1934

[Issued by the Reserve Bank of India vide RBI/2024-25/67 DoR.RET. REC.38/12.07.160/2024-25 dated 22.08.2024]

It is advised that "Credit Suisse AG" has been excluded from the Second Schedule of the Reserve Bank of India Act, 1934 vide Notification DoR.LIC.No.S1373/23.03.025/2024-25 dated June 4, 2024, which is published in the Gazette of India (Part III - Section 4) dated August 17- August 23, 2024.

LATHA VISHWANATH
Chief General Manager

21 Exclusion of "Krung Thai Bank Public Company Limited" from the Second Schedule of the Reserve Bank of India Act, 1934

[Issued by the Reserve Bank of India vide RBI/2024-25/68 DoR.RET. REC.39/12.07.160/2024-25 dated 22.08.2024]

It is advised that "Krung Thai Bank Public Company Limited" has been excluded from the Second Schedule of the Reserve Bank of India Act, 1934 vide Notification DoR.LIC.No.S1998/23.13.066/2024-25 dated July 3, 2024, which is published in the Gazette of India (Part III - Section 4) dated August 17- August 23, 2024.

LATHA VISHWANATH
Chief General Manager

22 Processing of e-mandates for recurring transactions

[Issued by the Reserve Bank of India vide RBI/2024-25/64 CO.DPSS.POLC. No.5528/02-14-003/2024-25 dated 22.08.2024]

A reference is invited to our circulars DPSS.CO.PD. No.447/02.14.003/2019-20 dated August 21, 2019, and other related circulars¹ (collectively referred to as "e-mandate framework"). The e-mandate framework prescribed, inter alia, that the issuer shall send a pre-debit notification to the customer at least 24 hours prior to the actual charge / debit to the account.

2. Reference is also drawn to the Statement on Developmental and Regulatory Policies dated June 07, 2024, wherein it was announced that auto-replenishment of balances in FASTag and National Common Mobility Card (NCMC), which are recurring in nature but without any fixed periodicity, would be facilitated under the e-mandate framework.
3. It has been decided to include auto-replenishment of FASTag and NCMC, as and when the balance falls below a threshold set by the customer, under the e-mandate framework. Payments for auto-replenishment, since they are recurring in nature but without any fixed periodicity, will be exempt from the requirement of pre-debit notification.
4. All other instructions provided under the e-mandate framework shall continue to remain applicable.

5. This circular is issued under Section 18 read with Section 10 (2) of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007), and shall come into effect immediately.

GUNVEER SINGH
Chief General Manager

23 Inclusion of "UBS AG" in the Second Schedule of the Reserve Bank of India Act, 1934

[Issued by the Reserve Bank of India vide RBI/2024-25/65 DoR.RET. REC.36/12.07.160/2024-25 dated 22.08.2024]

It is advised that "UBS AG" has been included in the Second Schedule of the Reserve Bank of India Act, 1934 vide Notification DoR.LIC.No.S1371/23.03.025/2024-25 dated June 4, 2024 and published in the Gazette of India (Part III - Section 4) dated August 17 - August 23, 2024.

LATHA VISHWANATH
Chief General Manager

24 Review of Master Direction - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017

[Issued by the Reserve Bank of India vide RBI/2024-25/63 DoR.FIN. REC.35/03.10.124/2024-25 dated 16.08.2024]

Please refer to the Master Direction - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017 (the Directions).

2. The Directions envisaged the Non-Banking Financial Company – Peer to Peer Lending Platform (NBFC-P2P Lending Platform) to act as an intermediary providing online marketplace / platform to the participants involved in peer to peer lending. Accordingly, the Directions had laid down clear guidelines regarding various aspects of functioning of NBFC-P2P Lending Platforms. However, it has been observed that some of these platforms have adopted certain practices which are violative of the said Directions. Such practices include, among others, violation of the prescribed funds transfer mechanism, promoting peer to peer lending as an investment product with features like tenure linked assured minimum returns, providing liquidity options and at times acting like deposit takers and lenders instead of being a platform. Such violations, when observed, have been dealt with bilaterally by the Reserve Bank of India for remediation.
3. In view of the above, it has been decided to elaborate and clarify certain provisions with some modifications for proper implementation of the Directions. The amended provisions of the Directions are enclosed in the Annex to this circular.
4. The amended provisions contained in this circular except item I(f)(ii) of the enclosed Annex shall come into effect immediately. Item I(f)(ii) of the Annex shall be effective from ninety days of the date of this circular.

5. The Master Direction – Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017 stands modified accordingly.

J.P. SHARMA
Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

25 Review of Risk Weights for Housing Finance Companies (HFCs)

[Issued by the Reserve Bank of India vide RBI/2024-25/62 DOR.CRE. REC.33/08.12.001/2024-25 dated 12.08.2024]

Please refer to Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as updated from time to time. On a review, it has been decided to carry out the following modifications:

- (i) **Risk weighted assets for undisbursed amount of housing loans/other loans** – In order to address a potential anomaly in computation of risk weighted assets for undisbursed amount of housing loans/other loans vis-à-vis that for an equivalent disbursed amount of similar exposures, it has been decided that the risk weighted assets computed for undisbursed amount of housing loans/other loans as per step 1 and step 2 of paragraph 6.3.1 of the Master Direction *ibid*, shall be capped at the risk weighted asset computed on a **notional basis** for equivalent amount of disbursed loan.
- (ii) **Risk weight for Commercial Real Estate** – Residential Building – With reference to Sr. No. 3(d)(i)(a) under paragraph 6.2, the risk weight of fund- based and non-fund based exposures to 'Commercial Real Estate-Residential Building', which are classified **as standard**, shall be 75 per cent. For exposures under this category, which are **not classified as standard**, the risk weight shall be as per the category 'Other Assets (Others)' as indicated at Sr. No. 6(d) of paragraph 6.2 of the Master Direction *ibid* (which presently is at 100 per cent).
2. The above instructions shall be applicable from the date of issue of this circular. All other instructions of the Master Direction *ibid* remain unchanged.

VAIBHAV CHATURVEDI
Chief General Manager

26 Review of regulatory framework for HFCs and harmonisation of regulations applicable to HFCs and NBFCs

[Issued by the Reserve Bank of India vide RBI/2024-25/61 DOR.FIN.REC. No.34/03.10.136/2024-25 dated 12.08.2024]

Please refer to the circular DOR.NBFC (HFC). CC.No.118/03.10.136/2020-21 dated October 22, 2020. In terms of para 4 of the above circular, it was advised that further harmonisation of regulations applicable to HFCs and NBFCs will be taken up in a phased manner over the next two years to ensure that the transition is achieved with least disruption.

2. Since the transfer of regulation of HFCs from National Housing Bank (NHB) to Reserve Bank with effect from August 09, 2019, various regulations have been issued treating HFCs as a category of NBFCs. To be consistent with this policy stance and as stated in para 4 of the aforementioned circular, an analysis of regulations applicable to HFCs and NBFCs was undertaken, with an objective of harmonising these regulations, duly considering specialised nature of the HFCs.
3. Accordingly, based on a review of the extant regulations applicable to HFCs prescribed vide Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, it has been decided to issue revised regulations as detailed in the Part A of Annex. As part of the exercise, certain regulations applicable to NBFCs have also been reviewed and revised regulations are detailed in Part B of Annex. The revised regulations shall be applicable with effect from January 01, 2025.
4. The relevant Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 are being modified accordingly.

J. P. SHARMA

Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

27 Frequency of reporting of credit information by Credit Institutions to Credit Information Companies

[Issued by the Reserve Bank of India vide RBI/2024-25/60 DoR.FIN.REC. No.32/20.16.056/2024-25 dated 08.08.2024]

Please refer to the circular DBR. No. CID. BC. 60/20.16.056/2014-15 dated January 15, 2015, inter-alia, directing the credit information companies (CICs) and credit institutions (CIs) to keep the credit information collected/maintained by them updated regularly on a monthly basis or at such shorter intervals as mutually agreed upon between the CI and the CIC. Considering the faster turnaround time in credit underwriting through digital processes, it is imperative that the Credit Information Reports (CIRs) provided by CICs reflect a more current information, enabling lenders to make informed credit decisions.

2. Accordingly, in exercise of the powers conferred by sub-section (1) of section 11 of the Credit Information Companies (Regulation) Act, 2005 (CICRA, 2005), it is directed that CICs and CIs shall keep the credit information collected/maintained by them updated regularly on a fortnightly basis (i.e., as on 15th and last day of the respective month) or at such shorter intervals as mutually agreed upon between the CI and the CIC. The fortnightly submission of credit information by CIs to CICs shall be ensured within seven (7) calendar days of the relevant reporting fortnight. Further, as directed

vide circular DoR.FIN.REC.49/20.16.003/2023-24 dated October 26, 2023, CICs are required to ingest credit information data received from the CIs, as per their data acceptance rules, within seven (7) calendar days of its receipt from the CIs. This is now being revised to five (5) calendar days of its receipt.

3. CICs shall provide a list of CIs which are not adhering to the fortnightly data submission timelines to Department of Supervision, Reserve Bank of India, Central Office at half yearly intervals (as on March 31 and September 30 each year) for information and monitoring purposes.
4. These instructions shall be effective from January 1, 2025. However, the CIs and CICs are encouraged to give effect to these instructions as expeditiously as feasible but not later than January 1, 2025.
5. CICs and CIs that contravene or default in adherence to the above directions shall be liable for penal action as per the provisions of CICRA, 2005.

J. P. SHARMA

Chief General Manager

28 Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2024-25

[Issued by the Reserve Bank of India vide RBI/2024-25/59 FIDD.CO.FSD. BC.No.8/05.02.001/2024-25 dated 06.08.2024]

Please refer to our circular FIDD.CO.FSD. BC.No.13/05.02.001/2022-23 dated November 23, 2022 conveying the decision of the Government of India for continuation of the Modified Interest Subvention Scheme for short term loans for agriculture and allied activities for the years 2022-23 and 2023-24.

2. In this regard, it is advised that Government of India has approved the continuation of the Modified Interest Subvention Scheme (MISS) for the financial year 2024-25 with the following stipulations:
 - (i) In order to provide short term crop loans and short term loans for allied activities including animal husbandry, dairy, fisheries, bee keeping etc. upto an overall limit of ₹3 lakh to farmers through KCC at concessional interest rate during the year 2024-25, it has been decided to provide interest subvention to lending institutions viz. Public Sector Banks (PSBs) and Private Sector Banks (in respect of loans given by their rural and semi-urban branches only), Small Finance Banks (SFBs) and computerized Primary Agriculture Cooperative Societies (PACS) ceded with Scheduled Commercial Banks (SCBs), on use of their own resources. This interest subvention will be calculated on the loan amount from the date of disbursement/drawal up to the date of actual repayment of the loan by the farmer or up to the due date of the loan fixed by the banks, whichever is earlier, subject to a maximum period of one year. The applicable lending rate to farmers and the rate of interest subvention for the financial year 2024-25 will be as follows:

Financial Year	Lending rate to farmers	Rate of Interest Subvention to Lending Institutions
2024-25	7%	1.50%

- (ii) An additional interest subvention of 3% per annum will be provided to such of those farmers repaying in time, i.e., from the date of disbursement of the loan/s upto the actual date of repayment or upto the due date fixed by the banks for repayment of such loan/s, whichever is earlier, subject to a maximum period of one year from the date of disbursement. This also implies that the farmers repaying promptly as above would get short term crop loans and/or short term loans for allied activities including animal husbandry, dairy, fisheries, bee keeping etc. @ 4% per annum during the financial year 2024-25. This benefit would not accrue to those farmers who repay their agri loans after one year of availing such loans.
- (iii) Interest subvention and prompt repayment incentive benefits on short term crop loans and short term loans for allied activities will be available on an overall limit of ₹3 lakh per annum subject to a maximum sub-limit of ₹2 lakh per farmer in respect of those farmers involved only in activities related to animal husbandry, dairy, fisheries, bee keeping etc. The limit for crop loan component will take priority for interest subvention and prompt repayment incentive benefits and the residual amount will be considered towards allied activities including animal husbandry, dairy, fisheries, bee keeping etc. subject to the cap as mentioned above. (Illustrations)
- (iv) In order to discourage distress sale by farmers and to encourage them to store their produce in warehouses, the benefit of interest subvention under KCC will be available to small and marginal farmers for a further period of upto six months post the harvest of the crop against negotiable warehouse receipts on the produce stored in warehouses accredited with Warehousing Development Regulatory Authority (WDRA), at the same rate as applicable to the crop loan.
- (v) To provide relief to farmers affected by natural calamities, the applicable rate of interest subvention for that year will be made available to banks for the first year on the restructured loan amount. Such restructured loans will attract normal rate of interest from the second year onwards.
- (vi) However, to provide relief to farmers affected due to severe natural calamities, the applicable rate of interest subvention for that year will be made available to banks for first three years/entire period (subject to a maximum of five years) on the restructured loan amount. Further, in all such cases, the benefit of prompt repayment incentive @3% per annum shall also be provided to the affected farmers. The grant of such benefit in cases of severe

natural calamities shall, however, be decided by a High Level Committee (HLC) based on the recommendations of the Inter-Ministerial Central Team (IMCT) and Sub Committee of National Executive Committee (SC-NEC).

- (vii) To ensure hassle-free benefits to farmers under the MISS, Aadhar linkage would continue to be mandatory for availing the above-mentioned short-term loans in 2024-25.
3. Banks are advised to capture the requisite category wise granular data of individual farmer beneficiaries under the scheme and report the same on Kisan Rin Portal (KRP) to settle the audited MISS claims for the year 2024-25.
4. The claims in respect of computerized PACS ceded with SCBs may be uploaded separately by the respective banks, with the certification that interest subvention/ prompt repayment incentive is being claimed on loans for which no refinance has been availed from NABARD, duly certified by the banks' Statutory Auditors, through KRP module.
5. Banks are advised to take necessary action to upload the claims/additional claims duly certified by their Statutory Auditors as true and correct, on KRP module for FY 2024-25 latest by June 30, 2025.

R. GIRIDHARAN

Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

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Prudential Treatment of Bad and Doubtful Debt Reserve by Co-operative Banks

[Issued by the Reserve Bank of India vide RBI/2024-25/58 DOR.CAPREC. No.27/09.18.201/2024-25 dated 02.08.2024]

- As you are aware, under the provisions of the respective State Co-operative Societies Acts, or otherwise, on prudential consideration, several co-operative banks have created Bad and Doubtful Debt Reserve (BDDR)¹. While in some cases, BDDR is created by recognising an expense in the Profit and Loss (P&L) Account, in other cases it is created through appropriations from net profits.
- In terms of Accounting Standard (AS) 5², all expenses which are recognised in a period should be included in the determination of net profit or loss for the period. Consequently, not recognising the required provisions for Non-Performing Assets (NPAs) as an expense while arriving at the net profit in the P&L Account is not in consonance with extant Accounting Standards. Further, the treatment of BDDR for regulatory capital and reckoning of net NPAs varies across banks and in many cases has been observed to be at variance with regulatory norms.

USHA JANAKIRAMAN

Chief General Manager-in-Charge

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

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NEWS FROM THE INSTITUTE



- MEMBERS RESTORED DURING THE MONTH OF JULY 2024
- CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JULY 2024
- UPLOADING OF PHOTOGRAPH AND SIGNATURE
- NEW ADMISSIONS
- OBITUARIES
- CHANGE / UPDATION OF ADDRESS



Institute News

MEMBERS RESTORED DURING THE MONTH OF JULY 2024

SL. NO.	NAME	MEMB NO.	REGION
1	CS AKASH SINHA	ACS - 10405	NIRC
2	CS SANDEEP KAPOOR	ACS - 12586	SIRC
3	CS ANITA NAIR	ACS - 13119	SIRC
4	CS ANJANA KAURA	ACS - 13559	WIRC
5	CS SANJAY KUMAR BAJPAI	ACS - 14334	WIRC
6	CS SANTHOSH R	ACS - 19095	SIRC
7	CS KIRAN VINOD CONTRACTOR	ACS - 19420	SIRC
8	CS SAIKRUPA A NALKUR	ACS - 20889	SIRC
9	CS POOJA LOHADE	ACS - 21584	WIRC
10	CS MONIKA GUPTA	ACS - 21656	NIRC
11	CS SANCHI AGARWAL	ACS - 23058	NIRC
12	CS MANOJ KUMAR JOSHI	ACS - 23084	NIRC
13	CS GAURAV SHARMA	ACS - 24599	SIRC
14	CS SEEMA AGARWAL	ACS - 25706	EIRC
15	CS NAYAN JAIN	ACS - 26318	NIRC
16	CS MANJULIKA PAL	ACS - 26919	NIRC
17	CS UMESH CHAND GUPTA	ACS - 27751	NIRC
18	CS KAPIL GARG	ACS - 27768	WIRC
19	CS SONALI GARG	ACS - 28406	NIRC
20	CS KUMARI BABITA	ACS - 28620	NIRC
21	CS GARIMA THUKRAL	ACS - 28968	NIRC
22	CS ANUBHUTI ARORA	ACS - 31545	NIRC
23	CS SNEHA TEJAS GANDHI	ACS - 32247	WIRC
24	CS REKHA GAURAV LONGIA	ACS - 33600	NIRC
25	CS SAMIKSHA SHARMA	ACS - 33735	NIRC
26	CS AMIT PURI	ACS - 35012	NIRC
27	CS PRITEE AGARWAL	ACS - 35040	EIRC
28	CS AMANPREET KAUR	ACS - 35480	SIRC
29	CS AKANKSHA SHARMA	ACS - 36153	NIRC
30	CS DEVI	ACS - 37513	NIRC
31	CS SANGEETA DESHWAL	ACS - 37851	SIRC
32	CS AYUSHI SHARMA	ACS - 38327	NIRC
33	CS SARADA KAJARIA	ACS - 39657	EIRC
34	CS ARTI TIWARI	ACS - 41004	NIRC
35	CS BIBYA KANT SARAF	ACS - 41036	EIRC
36	CS AVNEET KAUR BEDI	ACS - 43929	NIRC
37	CS ARUN KUMAR	ACS - 45406	NIRC
38	CS VARSHA R S	ACS - 45495	SIRC
39	CS PRATIK RAJENDRAKUMAR KORALWALA	ACS - 45594	WIRC
40	CS SHALINI SINGH	ACS - 46825	EIRC
41	CS DESAI SWATI BHARATBHAI	ACS - 47235	WIRC
42	CS MADHURI MATTIA	ACS - 48066	NIRC
43	CS AMEY SURESH NAIK	ACS - 48149	WIRC

SL. NO.	NAME	MEMB NO.	REGION
44	CS ADITI AKHILESH MITTAL	ACS - 48445	WIRC
45	CS NIKITA RAJENDRA MANANI	ACS - 49152	WIRC
46	CS NISHA AGARWAL	ACS - 49216	EIRC
47	CS VIKAS PATWARI	ACS - 49857	NIRC
48	CS AYUSHI AGGARWAL	ACS - 50486	NIRC
49	CS ANKITA JAIN	ACS - 50970	WIRC
50	CS ANUPREET KAUR	ACS - 51224	NIRC
51	CS LEENA MITESH GANDHI	ACS - 52370	SIRC
52	CS AKASH CHATURVEDI	ACS - 53557	NIRC
53	CS SWATI SHARMA	ACS - 54158	SIRC
54	CS JYOTI	ACS - 54724	NIRC
55	CS ABHIJIT HARIDAS NAIR	ACS - 56474	WIRC
56	CS SHILPA SETHI	ACS - 56605	EIRC
57	CS PUJA LOHARKA	ACS - 57088	NIRC
58	CS CHARU CHOPRA	ACS - 57777	NIRC
59	CS PRASHANT KUMAR TIWARI	ACS - 59152	WIRC
60	CS IRFAN KHAN	ACS - 59375	NIRC
61	CS DINKY RAJU JAIN	ACS - 59546	WIRC
62	CS KUNAL KANHAIYALAL SALAWAT	ACS - 59603	WIRC
63	CS NAINA SINGH JADOUN	ACS - 61329	NIRC
64	CS LEKHIKA KHURANA	ACS - 64172	NIRC
65	CS SHIREEN MEHER	ACS - 64709	SIRC
66	CS SUVARNA KETAN JOG	ACS - 64772	WIRC
67	CS RAJNISH TYAGI	ACS - 65244	NIRC
68	CS NIMITA GUPTA	ACS - 66108	NIRC
69	CS DHARMIL KISHOR SHAH	ACS - 67128	WIRC
70	CS KALPANA JAIN	ACS - 67139	NIRC
71	CS SHIVANI BHARDWAJ	ACS - 68966	NIRC
72	CS SHUBHAM JALANDAR KURHE	ACS - 70400	WIRC
73	CS PARAG NARENDRA KUMAR JAIN	FCS - 10498	WIRC
74	CS K SUNDARASATAGOPAN	FCS - 2168	SIRC
75	CS SHARAD KABRA	FCS - 5510	WIRC
76	CS ROBINDER PALL SINGH BATTH	FCS - 6586	EIRC
77	CS LAL BABU CHOURASIA	FCS - 7278	EIRC
78	CS ANURADHA AGGARWAL	FCS - 7866	NIRC
79	CS KAMENDU RASHMIKANT JOSHI	FCS - 9846	WIRC

CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JULY 2024

SL. NO.	NAME	MEMB NO	COP NO.	REGION
1	CS ELUMALAI GUNASEELAN	ACS - 70070	26290	SIRC
2	CS KOMAL MAKHARIA	ACS - 68885	25901	WIRC
3	CS NEHA GANESH MHATRE	ACS - 63387	23796	WIRC
4	CS PAYAL MEHTA	ACS - 44881	18841	SIRC
5	CS KANCHAN SHARMA	ACS - 44664	25913	SIRC
6	CS SHALINI NAGARAJ	ACS - 40066	19245	SIRC
7	CS SWATI MAYANK SOMANI	ACS - 36418	23662	WIRC
8	CS CHEMBISSERY THOMAS LINI	FCS - 11082	16020	SIRC
9	CS DHIRAJ RAMKISHOR VAISHNAV	ACS - 62575	23717	WIRC

SL. NO.	NAME	MEMB NO	COP NO.	REGION
10	CS POOJA ROHIT JAIN	ACS - 36270	24009	WIRC
11	CS YOGESH SAKHARAM GHATGE	ACS - 42504	24225	WIRC
12	CS AMIT VIJAY GADGIL	ACS - 49442	24420	WIRC
13	CS REENA BORDIA	ACS - 64465	24214	WIRC
14	CS NAVEEN KUMAR GUPTA	FCS - 4425	2795	NIRC
15	CS PRANSHU GOEL	ACS - 66199	25327	NIRC
16	CS AKHLAQUE AHMAD	ACS - 25001	23294	EIRC
17	CS AMIT KUMAR	ACS - 32378	12139	NIRC
18	CS DIVYA CHAWLA	ACS - 71607	26823	NIRC
19	CS NARAYANLAL FATELAL SHAH	ACS - 30225	10940	WIRC
20	CS ANJALI	ACS - 65330	26496	NIRC
21	CS GARIMA GROVER	ACS - 27100	23626	NIRC
22	CS MEGHA JAIN	FCS - 10161	13002	WIRC
23	CS POONAM RANI	ACS - 56695	25141	WIRC
24	CS RISHI KAKKAD	ACS - 70669	27119	WIRC
25	CS SAMADHAN HARICHANDRA SHRIRAM	ACS - 40259	26824	WIRC
26	CS SONIYA AGRAWAL	ACS - 51116	25449	NIRC
27	CS VISHVESH GIRISHCHANDRA BHAGAT	ACS - 7255	25387	WIRC
28	CS RADHIKA PAWAN DAMMANI	ACS - 30491	26326	WIRC
29	CS GUDDADA NAGENDRA	ACS - 66359	27063	SIRC
30	CS ABHIJITH BALIGA BANTWAL	ACS - 69216	26591	SIRC
31	CS SAGAR RAMESH KHANDELWAL	ACS - 25781	13778	WIRC
32	CS KHUSHBU MAHENDRABHAI VITHALANI	ACS - 68396	26211	WIRC

SL. NO.	NAME	MEMB NO	COP NO.	REGION
33	CS SHWETA AGGARWAL	ACS - 23938	27413	NIRC
34	CS CHANCHAL LOHIA	ACS - 28195	12238	NIRC
35	CS JUGAL MALHOTRA	ACS - 67703	27206	NIRC
36	CS MONIKA CHANANA	ACS - 54621	22212	NIRC
37	CS PRIYANKA VYAS	FCS - 11936	25833	NIRC
38	CS SURABHI HARSHAD DESHPANDE	FCS - 12245	27395	WIRC
39	CS SHRIKANT HANUMANDAS KABRA	ACS - 55741	26032	WIRC
40	CS ANKITA BANSAL	ACS - 37852	14854	NIRC
41	CS GUNJAN GUPTA	ACS - 72353	26917	NIRC
42	CS CHETAN SINGH PHARTIYAL	ACS - 46974	25499	NIRC
43	CS GOTETI ANANTHA VENKATA SAI KUMAR	ACS - 68524	25905	SIRC
44	CS MUKTA BHANSALI	ACS - 53040	21257	NIRC
45	CS PRINCE SURANA	ACS - 38933	24806	EIRC
46	CS SHAKSHI	ACS - 32114	12649	NIRC
47	CS SHANTANU KUMAR RAY	ACS - 67970	25347	EIRC
48	CS ANUJA JAIN	ACS - 57084	27390	NIRC
49	CS JAYASHRI	ACS - 72627	26970	SIRC
50	CS PRAGYA TRIVEDI	ACS - 52778	24373	NIRC
51	CS SHAMIK DASGUPTA	FCS - 5239	12518	EIRC
52	CS SANU AGARWAL	ACS - 43827	26904	SIRC
53	CS RITIKA SRIVASTAVA	ACS - 31329	14572	NIRC
54	CS ANISHA BANSAL	ACS - 48436	24408	NIRC
55	CS AMITA MAHAWAR	ACS - 60496	23347	NIRC
56	CS ANKIT BANSAL	FCS - 10349	11322	NIRC

UPLOADING OF PHOTOGRAPH AND SIGNATURE

Members are requested to ensure that their latest scanned passport size front-facing colour photograph (in formal wear) and signature in .jpg format (each on light-colored background of not more than 200 kb file size) are uploaded on the online portal of the Institute.

Online Steps for Uploading of photo and signature.

- Use ONLINE SERVICES tab on www.icsi.edu
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Under My Profile --- Click on View and Update
- Upload/update the photo and signature as required
- Press Save button

NEW ADMISSIONS

For latest admission of Associate and Fellow Members, Life Members of Company Secretaries Benevolent Fund (CSBF), Licentiates and issuance of Certificate of Practice, kindly refer to the link <https://www.icsi.edu/member>



OBITUARIES

Chartered Secretary deeply regrets to record the sad demise of the following members:

CS Venkata Raamaiah Chowdary Myneni (04.05.1976 - 24.06.2024), an Associate Member of the Institute from Hyderabad.

CS V K Parthasarathy (06.08.1941 - 30.06.2024), a Fellow Member of the Institute from Bangalore.

CS Govind Ram Soni (08.05.1938 - 22.06.2024), a Fellow Member of the Institute from Delhi.

CS Rishab Kansal (31.07.1996 - 25.03.2024), an Associate Member of the Institute from Hisar.

May the Almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

May the departed souls rest in peace.

CHANGE / UPDATION OF ADDRESS

The members are requested to check and update (if required) your professional and residential addresses ONLINE only through Member Login. Please indicate your correspondence address too.

The steps to see your details in the records of the Institute:

1. Go to www.icsi.edu
2. Click on **MEMBER** in the menu
3. Click on **Member Search** on the member home page
4. Enter your membership number and check
5. The address displayed is your Professional address (Residential if Professional is missing)

The steps for online change of address are as under:

1. Go to www.icsi.edu
2. On the Online Services ----select **Member Portal** from dropdown menu
3. Login using your membership number e.g. A1234/F1234
4. Under **My Profile** --- Click on View and update option and check all the details and make the changes required and save
5. To change the mobile number and email id click the side option "**Click Here to update Mobile Number and E-mail Id**"
6. Check the residential address and link the Country-State-District-City and check your address in the fields Add. Line1/Add. Line2 & Add. Line3 (Click Here to change residential address)
 - a) Select the Country[#]
 - b) Select the State
 - c) Select the City
 - d) Submit the Pincode which should be 6 digits without space.
 - e) Then click on "Save" button.
7. Select the appropriate radio button for Employment Status and check your address in the fields Add. Line1/ Add. Line2 & Add. Line3 click the link on the right (Click Here to change Professional address)
 - a) Select the Country[#]
 - b) Select the State
 - c) Select the City
 - d) Submit the Pincode which should be 6 digits without space.
 - e) Then click on "Save" button.
8. Go back to the Dashboard and check if the new address is being displayed.

[#]in case of Foreign Country and State is not available in options then Select "**Overseas**" – A pop-up will open and you can add the "City, District, State" of that Country alongwith Zipcode

Members are required to verify and update their address and contact details as required under Regulation 3 of the CS Regulations, 1982 amended till date

For any further assistance, we are available to help you at <http://support.icsi.edu>

Documents downloadable from the DigiLocker Platform

The National Digital Locker System, launched by Govt. of India, is a secure cloud based platform for storage, sharing and verification of documents and certificates. In the wake of digitization and in an attempt to issue documents to all the members in a standard format and make them electronically available on real-time basis, the Institute of Company Secretaries of India had connected itself with the DigiLocker platform of the Government of India. The initiative was launched on 5th October, 2019 in the presence of the Hon'ble President of India.

In addition to their identity cards and Associate certificates, members can also now access and download their Fellow certificates and Certificates of Practice from the Digilocker anytime, anywhere.



How to Access:

- Go to <https://digilocker.gov.in> and click on Sign Up
- You may download the Digilocker mobile app from mobile store (Android/iOS)

How to Login:

- Signing up for DigiLocker with your mobile number.
- Your mobile number is authenticated by an OTP (one-time password).
- Select a username & password. This will create your DigiLocker account.
- After your DigiLocker account is successfully created, you can voluntarily provide your Aadhaar number (issued by UIDAI) to avail additional services.

How to Access your Documents digitally:

Members can download their digital ID Card / ACS / FCS / COP certificate(s) by following the steps given below:

1. Log in to <https://www.digilocker.gov.in> website
2. Go to Central Government and select Institute of Company Secretaries of India
3. Select the option of ID card / Membership Certificate / Practice Certificate
4. For ID Card, enter your membership number e.g. ACS 12345 / FCS 12345.
5. For membership certificate, Enter your membership and select ACS / FCS from drop down.
6. For COP certificate enter your COP number e.g. 12345 and select COP.
7. Click download / generate.
8. The ID Card / Membership certificate / Practice Certificate can be downloaded every year after making payment of Annual Membership fees.



**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)

Vision

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

Motto

सत्यं वद। धर्मं चर। इत्युक्ते चेष्टे तन्मतेः श्रेयते हेतु चेष्टे तेजः।

Mission

"To develop high calibre professionals
facilitating good corporate governance"

ICSI BLOOD Bank Portal



**Dedicated to
the Service
of the Nation**

The ICSI Blood Bank Portal has a huge
database of blood donors with information
on Blood Groups with their location

To find a donor near you or
to register as a donor visit
<https://www.icsi.in/bloodbank/>

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Online helpdesk : <http://support.icsi.edu>

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MISCELLANEOUS CORNER



- GST CORNER
- ETHICS IN PROFESSION
- CG CORNER
- ESG CORNER
- GIST OF RD & ROC ADJUDICATION ORDERS

CENTRAL TAX NOTIFICATIONS**NOTIFICATION NO.16/2024-CENTRAL TAX
DATED 6TH AUGUST, 2024**

This notification seeks to notify section 11 to 13 of Finance Act (No.1) 2024.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010138/ENG/Notifications>

**INSTRUCTION NO. 02/2024-GST DATED
12TH AUGUST, 2024**

Guidelines for Second special All-India Drive against fake registrations— regarding.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1000514/ENG/Instructions>

**INSTRUCTION NO. 03/2024-GST DATED
14TH AUGUST, 2024**

Applying para 2(g) of Instruction No. 01/2023-24-GST (Inv.) dt. 30-3-2024 in Audit.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1000515/ENG/Instructions>

NEWS & UPDATES**DETAILED MANUAL AND FAQs ON FILING OF
GSTR-1A – DATED 1ST AUGUST, 2024**

As per the directions of the Government vide notification no. 12/2024 dt 10th July 2024, Form GSTR-1A has been made available to the taxpayers from July 2024' tax period. GSTR-1A is an optional facility to add, amend or rectify any particulars of a supply reported/missed in the current Tax period's GSTR-1 before filing of GSTR-3B return of the same tax period.

GSTR-1A shall be open for the taxpayer after filing of GSTR-1 of a tax period or after the due date of GSTR-1 whichever is later. A Detailed manual for filing of GSTR-1A and related FAQs can be seen below –

Detailed manual for filing GSTR-1A - https://tutorial.gst.gov.in/userguide/returns/index.htm#t=Creation_of_Outward_Supplies_Return_in_GSTR-1.htm

FAQ on Filing GSTR-1A - https://tutorial.gst.gov.in/downloads/news/creative_faqs_on_gstr1a_fo_cr25785.pdf

Source: <https://services.gst.gov.in/services/advisoryand/releases/read/509>

**GROSS AND NET GST REVENUE COLLECTIONS
FOR THE MONTH OF JULY, 2024 – DATED
1ST AUGUST, 2024**

Please click on the link below to view the gross and net GST revenue collections for the month of July, 2024.

(https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_july_2024.pdf)

Source: <https://services.gst.gov.in/services/advisoryand/releases/read/510>

**ADVISORY FOR BIOMETRIC-BASED AADHAAR
AUTHENTICATION AND DOCUMENT
VERIFICATION FOR GST REGISTRATION
APPLICANTS OF JAMMU & KASHMIR AND WEST
BENGAL – DATED 2ND AUGUST, 2024**

This is to inform taxpayers about recent developments concerning the application process for GST registration. It is advised to keep the following key points in mind during the registration process.

- Rule 8 of the CGST Rules, 2017 has been amended to provide that an applicant can be identified on the common portal, based on data analysis and risk parameters for Biometric-based Aadhaar Authentication and taking a photograph of the applicant along with the verification of the original copy of the documents uploaded with the application.
- The above-said functionality has been developed by GSTN. It has been rolled out in Jammu & Kashmir and West Bengal on 02nd August 2024.
- The said functionality also provides for the document verification and appointment booking process. After the submission of the application in Form GST REG-01, the applicant will receive either of the following links in the e-mail,
 - A Link for OTP-based Aadhaar Authentication OR
 - A link for booking an appointment with a message to visit a GST Suvidha Kendra (GSK) along with the details of the GSK and jurisdiction, for Biometric-based Aadhaar Authentication and document verification (the intimation e-mail) .
- If the applicant receives the link for OTP-based Aadhaar Authentication as mentioned in point 3(a), she/he can proceed with the application as per the existing process.
- However, if the applicant receives the link as mentioned in point 3(b), she/he will be required to book the appointment to visit the designated GSK, using the link provided in the e-mail. Once the applicant gets the confirmation of appointment through e-mail (the appointment confirmation e-mail), she/he will be able to visit the designated GSK as per the chosen schedule.
- At the time of the visit of GSK, the applicant is required to carry the following details.
 - a copy (hard/soft) of the appointment confirmation e-mail
 - the details of jurisdiction as mentioned in the intimation e-mail
 - Aadhaar Card and PAN Card (Original Copies)
 - the original documents that were uploaded with the application, as communicated by the intimation e-mail.

7. The biometric authentication and document verification will be done at the GSK, for all the required individuals as per the GST application Form REG-01.
8. The applicant is required to choose an appointment for the biometric verification during the maximum permissible period for the application as indicated in the intimation e-mail. In such cases, ARNs will be generated once the Biometric-based Aadhaar Authentication process and document verification are completed.
9. The feature of booking an appointment to visit a designated GSK is now available for the applicants of Jammu & Kashmir and West Bengal.
10. The operation days and hours of GSKs will be as per the guidelines provided by the administration in your respective state.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/511>

ADVISORY IN RESPECT OF CHANGES IN GSTR 8 – DATED 2ND AUGUST, 2024

Please refer to the GST Council decision to the effect that TCS rate has been reduced from the current 1% (0.5% CGST + 0.5% SGST/UTGST, or 1% IGST) to 0.5% (0.25% CGST + 0.25% SGST/UTGST, or 0.5% IGST) effective from 10/07/2024 vide Notification No. 15/2024 dated 10.07.2024.

Thus, the following important aspects regarding the TCS rates effective from 10.07.2024 are to be noticed:

1. Period from 1st July to 9th July 2024:

- During this period, the old TCS rate of 1% will continue to apply. Taxpayers are required to collect & report TCS at this rate for all transactions happened between these dates.

2. From 10th July 2024 onwards:

- A revised TCS rate of 0.5% will come into effect from 10th July 2024. Taxpayers must ensure their systems and processes are updated to reflect this new rate for all transactions happened from 10th July forward.

Further, as few taxpayers have reported validation error while filing GSTR-8 for the month of July 2024, it is to inform that GSTN team is working on the changes announced by GST Council in respect of GSTR 8, is expected to be complete in next couple of days, and users would be able to file returns from 06th August 2024 midnight onwards. Any inconvenience caused in this regard is regretted.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/512>

ADVISORY FOR FURNISHING BANK ACCOUNT DETAILS BEFORE FILING GSTR-1/IFF NOTIFICATION NO. 38/2023 – CENTRAL TAX NEW DELHI, THE 4TH AUGUST, 2023 – DATED 23RD AUGUST, 2024

1. As per Rule 10A of Central Goods and Services Tax Rules, 2017 notified vide notification no. 31/2019 dated

28.06.2019, a taxpayer is required to furnish details of a valid Bank Account within a period of 30 days from the date of grant of registration, or before furnishing the details of outward supplies of goods or services or both in FORM GSTR-1or using Invoice Furnishing Facility (IFF), whichever is earlier.

2. Advisory and various communications have already been issued time to time to inform the taxpayers regarding furnishing the details of a valid Bank Account detail in the GST Registration.
3. Now, from 01st September, 2024 this rule is being enforced. Therefore, for the Tax period August-2024 onwards, the taxpayer will not be able furnish GSTR-01/ IFF as the case may be, without furnishing the details of a valid Bank Account in their registration details on GST Portal.
4. Therefore, all the taxpayers who have not yet furnished the details of a valid Bank Account details are hereby requested to add their bank account information in their registration details by visiting **Services > Registration > Amendment of Registration Non - Core Fields tabs on GST Portal.**
5. It is informed that in absence of a valid bank account details in GST registration, you will not be able to file GSTR-1 or IFF as the case may, be from August-2024 return period.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/513>

INTRODUCTION OF RCM LIABILITY/ITC STATEMENT – DATED 23RD AUGUST, 2024

To assist taxpayers in correctly reporting Reverse Charge Mechanism (RCM) transactions, a new statement called "RCM Liability/ITC Statement" has been introduced on the GST Portal. This statement will enhance accuracy and transparency for RCM transactions by capturing the RCM liability shown in Table 3.1(d) of GSTR-3B and its corresponding ITC claimed in Table 4A(2) and 4A(3) of GSTR-3B for a return period. This statement will be applicable from tax period August 2024 onwards for monthly filers and from the quarter, July-September-2024 period for quarterly filers. The RCM Liability/ITC Statement can be accessed using the navigation: **Services >> Ledger >> RCM Liability/ITC Statement.**

REPORTING OPENING BALANCE IN RCM ITC STATEMENT.

RCM ITC opening balance can be reported by following below navigation:

Login >> Report RCM ITC Opening Balance or Services >> Ledger >> RCM Liability/ITC Statement >> Report RCM ITC Opening Balance

- In case the taxpayers have already paid excess RCM liabilities by declaring the same in Table 3.1(d) of GSTR-3B however he hasn't availed corresponding ITC through

Table 4(A)2 or 4(A)3 of GSTR-3B, due to any reason, in such cases taxpayer need to fill Positive value of such excess paid liability as RCM ITC as opening balance in RCM statement.

- In case the taxpayers have already availed excess RCM ITC through Table in Table 4(A)2 or 4(A)3 of GSTR-3B however he hasn't paid corresponding liability by declaring the same in table 3.1(d) of GSTR-3B, in such cases taxpayer will be needed to fill a negative value of such excess claimed ITC as RCM as opening balance in RCM Statement.
- In case taxpayer need to reclaim the RCM ITC, which was reversed in earlier tax periods through Table 4(B)2 of GSTR-3B, if eligible, he can reclaim such RCM ITC in Table 4A(5) of GSTR-3B. Please note that such RCM ITC shall not be reclaimed through Table 4(A)2 and 4(A)3 of GSTR-3B. Such RCM ITC reversal need not to be reported as RCM ITC opening balance.

FOR OPENING BALANCE PLS RECONCILE TILL TAX PERIOD:

- **Monthly filers:** Report the opening balance considering RCM ITC till the July-2024 return period.
- **Quarterly filers:** Report the opening balance up to Q1 of FY 2024-25, considering RCM ITC till the April-June, 2024 return period.
- **Deadline to declare Opening Balance:** Opening balance can be declared till 31.10.2024.
- **Amendments in Opening Balance:** Taxpayers can rectify any errors committed while declaring the opening balance on or before 30.11.2024, he shall be provided three opportunities for the same.

This amendment facility shall be discontinued after 30.11.2024.

Source: <https://services.gst.gov.in/services/advisoryand/releases/read/514>

ADVISORY FOR BIOMETRIC-BASED AADHAAR AUTHENTICATION AND DOCUMENT VERIFICATION FOR GST REGISTRATION APPLICANTS OF DADRA AND NAGAR HAVELI AND DAMAN AND DIU AND CHANDIGARH – DATED 24TH AUGUST, 2024

This is to inform taxpayers about recent developments concerning the application process for GST registration. It is advised to keep the following key points in mind during the registration process.

1. Rule 8 of the CGST Rules, 2017 has been amended to provide that an applicant can be identified on the common portal, based on data analysis and risk parameters for Biometric-based Aadhaar Authentication and taking a photograph of the applicant along with the verification of the original copy of the documents uploaded with the application.

2. The above-said functionality has been developed by GSTN. It has been rolled out in Dadra and Nagar Haveli and Daman and Diu AND Chandigarh on 24th August 2024.
3. The said functionality also provides for the document verification and appointment booking process. After the submission of the application in Form GST REG-01, the applicant will receive either of the following links in the e-mail,
 - (a) A Link for OTP-based Aadhaar Authentication OR
 - (b) A link for booking an appointment with a message to visit a GST Suvidha Kendra (GSK) along with the details of the GSK and jurisdiction, for Biometric-based Aadhaar Authentication and document verification (the intimation e-mail)
4. If the applicant receives the link for OTP-based Aadhaar Authentication as mentioned in point 3(a), she/he can proceed with the application as per the existing process.
5. However, if the applicant receives the link as mentioned in point 3(b), she/he will be required to book the appointment to visit the designated GSK, using the link provided in the e-mail.
6. The feature of booking an appointment to visit a designated GSK is now available for the applicants of Dadra and Nagar Haveli, Daman and Diu AND Chandigarh.
7. After booking the appointment, the applicant gets the confirmation of appointment through e-mail (the appointment confirmation e-mail), she/he will be able to visit the designated GSK as per the chosen schedule.
8. At the time of the visit of GSK, the applicant is required to carry the following details/documents
 - (a) a copy (hard/soft) of the appointment confirmation e-mail
 - (b) the details of jurisdiction as mentioned in the intimation e-mail
 - (c) Aadhaar Card and PAN Card (Original Copies)
 - (d) the original documents that were uploaded with the application, as communicated by the intimation e-mail.
9. The biometric authentication and document verification will be done at the GSK, for all the required individuals as per the GST application Form REG-01.
10. The applicant is required to choose an appointment for the biometric verification during the maximum permissible period for the application as indicated in the intimation e-mail. In such cases, ARNs will be generated once the Biometric-based Aadhaar Authentication process and document verification are completed.
11. The operation days and hours of GSKs will be as per the guidelines provided by the administration in your respective Union Territory.

Source: <https://services.gst.gov.in/services/advisoryand/releases/read/515>

Filing of Forms - Professional Misconduct



A member of the Institute in practice, shall be deemed to be guilty of professional misconduct under Clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980, if he, “does not exercise due diligence, or is grossly negligent in the conduct of his professional duties;”

The expression “*professional and other misconduct*” as defined in Section 22 of the Company Secretaries Act, 1980 shall be deemed to include any act or omission provided in any of the Schedules, but nothing in this section shall be construed to limit or abridge in any way the power conferred or duty cast on the Director (Discipline) under sub-section (1) of Section 21 to inquire into the conduct of any member of the Institute under any other circumstances.

While undertaking assignments related to filing of financial statements, Company Secretaries in Practice should exercise complete due diligence in order to fill complete details and file complete set of required documents including annexes thereto with the Registrar of Companies. It is also important to have originally signed audited financial statements before submitting them with the Registrar of Companies.

CASE STUDY:

1. A complaint of professional or other misconduct was received against one Practicing Company Secretary (hereinafter referred to as ‘the Respondent’) *inter-alia* alleging that the Respondent has done false certification in erstwhile form 23AC under the Companies Act, 1956 (now Form AOC-4 in the Companies Act, 2013), in respect of one Private Limited company for the FY ended 31st March, 2012. During the course of the inquiry conducted in the affairs of the company, it was observed that the company in its Balance Sheet as at 31st March, 2012 has shown Rs.16,50,10,004/- as “Short Term Loan and Advances” but pages related to Schedule No. 16 and 17 are missing in the Balance Sheet and it has been certified by the Respondent through form 23AC, as correct. A notice was issued to the Respondent to furnish the reasons for this false certification. The Respondent to the said Notice has submitted that the company and its officers had explained to him that the documents provided by them for certification are correct and are in proper form; complied with all the provisions and needs no explanation for Note No. 16 & 17 and he has further stated that he has certified the documents based on prima-facie facts stated to him by the company and its officers. According to the Complainant, the said reply of the Respondent was evasive and vague. The Respondent has certified a form which otherwise should have disclosed the ‘short term loans and advance’ of Rs. 16.50 Crores and ‘trade receivable’ of Rs. 3 Crores. It is evident that the Respondent did not perform his duties well and was hand in gloves with the officers of the company and requested to take appropriate disciplinary action against the Respondent for wrong certification.
2. The Respondent has denied the allegations and submitted that he has received service request from the said company along with their Audited Annual Accounts for the F.Y. 2011-12 for preparing and filing

Form 23AC & ACA on behalf of the company. The Respondent has extracted the required information from the Balance Sheet of the company and filled up all the required data in the said form based on the information and documents received from the company. The Respondent disclosed in the said form by filling in all the figures in Part-B, Page No. 5 of the said form including the figures of Trade Receivable- Rs. 29,900,000/-; Cash and Cash Equivalents- Rs.18,13,910.35/- and Short-Term Loans and Advances- Rs.16,50,10,004.39/- and so, it is implied that he has no intention of certifying any documents in a casual manner. While filling form 23AC along with annexures, merely due to human error, he was not able to cross verify from the same, while attaching the Balance Sheet in the said form. The Respondent stated that he had not wrongly certified alleged form 23AC for the year ended on 31st March, 2012. The Respondent has contended that allegations are for false certification of Books of Accounts of the company for the FY ending 31st March, 2012; whereas, he has never certified books of accounts, but has certified form 23AC & ACA, for which relevant data was properly filled up based on the information and documents furnished by the company. The Respondent has stated that based on certified form 23AC & ACA, the Complainant was able to find out that the annexed Balance Sheet in the said form was not in parity with the schedules. For this he has submitted that he did not have any intention to wrongly certify the said form. In such circumstances, the complaint is not valid and does not prove any misconduct.

3. The Complainant in rejoinder has reiterated the allegations and stated that the Respondent has certified and filed form 23AC without any examination of the Balance Sheet and its Notes. The Respondent has certified form 23AC attaching Balance Sheet, which should have disclosed the 'cash and cash equivalents' of Rs.18.13 Lakhs and 'short term loans and advance' of Rs.16.50 Crores in the Notes, but pages related to schedule No. 16 & 17 are missing but the same has been certified vide the said e-form. Further, the Respondent did not perform his duties well. Every professional on certification of the e-form declares that – *"it is hereby certified that I have verified the above particulars (including attachment(s) from the original records and found them to be true, correct, and complete and no information material to this form has been suppressed."*
4. The Respondent reiterating his response that he has filled the respective forms with correct figures which were matching with the figures of the Audited Balance Sheet and Profit and Loss of the company and there might be possibilities that while filling Form 23AC along with annexures, merely due to human error it could not be cross verified with the attached Balance Sheet.
5. The Respondent argued before the Disciplinary Committee that he has no intention to certify the said form in casual manner; and has missed the attachment of the Notes/Schedule No. 16, 17 while filing the form

23AC, due to inadvertent/clerical/human error, but he has not wrongly certified the alleged Form 23AC and has referred case laws in defense stating that it is a 'gross mistake'. On being asked by the Disciplinary Committee from the Respondent to submit the copy of the missing Notes/Schedules to the Balance Sheet of the company, the Respondent has shown his inability to submit the same and has admitted that he has not cross verified the alleged figures/amount from its relevant Notes/Schedules to the Balance Sheet of the company. The Respondent has also submitted that he is not the retainer of the company and received the Balance Sheet as such from the company/auditors.

6. The Disciplinary Committee viewed that the Respondent has not verified the original signed Audited Balance Sheet for certifying the alleged form 23AC. The Disciplinary Committee observed that the Respondent has certified form 23AC of the company by attaching Balance Sheet, which should have disclosed the amount of 'Cash and cash equivalents' of Rs. 1,813,910.35 and 'Short-term loans and advance' of Rs. 165,010,004.39 in the relevant Notes also i.e. Note 16 and 17, respectively, but pages related to these Notes are found missing from the attached Balance Sheet to the form 23AC certified by the Respondent. The Disciplinary Committee also observed that after Note 15A, straight away Note 19 is found as attached. And the Notes in between Note 15A and Note 19 are missing from the attached Balance Sheet to the alleged Form 23AC. The Disciplinary Committee further observed that the Respondent has not exercised due diligence while certifying the said Form 23AC for the F.Y. 2011-12 certified by the Respondent for the said company.
7. The Respondent has submitted one case law: (1979) 2 SUPREME COURT CASES 286 (Before D.A. Desai And O. Chinnappa Reddy JJ.) Union of India and others Vs. V. J. Ahmed. According to the Respondent, in this case, the "Misconduct" is explained as Deficiencies in personal character or personal ability do not constitute misconduct for taking disciplinary proceedings. Negligence in performance of duty or inefficiency in discharge of duty are not acts of "commission or omission" in general. Further professional misconduct means misbehavior involving some kind of guilty mind or mens rea and also it requires gross or habitual negligence in the performance of duty with mens rea. The Disciplinary Committee observed that the case law is related to misconduct about the Indian Civil Service which is different from the professional or other misconduct in relation to this complaint.
8. The Disciplinary Committee after considering the material on record, the nature of issues involved in the matter and in the totality of the facts and circumstances of the case, held the Respondent 'Guilty' of Professional Misconduct under Clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980. The Disciplinary Committee passed an order of Reprimand and imposed a Fine of ₹ 25000 (Rupees Twenty-five thousand) against the Respondent.

2024 Board Diversity Index- A Mammoth Initiative Towards Gauging Board's Diversity of Australia's top 300 ASX listed companies



The 2024 Watermark Search International Board Diversity Index is based on reported board statistics of ASX300 boards as of 1 January 2024. The Board Diversity Index is in its tenth year and is the only comprehensive analysis of Australian boards that assesses diversity in five key areas: **Gender, Cultural background, Age, Skills/Experience, Tenure and Independence across Australia's top 300 ASX listed companies.**

As custodians of organisational governance and strategy, directors play a pivotal role in addressing and reporting on all aspects of diversity. Over the past decade, progress has been made in female representation, but broader diversity including cultural background, disability and mix of skills remain stubbornly fixed. This report will encourage ASX Top 300 companies to prioritise transparency, accountability, and a culture of inclusivity on their boards, leading the way to unlock the full potential of their workforce and contribute to a more productive society and economy.

Key findings from this year's report include:

1. Gender

In 2016, women held 399 ASX300 board seats which have soared to 755 in 2024 (a phenomenal 89% increase overall).

36% of the board positions were occupied by women in 2024 compared to 20% in 2016.

2. Cultural Background

Momentum to increase the overall cultural diversity of ASX300 boards appears to have stalled in the past 12 months, and in smaller companies it has gone backwards. Only 9% of directors are from non-Anglo-Celtic backgrounds.

3. Age

Average age of directors has risen slightly from 60 to 61. However, the mentioned average increase in the age of directors just denotes increase in age of the

same legion of directors. Male directors still tend to be a few years older than female directors (average for men is 62.3 years and average for women is 58.7 years). However, this rate is only slightly ahead of the general ageing of Australia's population. Back in 2016 the median age of Australia's population was 38 years, and in 2022 it was 38.5 years, according to the Australian Bureau of Statistics. So the age of ASX300 directors is increasing just a little faster than the Australian median (the Australian median age seems to enhance by six months every four years or so).

Also notable is the continuing decline in the percentage of directors aged under 50. Three years ago 9% of men on ASX300 boards were under 50, now these younger men represent only 6%. For women the drop is even more profound, down from 17% of women on boards being younger than 50 in 2021 to 11% in 2024.

4. Skills & Experience

Year-wise observations reveal that a very little change in the percentage of directors who have earned at an undergraduate degree, generally it is around 82% , apart from an anomaly in 2021 when it dipped to 80%. Overall, more women on boards have higher qualifications:

- i) PhDs have been earned by almost double the percentage of women (9% in 2024) than men (5% in 2024), and that difference has barely changed over the years.
- ii) MBAs continue to be equally held by women and men (19%); while more women have earned other Masters degrees (20% in 2024) compared to men (16% in 2024), and again that difference hasn't changed over the years.
- iii) Finance qualifications are almost evenly spread among women (19%) and men (18%).
- iv) Governance qualifications are now held by almost twice the percentage of women (58%) as men (28%), though overall the proportion of directors who have earned governance qualifications has dropped since it was first measured in 2018, i.e. 58.5% women (keeping in mind there were fewer women on boards) and 39.8% men.

5. Tenure & Independence

The most common length of board tenure continues to be less than five years (more than half of all directors), and a massive majority (84.4%) tend to serve for less

than 10 years. Those figures haven't changed much since their tracking commenced.

Directors who aren't replaced after 10 years are a rare breed that is only 14.3% stay on between 10-14 years, dropping down to 3.1% in the 15-19 year tenure period. Remarkably, 5.3% of directors continue to serve on a board beyond 20 years. Chairs of boards generally hold their positions longer than non-executive directors. The most common chair tenure is 4–9 years (40.1%), which is unchanged from 2023, though it's notably several points below the most popular chair tenure for 2019 at 49.2%.

6. Postscript

More than 4.4 million people in Australia have some form of disability, that's 1 in 5 people. 17.8% of females and 17.6% of males in Australia have disability. Some NFPs, small businesses, charities and support organisations include people with disabilities on their boards, there appears to be zero people with disabilities on ASX300 company boards.

Only four directors on the ASX 300 are openly LGBTQI+ and there is no data on directors with a disability. Only two companies in the ASX200 report extensively on the diversity of their own boards across LGBTQ+, race, cultural background and First Nations.

The 2024 Board Diversity Index underscores the ongoing challenges and slow progress in achieving true diversity on Australian corporate boards. While there have been some improvements, particularly in gender representation, other areas like cultural diversity and board renewal remain significantly underdeveloped. The findings call for more concerted efforts to broaden the diversity pipeline, including embracing a wider range of experiences, backgrounds, and perspectives. As stakeholder pressure grows, boards that fail to diversify risk not only reputational damage but also missed opportunities for innovation and effective governance. The Index serves as both a benchmark and a call to action for continued progress.

References:

- i. <https://www.governanceinstitute.com.au/advocacy/2024-board-diversity-index/>
- ii. <https://www.governanceinstitute.com.au/app/uploads/2024/04/2024-Board-Diversity-Index.pdf>

CONSULTATION PAPER ON EXPANDING THE SCOPE OF SUSTAINABLE FINANCE FRAMEWORK IN THE INDIAN SECURITIES MARKET BY SEBI

SEBI has issued a consultation paper on 16th August, 2024 to seek comments, views and suggestions from the public on the proposals related to expanding the scope of sustainable finance framework in the Indian securities market.

Based on the recommendations to redefine “green debt security” as “sustainability-linked security” by the working group formed for review of compliance requirements under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (hereinafter ‘NCS Regulations’) and representation from market participants including Confederation of Indian Industry (CII) to expand the scope of regulatory framework pertaining to sustainable finance to include Social Bonds, Sustainable Bonds and Sustainability linked Bonds in addition to existing Green Debt Securities as a mode of raising sustainable finance, in line with global practices, SEBI has given three proposals to expand the sustainable finance framework in the Indian securities market:



- ❖ **Proposal 1:** Introduction of framework for Social Bonds, Sustainable Bonds and Sustainability linked bonds (which together with Green Debt Securities are termed ESG Debt Securities) as a mode of sustainable finance;
- ❖ **Proposal 2:** Introduction of sustainable securitised debt instruments;
- ❖ **Proposal 3:** Independent external review of ESG Debt Securities and Sustainable Securitised Debt Instruments to ensure their transparency and credibility.

Considering the implications of the aforesaid proposals on the market participants, public comments are invited on following aspects latest by 6th September, 2024:

I. Consultation on Proposal 1:

- Whether the proposal to introduce a framework for Social Bonds, Sustainable Bonds and Sustainability linked Bonds (which together with green debt securities are termed ESG Debt Securities) is appropriate and adequate?
- Are there any other international frameworks/ guidelines in addition to frameworks listed at Para 3.3 of the consultation paper issued by SEBI, that should be considered?

II. Consultation on Proposal 2:

- Whether the proposal to introduce a framework for sustainable securitised debt instruments is appropriate and adequate?
- Are there any other frameworks/ guidelines in addition to frameworks listed at Para 4.5 of the consultation paper issued by SEBI, that should be considered by Industry Standards Forum (ISF) for providing recommendation on sustainable securitised debt instruments?

III. Consultation on Proposal 3:

- Whether the proposed requirement of independent external review for ESG Debt Securities and Sustainable Securitised Debt Instruments is appropriate and adequate?
- Whether SEBI registered ESG Rating Providers could also be permitted to undertake such independent external review?

Source: https://www.sebi.gov.in/reports-and-statistics/reports/aug-2024/consultation-paper-on-expanding-the-scope-of-sustainable-finance-framework-in-the-indian-securities-market_85691.html

BHARAT ZERO EMISSION TRUCKING (ZET) POLICY ADVISORY

Government of India, launched the advisory document titled “Bharat Zero Emission Trucking (ZET) Policy Advisory” on August 21, 2024. It is estimated that by 2050, around 17 million trucks could be on Indian roads, contributing to air pollution, an increased reliance on fuel imports, and rising logistics costs, which already account for 14% of the country's GDP.

To achieve India's ambitious Net Zero 2070 target, the electrification of trucks is required and for this purpose it is necessary to achieve 100% ZET sales penetration by 2050. ZET offer several benefits: enhancing energy security, reducing foreign expenditure on fuel, and lowering overall logistics costs. However, this transition requires coordinated action from both industry and policymakers.

The Bharat ZET Policy Advisory document has been conceived as a dynamic document, outlining a comprehensive set of 30 policy interventions designed to accelerate ZET adoption in India. These interventions are categorized into five key areas: incentives, regulations, infrastructure, business and financing, and stakeholder-centric initiatives. Each policy intervention identifies a nodal agency responsible for implementation, a list of key stakeholders, its impact on the sector, and the methodology of policy formulation. These recommendations will be further refined through extensive stakeholder consultations, including detailed cost-benefit and impact analyses by the concerned ministries, departments, and institutions.

By implementing this roadmap, the government aims to instil confidence in all stakeholders involved in the road freight ecosystem. In essence, the technical and policy roadmaps work in tandem to ensure a comprehensive and coordinated approach to deploying ZETs, paving the way for a more sustainable future for India's freight transportation sector.

Source: <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2047254>

AUSTRALIA PASSES LANDMARK BILL MANDATING CLIMATE RISK DISCLOSURES

On 22nd August 2024, Australia's Senate has passed the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 which will require many Australian companies and asset owners to annually report standardized climate information about their approach to climate-related financial risks and opportunities, in respect of financial periods starting in 2025, setting the stage for a new era of mandatory climate risk disclosures.

Welcomed by the investor community, the new law will be a significant step toward transparency and accountability. A key element of the new regime is the requirement for companies to disclose climate resilience assessments based on both 1.5°C and 2.5°C warming scenarios, as outlined in the Climate Change Act 2022. This dual-scenario reporting is crucial for companies to evaluate and align their existing climate risk strategies.

Asset owners and managers will need to source reliable sustainability data from their portfolio companies, some of which may be in jurisdictions that do not adopt the ISSB standards, potentially complicating their reporting efforts.

Australian Securities and Investments Commission (ASIC) has announced plans to release guidance on the new reporting duties once the bill receives Royal Assent. ASIC will also establish a team dedicated to overseeing compliance and addressing relief claims under the new obligations.

Source: <https://esgnews.com/australia-passes-landmark-bill-mandating-climate-risk-disclosures-for-companies-enhancing-transparency-and-global-alignment/>

ESG INVESTING GAINS MOMENTUM IN JAPAN

Environmental, Social, and Governance (ESG) investing is thriving in Japan with balanced approach that has made it more attractive to corporations and financial markets, ensuring its sustainability in the long term.

Japan's ESG boom is partly driven by the country's 2020 pledge to achieve net zero greenhouse gas emissions by 2050. According to the Japan Securities Dealers Association, Japan's sustainability bond market doubled from 2021 levels, reaching ¥6.7 trillion in 2023. Japan is leading with innovative financial instruments like the world's first sovereign "transition bonds," introduced in February 2024. These bonds fund diverse projects to accelerate Japan's net-zero shift. The government aims to draw ¥150 trillion in green investments, including ¥20 trillion from transition bonds over the next decade.

Japan's strategy, particularly its Asia Zero Emission Community initiative, has drawn attention from Southeast Asian nations, many of which depend heavily on fossil fuels. As Japan positions itself as a leader in sustainable finance, its ESG market's future appears bright, offering a potential model for other regions navigating the complexities of ESG investing.

Source: <https://esgnews.com/japans-steady-approach-to-esg-investing-gains-momentum-amid-global-uncertainty/>

UK EYES ON REGULATING ESG RATINGS TO LEAD IN SUSTAINABLE FINANCE

The UK government is set to propose a law in 2025 aimed at regulating providers of ESG ratings, a move that could reshape the landscape of sustainable finance. This initiative, led by Finance Minister Rachel Reeves, seeks to address the growing concerns over the transparency and reliability of ESG ratings, which play a crucial role in directing billions of dollars into sustainability focused investments.

The forthcoming legislation is poised to enhance investor confidence by bringing much needed transparency to the ESG ratings process, reinforcing the UK's commitment to becoming a global hub for sustainable finance. The regulation will place ESG ratings providers under the supervision of the Financial Conduct Authority (FCA), a significant step as demand for ESG integration in investment strategies continues to grow. The UK's move follows the European Union's earlier decision to bring ESG ratings providers under the oversight of the European markets regulator, ESMA.

The UK Sustainable Investment and Finance Association (UKSIF) has expressed strong support for the regulation, emphasizing the need for clarity in how ESG ratings are determined.

Source: <https://esgnews.com/uk-sets-sights-on-regulating-esg-ratings-to-lead-in-sustainable-finance/>

GIST OF RD & ROC ADJUDICATION ORDERS

Gist of RD Adjudication Order

1. Adjudication order for violation of section 179 of the Companies Act, 2013 in the matter of GRA INTERNATIONAL BIZKOM LIMITED

In the matter of *GRA International Bizkom Limited* the RD (EAST) vide order dated 27th June 2024 had "Confirmed" the penalty ₹ 21,00,000 as imposed by ROC, West Bengal upon the company and directors in default for violation of section 179 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=hrK6CRS26zbEQDl4Qndkew%253D%253D&type=open)

2. Adjudication order for violation of section 161 of the Companies Act, 2013 in the matter of MAYFLOWER INFRA REALTY PRIVATE LIMITED

In the matter of *Mayflower Infra Realty Private Limited* the RD (EAST) vide order dated 9th July 2024 had "Reduced" the quantum of penalty to ₹ 25,000 as imposed by ROC, West Bengal upon the company and directors in default for violation of section 161 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=xpZTxba6gNPr49gvx7FSw%253D%253D&type=open)

3. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of MAHEEP MARKETING PVT LTD

In the matter of *Maheep Marketing Pvt Ltd* the RD (EAST) vide order dated 27th June 2024 had "Confirmed" the penalty of ₹ 15,00,000 as imposed by ROC, West Bengal upon the company and directors in default for violation of section 203 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=jXO9T3assBMpj7PWt3KIPw%253D%253D&type=open)

4. Adjudication order for violation of section 158 of the Companies Act, 2013 in the matter of MAYFLOWER INFRA REALTY PRIVATE LIMITED

In the matter of *Mayflower Infra Realty Private Limited* the RD (EAST) vide order dated 9th July 2024 had "Reduced" the quantum of penalty to ₹ 75,000 as imposed by ROC, West Bengal upon the company and directors in default for violation of section 158 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=WykG%252BDLlwtlp8LDubm3%252BHQ%253D%253D&type=open)

5. Adjudication order for violation of section 158 of the Companies Act, 2013 in the matter of MARS MERCANTILES PRIVATE LIMITED

In the matter of *MARS Mercantiles Private Limited* the RD (EAST) vide order dated 27th June 2024 had "Reduced" the quantum of penalty to ₹ 50,000 as imposed by ROC, West Bengal each upon the company and two directors in default for violation of section 158 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=SDAqdk5bkVUnefa47Of80A%253D%253D&type=open)

6. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of CHECONS LTD

In the matter of *Checons Ltd* the RD (EAST) vide order dated 5th March 2024 had "Confirmed" the penalty of ₹ 20,00,000 as imposed by ROC, West Bengal each upon the company and three directors in default for violation of section 203 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=i6YWFdSiX7d2%252F%252BGJRJcw%252Fg%253D%253D&type=open)

7. Adjudication order for violation of section 137 of the Companies Act, 2013 in the matter of MAHEEP MARKETING PVT LTD

In the matter of *Maheep Marketing Pvt Ltd* the RD (EAST) vide order dated 10th July 2024 had "Set-Aside" the penalty of ₹ 73,900 as imposed by ROC, West Bengal upon the company for violation of section 137 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=3LNrvlHXovCYFIW8TQuCRA%253D%253D&type=open)

8. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of MERIT INVESTMENT LTD

In the matter of *Merit Investment Ltd* the RD (EAST) vide order dated 3rd January 2024 had "Confirmed" the penalty of ₹ 20,00,000 as imposed by ROC, West Bengal each upon the company and three directors in default for violation of section 203 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=9pgfO4y%252F%252F1R6WhIJXrxvCw%253D%253D&type=open)

9. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of DELTA INTERNATIONAL LTD

In the matter of *Delta International Ltd* the RD (EAST) vide order dated 9th July 2024 had "Reduced" the quantum of penalty to ₹ 5,00,000 as imposed by ROC, West Bengal each upon the company and two directors in default for violation of section 203 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=CxhHxdFqgm4xYrbm4clcrq%253D%253D&type=open)

10. Adjudication order for violation of section 179 of the Companies Act, 2013 in the matter of GANPATI RICE INDUSTRIES LTD

In the matter of *Ganpati Rice Industries Ltd* the RD (EAST) vide order dated 27th June 2024 had "Confirmed" the penalty of ₹ 7,00,000 as imposed by ROC, West Bengal each upon the company and three officers in default for violation of section 179 of the Companies Act, 2013.

(www.mca.gov.in/bin/dms/getdocument?mds=ya6BrVVuEiu71riGFb7SbA%253D%253D&type=open)

11. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of KUSUM INDUSTRIAL GASES LTD

In the matter of *Kusum Industrial Gases Ltd* the RD (EAST) vide order dated 29th February 2024 had "Confirmed" the penalty of ₹ 5,00,000 as imposed by ROC, West Bengal each upon the company and three directors in default for violation of section 203 of the Companies Act, 2013

(www.mca.gov.in/bin/dms/getdocument?mds=NVmitNuxK4krfc%252Fu9pyphw%253D%253D&type=open)

12. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of Durrung Tea Estate Limited

In the matter of *Durrung Tea Estate Limited* the RD (EAST) vide order dated 1st January 2024 had "Confirmed" the penalty of ₹ 5,00,000 as imposed by ROC, West Bengal each upon the company and January 1, 72,000 upon five directors in default for violation of section 203 of the Companies Act, 2013

(www.mca.gov.in/bin/dms/getdocument?mds=3OX7%252B9Gbp7eP%252Fysa8hlorw%253D%253D&type=open)

13. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of APEX TRADERS & EXPORTERS LTD

In the matter of *Apex Traders & Exporters Ltd* the RD (EAST) vide order dated 1st January 2024 had "Confirmed" the penalty of ₹ 5,00,000 as imposed by ROC, West Bengal each upon the company and ₹ 1,86,000 upon three directors in default for violation of section 203 of the Companies Act, 2013

(www.mca.gov.in/bin/dms/getdocument?mds=p9WeMpZF5oCXh8xsG8rHHg%253D%253D&type=open)

14. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of ASCU ARCH TIMBER PROTECTION LIMITED

In the matter of *Ascu Arch Timber Protection Limited* the RD (EAST) vide order dated 29th February 2024 had "Confirmed" the penalty of ₹ 5,00,000 as imposed by ROC, West Bengal each upon the company and three directors in default for violation of section 203 of the Companies Act, 2013

(www.mca.gov.in/bin/dms/getdocument?mds=eJnL4BqIkSUPfCKJcp4KTg%253D%253D&type=open)

Gist of ROC Adjudication Orders

1. Adjudication order for violation of section 184(1) of the Companies Act, 2013 in the matter of TABLESPACE TECHNOLOGIES PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 9th July 2024 in the matter of Tablespace Technologies Private Limited as the directors of the company had not submitted "Disclosure of Interest" in first board meeting of the financial year 2018-19 and thus violated the provisions of

section 184 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹ 1,00,000 upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=K1Wpa2fAlpiq2snk%252F2dvzA%253D%253D&type=open)

2. Adjudication order for violation of section 188(1) of the Companies Act, 2013 in the matter of TABLESPACE TECHNOLOGIES PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 9th July 2024 in the matter of Tablespace Technologies Private Limited for not obtaining shareholder's approval in AGM for related party transaction and thus violated the provisions of section 188 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹ 5,00,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=s3N1oIaC52pTbt5t6HzYQA%253D%253D&type=open)

3. Adjudication order for violation of section 77 of the Companies Act, 2013 in the matter of TABLESPACE TECHNOLOGIES PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 9th July 2024 in the matter of Tablespace Technologies Private Limited for not creating the charge against the secured loan borrowed and thus violated the provisions of section 77 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹ 5,00,000 upon the company and ₹ 50,000 upon four directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=CfQYh3s8Q0xcQVMpq8Xq2Q%253D%253D&type=open)

4. Adjudication order for violation of section 12(3) (s) of the Companies Act, 2013 in the matter of CURASIGNA SYSTEMS PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 1st August 2024 in the matter of Curasigna Systems Private Limited for not mentioning its CIN over its letter head which is a violation of section 12(3)(c) of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹ 15,000 each upon the company and one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=XdcCKFEhWThXr%252Flx9IzirQ%253D%253D&type=open)

5. Adjudication order for violation of section 173(1) of the Companies Act, 2013 in the matter of NEXTGEN HEALTHCARE INDIA PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not convening second board meeting for the FY 2023-24 within stipulated time as given under section 173 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 21st June 2024 and the Adjudication Authority has imposed penalty of ₹ 15,000 each upon the company and managing director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=Z9JJXA%252FLNnh3%252BDetV0%252FsiA%253D%253D&type=open)

6. Adjudication order for violation of section 149(3) of the Companies Act, 2013 in the matter of WATER AND SANITATION FOR URBAN POOR (INDIA) (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not appointing any director on its board who stays in India for more than 182 days as provided under section 149 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 9th July 2024 and the Adjudication Authority has imposed penalty of ₹ 3,00,000 upon the company and ₹ 1,00,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=iOgb5W9C3uWtshxP06AhXg%253D%253D&type=open)

7. Adjudication order for violation of section 173(1) of the Companies Act, 2013 in the matter of WATER & SANITATION FOR URBAN POOR (INDIA) (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not convening the Board Meetings from FY 2011-12 to 2018-19 as required under section 173 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 9th July 2024 and the Adjudication Authority has imposed penalty of ₹ 16,00,000 upon the company (in total for violation in all 8 years) and ₹ 4,00,000 upon three directors in default (in total for violation in all 8 year), penalty of ₹ 50,000 was imposed upon one director in default for violation in year 2011-12 only.

(www.mca.gov.in/bin/dms/getdocument?mds=4wi5Jn33lfbtvNsKOWr0zg%253D%253D&type=open)

8. Adjudication order for violation of section 12(1) of the Companies Act, 2013 in the matter of BIOFI MEDICAL HEALTHCARE INDIA PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 11th June 2024 in the matter of Biofi Medical Healthcare India Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹ 50,000 each upon the company and on three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=wDRsCah1M2MIkc1wTaT8tQ%253D%253D&type=open)

9. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of TRUALT BIOENERGY LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not appointing any KMP as required under section 203 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 24th June 2024 and the Adjudication Authority has imposed penalty of ₹ 5,00,000 upon the company, ₹ 3,61,000 upon managing director in default and ₹ 2,00,000 upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=oBk%252B7fdkHXYBYwmdsS8nOQ%253D%253D&type=open)

10. Adjudication order for violation of section 137(3) of the Companies Act, 2013 in the matter of KINGSWAY LIFT INDIA PRIVATE LIMITED

ROC Chhattisgarh issued adjudication order dated 1st August 2024 in the matter of Kingsway Lift India Private Limited for not filing its Financial Statements for the financial years from 2018-19 to 2022-23 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹ 1,83,700, ₹ 1,47,100, ₹ 1,10,600, ₹ 74,100 and ₹ 37,600 upon the company for each financial year ending on 31.03.2019, 31.03.2020, 31.03.2021, 31.03.2022 and 31.03.2023 respectively. Penalty of ₹ 50,000 each was also imposed upon two directors in default for each financial year from 2018-19 to 2021-22. For financial year 2022-23, penalty of ₹ 37,600 was imposed upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=tyXCvbTei2b0xVanaevjQw%253D%253D&type=open)

11. Adjudication order for violation of section 92(5) of the Companies Act, 2013 in the matter of KINGSWAY LIFT INDIA PRIVATE LIMITED

ROC Chhattisgarh issued adjudication order dated 1st August 2024 in the matter of Kingsway Lift India Private Limited for not filing its Annual Return for the financial years from 2018-19 to 2022-23 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹ 1,80,700, ₹ 1,44,100, ₹ 1,07,600, ₹ 71,100 and ₹ 34,600 upon the company for each financial year ending on 31.03.2019, 31.03.2020, 31.03.2021, 31.03.2022 and 31.03.2023 respectively. Penalty of ₹ 50,000 each was also imposed upon two directors in default for each financial year from 2018-19 to 2021-22. For financial year 2022-23, penalty of ₹ 34,600 was imposed upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=myn4etNU5DD4Yn56Yu0qrg%253D%253D&type=open)

12. Adjudication Order for violation of section 135 of the Companies Act, 2013 in the matter of STANLEY BLACK & DECKER INDIA PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not spending requisite amount towards CSR for FY 2020-21 and 2021-22 as required under section 135 of the Companies Act, 2013, in reply ROC Pune issued adjudication order dated 1st August 2024 and the Adjudication Authority has imposed penalty of ₹ 1,00,00,000 upon the company, ₹ 2,00,000 each upon three directors and Company Secretary in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=oFFJ0iuF7Y6wflHZ1E%252BkBA%253D%253D&type=open)

13. Adjudication order for violation of section 90(1) & 90(4) of the Companies Act, 2013 in the matter of SUNG SHIN TECH INDIA PRIVATE LIMITED

ROC Himachal Pradesh issued adjudication order dated 6th August 2024 in the matter of Sung Shin Tech India

Private Limited as the SBOs of the company as well as the company itself failed to file declarations in forms BEN-1 and BEN-2 respectively within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the SBO for not declaring his interest in form BEN-1, penalty of ₹5,00,000 was imposed upon the company and ₹1,00,000 upon two Directors in default for not filing declaration to ROC in for BEN-2 w.r.t SBOs.

(www.mca.gov.in/bin/dms/getdocument?mds=ZTu2kOmUY4V%252BMGR9TtYemQ%253D%253D&type=open)

14. Adjudication order for violation of section 29(1) of the Companies Act, 2013 in the matter of ASHAPURNA BUILDCON LIMITED

ROC Jaipur issued adjudication order dated 21st May 2024 in the matter of Ashapurna Buildcon Limited for issuing the shares in physical form and not in dematerialized form, hence violating the provisions of section 29 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹2,00,000 upon the Company and ₹50,000 upon managing director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=CweULOCuLFW9mioQoDjPw%253D%253D&type=open)

15. Adjudication order for violation of section 90(1) of the Companies Act, 2013 in the matter of RATNALYA HOTELS AND DEVELOPERS PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 22nd May 2024 in the matter of Ratnalya Hotels and Developers Private Limited as the SBOs of the company failed to file declarations in forms BEN-1 within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹1,00,000 upon the SBO for not declaring his interest in form BEN-1.

(www.mca.gov.in/bin/dms/getdocument?mds=QEjjTnpp2jUql7wJcKk%252FWA%253D%253D&type=open)

16. Adjudication order for violation of section 90(1) of the Companies Act, 2013 in the matter of MINOVA RUNAYA PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 23rd May 2024 in the matter of Minova Runaya Private Limited as three SBOs of the company failed to file declarations in forms BEN-1 within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹1,00,000 each upon three SBOs for not declaring his interest in form BEN-1.

(www.mca.gov.in/bin/dms/getdocument?mds=d5r%252FuoWwUnXOSwflSZp9Kw%253D%253D&type=open)

17. Adjudication order for violation of section 177(2) of the Companies Act, 2013 in the matter of DALAS BIOTECH LIMITED

ROC Jaipur issued adjudication order dated 21st May 2024 in the matter of Dalas Biotech Limited as the constitution

of the Audit Committee was not as required under section 177 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹1,00,000 upon whole-time director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=pTkVshUHK2QdnpgNIDgA%253D%253D&type=open)

18. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of RELIANCE CHEMOTEX INDUSTRIES LIMITED

ROC Jaipur issued adjudication order dated 7th June 2024 in the matter of Reliance Chemotex Industries Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company and ₹1,00,000 upon managing director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=MUN6JAKmZUuRHCt9117aAA%253D%253D&type=open)

19. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of KRN HVAC INDIA PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 1st July 2024 in the matter of KRN HVAC India Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹2,51,000 upon the Company and ₹85,400 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=9Ua8AjtAJLPiGADTAfNHEQ%253D%253D&type=open)

20. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of BHADLA THREE SKP GREEN VENTURES PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 29th July 2024 in the matter of Bhadla Three Skp Green Ventures Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹3,91,000 upon the Company and ₹1,00,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=tTkI44WrrtsrnfCJRk%252Bwvg%253D%253D&type=open)

21. Adjudication order for violation of section 62(3) of the Companies Act, 2013 in the matter of LALITBAGH HERITAGE PALACE AND MUSEUM PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 8th May 2024 in the matter of Lalitbagh Heritage Palace and Museum Private Limited for not passing special resolution before raising the loan and thus violating the provisions of section 62 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹ 17,000 each upon the Company and five directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=g79E290vPfKJQ8bUvD5Whg%253D%253D&type=open)

22. Adjudication order for violation of section 90(1) and 90(4) of the Companies Act, 2013 in the matter of PARIS ELYSEES INDIA PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 1st July 2024 in the matter of Paris Elysees India Private Limited as the SBOs of the company as well as the company itself failed to file declarations in forms BEN-1 and BEN-2 respectively within stipulated time under section 90 of the Companies Act, 2013, also the company failed to issue notices under section 90(5) of the Act for identification of SBO and thus violating the provisions of section 90 of the Act. The Adjudicating Authority imposed penalty of ₹2,00,000 each upon four SBOs for not declaring their interest in form BEN-1, penalty of ₹5,00,000 was imposed upon the company and ₹1,00,000 each upon four Directors in default for not filing declaration to ROC in for BEN-2 w.r.t SBOs and issuing requisite notices.

(www.mca.gov.in/bin/dms/getdocument?mds=veAsRPRKrRlXm9m8X8YSEA%253D%253D&type=open)

23. Adjudication order for violation of section 90(1) of the Companies Act, 2013 in the matter of PRERANA AGRICULTURAL FARMS PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 22nd May 2024 in the matter of Prerana Agricultural Farms Private Limited as the SBO of the company failed to file declarations in forms BEN-1 within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹1,00,000 upon the SBO for not declaring his interest in form BEN-1.

(www.mca.gov.in/bin/dms/getdocument?mds=6%252FapKRI3okIewW5jX5v%252Bfg%253D%253D&type=open)

24. Adjudication order for violation of section 56(4) of the Companies Act, 2013 in the matter of MOZARC MEDICAL INDIA PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not issuing share certificates within stipulated time as required under section 56 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 11th June 2024 and the Adjudication Authority has imposed penalty of ₹50,000 each upon the company and three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=m2srh2DJlwGcNZAU%252B8s2Eg%253D%253D&type=open)

25. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of MATHWORKS INDIA PRIVATE LIMITED AND URMI SYSTEMS PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 11th June 2024 in the matter of Mathworks India Private Limited and Urmi Systems Private Limited for not appointing whole-time company secretary and thus violated provisions of section 203 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,00 each upon Mathworks India Private Limited and three of its directors

in default, penalty of ₹91,000 also imposed upon one of its directors in default. Upon Urmi Systems Private Limited and six of its directors in default penalty of each ₹5,00,000 was imposed and ₹1,91,000 was imposed upon one of its directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=7kWQpWplnEvxI%252BmiYoyEg%253D%253D&type=open)

26. Adjudication order for violation of section 134 & 135 of the Companies Act, 2013 in the matter of LANTIQ COMMUNICATIONS INDIA PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 9th July 2024 in the matter of Lantiq Communications India Private Limited as its two directors have not complied with the provisions of section 134, 135(1) and 135(7) of the Companies Act, 2013 pertaining to development of CSR Policy and CSR Spend. The adjudication authority imposed penalty of ₹1,00,000, ₹50,000 and, ₹50,000 and 2,01,133 each upon two directors in default for violating the provisions of section 134, section 135(1) and section 135(7) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=ZQAezEDIY9w9NI5yq9ozRA%253D%253D&type=open)

27. Adjudication order for violation of section 123(4) of the Companies Act, 2013 in the matter of ASPECT CONTACT CENTER SOFTWARE (INDIA) PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not depositing the amount of dividend in separate bank account within stipulated time as required under section 123 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 12th June 2024 and the Adjudication Authority has imposed penalty of ₹16,000 each upon the company and three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=1gBxK3ebsqdBLGJaBTZKLA%253D%253D&type=open)

28. Adjudication order for violation of section 123(4) of the Companies Act, 2013 in the matter of ASPECT TECHNOLOGY CENTER (INDIA) PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not depositing the amount of dividend in separate bank account within stipulated time as required under section 123 of the Companies Act, 2013, in reply ROC Bangalore issued adjudication order dated 12th June 2024 and the Adjudication Authority has imposed penalty of ₹16,000 each upon the company and three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=1gBxK3ebsqdBLGJaBTZKLA%253D%253D&type=open)

29. Adjudication order for violation of section 158 of the Companies Act, 2013 in the matter of SIPLY SERVICES PRIVATE LIMITED

ROC Bangalore issued adjudication order dated 8th July 2024 in the matter of Sply Services Private Limited for not

mentioning DIN of the Directors over the replies submitted to ROC and thus violating the provisions of section 158 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,55,000 upon the Company and ₹1,00,000 upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=pozvqBkVFpgT4%252BDdpXHoKg%253D%253D&type=open)

30. Adjudication order for violation of section 137(1) of the Companies Act, 2013 in the matter of EMTEX INTERNATIONAL LIMITED

ROC Ernakulum issued various adjudication orders dated 12th July 2024 in the matter of Emtex International Limited for not filing the Financial Statements for financial years from 2001 to 2018 within the stipulated time as prescribed under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 upon the Managing Director for violation of said provisions for each financial year 2003-2005, 2007, 2009, 2010, 2012 and 2015.

31. Adjudication order for violation of section 92 of the Companies Act, 2013 in the matter of EMTEX INTERNATIONAL LIMITED

ROC Ernakulum issued various adjudication orders dated 12th July 2024 in the matter of Emtex International Limited for not filing the Annual Return for financial year 2018 within the stipulated time as prescribed under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 upon the Managing Director for violation of said provisions.

(www.mca.gov.in/bin/dms/getdocument?mds=vvPIYx5kGBZ5mvAR1d%252BpnQ%253D%253D&type=open)

32. Adjudication order for violation of section 203(1) of the Companies Act, 2013 in the matter of TETHYS PROPERTIES PRIVATE LIMITED

ROC Hyderabad issued adjudication order dated 9th August 2024 in the matter of Tethys Properties Private Limited as it has failed to appoint the whole-time Company Secretary as mandated by the provision of section 203 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 each upon the company and one past director in default. Penalty of ₹4,38,000 each was imposed upon two past directors, ₹4,46,000 and ₹80,000 was also imposed upon two directors of company.

(www.mca.gov.in/bin/dms/getdocument?mds=%252B2cofvMOgnazpozVHS4Cow%253D%253D&type=open)

33. Adjudication order for violation of section 203(1) of the Companies Act, 2013 in the matter of BELINDA PROPERTIES PRIVATE LIMITED

ROC Hyderabad issued adjudication order dated 9th August 2024 in the matter of Belinda Properties Private Limited as it has failed to appoint the whole-time Company Secretary as mandated by the provision of section 203 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 each upon the company and

three past directors in default. Penalty of ₹3,05,000 each was imposed upon two directors, ₹1,57,000, ₹4,49,000 and ₹83,000 was also imposed upon three directors of company.

(www.mca.gov.in/bin/dms/getdocument?mds=6WQ%252F9e2zuGVQJeCh21G9bA%253D%253D&type=open)

34. Adjudication order for violation of section 118 of the Companies Act, 2013 in the matter of NEXGEN INVENTIVE INFORMATION TECHNOLOGY PRIVATE LIMITED

ROC Pune issued adjudication order dated 8th August 2024 in the matter of Nexgen Inventive Information Technology Private Limited for not mentioning day of the meeting on the minutes of the meeting and thus it violated the provisions of section 118 of the Companies Act, 2013 read with Secretarial Standard-2 issued by ICSI. The adjudicating Authority imposed penalty of ₹25,000 upon the company and ₹5,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=N8%252FWOu7HL5LOs5rrGPvq4A%253D%253D&type=open)

35. Adjudication order for violation of section 42(5) of Companies Act, 2013 in the matter of QUADRANT FUTURE TEK LIMITED

ROC Chandigarh issued adjudication order dated 8th August 2024 in the matter of Quadrant Future Tek Limited for not allotting the shares to the allottees issued through private placement during the financial years 2015-16, 2016-17 and 2017-18 within stipulated timeframe and the company also did not comply with the requirement of opening separate bank account for allotment money received and thus violated the provisions of section 42 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹1,00,000 each upon 8 directors in default for financial year 2015-16. For financial year 2016-17, penalty of ₹20,00,000 was imposed upon the Company and ₹4,00,000 each was imposed 8 directors in default. For financial year 2017-18, penalty imposed was ₹5,00,000 upon the company and ₹1,00,000 each imposed upon 8 directors in default. Same penalty amounts for each three years was imposed upon the company and directors in default for violation of section 42(6) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=dhWWW3KekDKppUqSYDQISg%253D%253D&type=open)

36. Adjudication order for violation of section 123(4) of the Companies Act, 2013 in the matter of MULTI COMMODITY EXCHANGE OF INDIA LIMITED

ROC Mumbai issued adjudication order dated 8th August 2024 in the matter of Multi Commodity Exchange of India Limited for not depositing the amount of dividend declared in separate bank account within stipulated timeframe as provided under section 123 of the Companies Act, 2013. The adjudicating Authority imposed penalty of ₹11,000 each upon the company, its CEO, CFO and Company Secretary.

(www.mca.gov.in/bin/dms/getdocument?mds=UWLIfaYxTez2zoj838R%252F%252BQ%253D%253D&type=open)

37. Adjudication order for violation of section 42 of the Companies Act, 2013 in the matter of V.L. INFRAPROJECTS LIMITED

ROC Ahmedabad issued adjudication order dated 8th August 2024 in the matter of V.L. Infraprojects Limited for not opening separate bank account for keeping share allotment money received and thus violating the provision of section 42 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹29,00,000 each upon the Company and two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=WxhiyLd%252FnLUNhik7LxZWHA%253D%253D&type=open)

38. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of CHEMMANUR GOLD PALACE INTERNATIONAL LTD

ROC Ernakulam issued adjudication order dated 2nd August 2024 in the matter of Chemmanur Gold Palace International Ltd for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹1,35,500 upon the Company and ₹39,200 each upon five directors in default, CFO of the company and Company Secretary.

(www.mca.gov.in/bin/dms/getdocument?mds=W7doV0PSHKyU7Zgko54MBA%253D%253D&type=open)

39. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of MANTLE SOLUTIONS PVT LTD

ROC Ernakulam issued adjudication order dated 2nd August 2024 in the matter of Mantle Solutions Pvt Ltd for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company and ₹1,00,000 each upon five directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=dieNYztY1f8FHEjOOwiyUw%253D%253D&type=open)

40. Adjudication Order for violation of section 143(3) (h) of the Companies Act, 2013, in the matter of SDS PROPERTIES LIMITED

ROC Shillong issued adjudication order dated 6th August 2024 in the matter of Statutory Auditor of SDS Properties Limited for not qualifying the statutory audit report got financial year 2020-21 and 2021-22 due to non-compliance of section 129 of the Companies Act, 2013 and thus violating the provision of 143 of Act. The Adjudicating Authority imposed penalty of ₹20,000 upon the Statutory Auditor of the Company for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=qw4D%252FP6W7zMaTOspFntZ6w%253D%253D&type=open)

41. Adjudication order for violation of section 143(3) (h) of the Companies Act, 2013, in the matter of SAGAR INDUSTRIES LIMITED

ROC Shillong issued adjudication order dated 6th August 2024 in the matter of Statutory Auditor of Sagar Industries

Limited for not qualifying the statutory audit report due to non-compliance of section 129 of the Companies Act, 2013 and thus violating the provision of 143 of Act. The Adjudicating Authority imposed penalty of ₹10,000 upon the Statutory Auditor of the Company.

(www.mca.gov.in/bin/dms/getdocument?mds=7YYKJrQkQXRkBSYCBKKyVg%253D%253D&type=open)

42. Adjudication order for violation of Section 179 of the Companies Act, 2013 in the matter of MARTIN REALTY PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not passing special resolution for the purpose of reversing the payment made mistakenly, in reply the ROC Coimbatore issued adjudication order dated 15th July 2024 and the adjudicating authority has imposed penalty of ₹1,00,000 upon the company and ₹25,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=x9e9wagWzylA7eg3lPhYiQ%253D%253D&type=open)

43. Adjudication order for violation of section 90(4) of the Companies Act, 2013 in the matter of RG BUILDESTATE PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 25th July 2024 in the matter of RG Buildestate Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company and ₹1,00,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=yAlAXGFuFi5Gi1bG8Gn6sg%253D%253D&type=open)

44. Adjudication order for violation of Section 203 of the Companies Act, 2013 in the matter of DINDIGUL FARM PRODUCT LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not appointing the company secretary as required under section 203 of the Companies Act, 2013, in reply ROC Coimbatore issued adjudication order dated 6th August 2024 and the Adjudication Authority has imposed penalty of ₹5,00,000 each upon the company and upon four directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=o3ZNkgH0UxP2x0laDu64Gg%253D%253D&type=open)

45. Adjudication order for violation of section 118 of Companies Act, 2013 in the matter of SITAMAN INDUSTRIES PVT LTD

ROC Mumbai issued adjudication order dated 5th August 2024 in the matter of Sitaman Industries Pvt Ltd for not keeping attendance sheet of the meetings of Board and thus violating the section 118 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹12,500

upon the company and ₹25,000 upon the two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=nWd6biHu1wB5eB2QNN%252F2ew%253D%253D&type=open)

46. Adjudication order for violation of section 189 of the Companies Act, 2013 in the matter of SITAMAN INDUSTRIES PVT LTD

ROC Mumbai issued adjudication order dated 5th August 2024 in the matter of Sitaman Industries Pvt Ltd for not mentioning proper particulars in column no. 14 of MBP-4 in relation to register of contracts with related parties and thus violating the section 189 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹12,500 each upon the two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=O4r5FJtRSh6PaEE5Fi%252FOpw%253D%253D&type=open)

47. Adjudication order for violation of section 92 and 137 of the Companies Act, 2013 in the matter of EASY FUNDS FINANCE PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 20th May 2024 in the matter of Easy Funds Finance Private Limited for not filing the Annual Return and Financial Statements for the financial year 2020-21 and 2021-22 within stipulated time under section 92 and 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹85,700 and ₹49,200 each upon the company and two directors respectively for each year for default under section 92 of the Act. For default in section 137 of the Act, penalty imposed was ₹88,700 and ₹52,500 upon the company for each year and ₹50,000 each upon two directors for each year.

(www.mca.gov.in/bin/dms/getdocument?mds=49lp7m0cQFWCe7%252BPLaqNHg%253D%253D&type=open)

48. Adjudication order for violation of section 39(4) of the Companies Act, 2013 in the matter of AGRILIFE TECHNOLOGIES PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 23rd July 2024 in the matter of Agrilife Technologies Private Limited for not filing form PAS-3 within stipulated time as provided under section 39 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹50,000 each upon the company and three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=2wfZXTU3ZIQEWMaY5xQsKQ%253D%253D&type=open)

49. Adjudication order for violation of section 117(1) of the Companies Act, 2013 in the matter of AGRILIFE TECHNOLOGIES PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 23rd July 2024 in the matter of Agrilife Technologies Private Limited for not filing MGT-14 within stipulated time as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹93,200 upon the company and ₹25,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=31tuXWNR0EZN29JTEWJ2CA%253D%253D&type=open)

50. Adjudication order for violation of section 62(3) of the Companies Act, 2013 in the matter of SINGODWALA WAREHOUSING AND LOGISTICS PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 3rd June 2024 in the matter of Singodwala Warehousing and Logistics Private Limited for not passing special resolution before raising the loan and thus violating the provisions of section 62 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹53,500 upon the Company and ₹25,000 upon whole-time director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=QQHcOOBaVihi2ejS4v80Cw%253D%253D&type=open)

51. Adjudication order for violation of section 4(1) (C) of the Companies Act, 2013 in the matter of PARAMOUNT DYE TEC LIMITED

ROC Chandigarh issued adjudication order dated 14th August 2024 in the matter of Paramount Dye Tec Limited as the company failed to make disclosures for Memorandum of Association as per the provisions of section 4(1)(c) of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹96,000 upon the Company and ₹50,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=hSX7541CXoKMofQGB65qXg%253D%253D&type=open)

52. Adjudication order for violation of section 89(6) of the Companies Act, 2013 in the matter of RGPL COMMODITIES PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 23rd July 2024 in the matter of RGPL Commodities Private Limited as the company failed to file declarations in form MGT-6 and violated section 89(6) of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹2,00,000 each upon the three directors & CEO of the company in default.

(www.mca.gov.in/bin/dms/getdocument?mds=E6mjRDWAdD4AWdHSgEv7Ew%253D%253D&type=open)

53. Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of GM ELEKTRA PVT LTD

ROC Mumbai issued adjudication order dated 5th August 2013 in the matter of GM Elektra Pvt Ltd as the company did not file declaration of SBO in Form BEN-2 within stipulated time under section 90(4) of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,88,500 upon the company and ₹60,400 each upon four directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=XrDJVH7yowrljWzmUZ0ryg%253D%253D&type=open)

54. Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of BVM FINANCE PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 29th July 2013 in the matter of BVM Finance Private Limited

as the SBO of the company failed to file declarations in form BEN-1 and also fails to provide the requisite information to the company and violated section 90(1) and 90(7) of the Companies Act, 2013. The company did not file declaration of SBO in Form BEN-2 and issue notice for identification of SBO within stipulated time under section 90(4) and 90(5) of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 each upon three SBOs for not declaring his interest in form BEN-1, penalty of ₹50,000 each was imposed upon five Directors in default under section 90(5) and 90(7) of the Act. Penalty of ₹1,00,000, ₹83,800 and ₹38,800 was also imposed such five directors' default under section 90(4) of Act.

(www.mca.gov.in/bin/dms/getdocument?mds=GwH DaLLrwSSdmiQyQRCJzQ%253D%253D&type=open)

55. Adjudication order for violation of Section 10A of the Companies Act, 2013 in the matter of METHINI SPINTEX PRIVATE LIMITED (Application filed sou-moto by the Company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not commencing business within stipulated time under section 10A of the Companies Act, 2013, in reply ROC Coimbatore issued adjudication order dated 13th August 2024 and the Adjudication Authority has imposed penalty of ₹50,000 upon the company and ₹1,00,000 upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=L%252FUcltpoUQq3cmfCDNetWw%253D%253D&type=open)

56. Adjudication order for violation of section 117 of the Companies Act, 2013 in the matter of GAJANAND INTERNATIONAL LIMITED

ROC Ahmedabad issued adjudication order dated 9th August 2024 in the matter of Gajanand International Limited for not filing MGT-14 for alteration of main object clause as required under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 each upon two directors and ₹30,400, ₹44,400, ₹18,100 upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=eYf11 hYlqGnlzXtTJPrw3g%253D%253D&type=open)

57. Adjudication order for violation of section 13(9) of the Companies Act, 2013 in the matter of GAJANAND INTERNATIONAL LIMITED

ROC Ahmedabad issued adjudication order dated 9th August 2024 in the matter of Gajanand International Limited for not filing MGT-14 for alteration of main object clause as required under section 13(9) of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 each upon five directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=NrNXx GajxUyQR9oQJuT%252Bzw%253D%253D&type=open)

58. Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of IKSHU INFRASTRUCTURE LIMITED

ROC Ahmedabad issued adjudication order dated 9th August 2024 in the matter of Ikshu Infrastructure Limited as the company itself failed to file declarations in forms BEN-2 and issue notice for identification of SBO within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹1,00,000 each upon two Directors in default for section 90(4A) of the Act and penalty of ₹2,00,000 was imposed upon the company and ₹50,000 each upon two directors for violation of section 90(5) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=cPzoy S37dSAfKOeel2DBsg%253D%253D&type=open)

59. Adjudication order for violation of section 12 of the Companies Act, 2013 in the matter of NALAM MAHALIR NIDHI LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not submitting Form INC-22 within specified time as provided under section 12 of the Companies Act, 2013, in reply ROC Coimbatore issued adjudication order dated 13th August 2024 and the Adjudication Authority has imposed penalty of ₹1,00,000 each upon the company and three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=xkj Mp0VeNpwwEMDH5tzB6Q%253D%253D&type=open)

60. Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of MBL INFRASTRUCTURE LIMITED

ROC Delhi issued adjudication order dated 13th August 2024 in the matter of MBL Infrastructure Limited as the SBO of the company as well as the company itself failed to file declarations in forms BEN-1 and BEN-2 respectively within stipulated time under section 90 of the Companies Act, 2013 and thus violating the said provisions. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the SBO for not declaring his interest in form BEN-1, penalty of ₹5,00,000 was imposed upon the company and ₹1,00,000 each upon six Directors in default, Company Secretary and CFO of the company.

(methwww.mca.gov.in/bin/dmsgetdocument?mds=MWxIzc Yru%252FGnkeyVO%252FuV1Q%253D%253D&type=open)

61. Adjudication order for violation of section 12 of the Companies Act 2013 in the matter of RISESAHYOG NIDHI LIMITED (ERSTWHILE KNOWN AS REALINDIA SAHYOG NIDHI LIMITED)

ROC Patna issued adjudication order dated 12th August 2024 in the matter of Risesahyog Nidhi Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies

Act, 2013. The adjudicating authority has imposed the penalty of ₹ 35,500 each upon the company and 3 directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=yzlfzMsFpHRPux7UHaxyA%253D%253D&type=open)

62. Adjudication order for violation of section 197 of the Companies Act, 2013 in the matter of ZUARIN AGRO CHEMICALS LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not taking prior approval of banks/ financial institutions before re-appointment of MD and thus violated the provisions of section 197 of the Companies Act, 2013, in reply ROC Goa issued adjudication order dated 16th August 2024 and the Adjudication Authority has imposed penalty of ₹5,00,000 upon the company and ₹1,00,000 upon the managing director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=94Tk8LyaORSD4ewrz5Moww%253D%253D&type=open)

63. Adjudication order for Violation of Section 196 of the Companies Act, 2013 in the matter of SML ISUZU LIMITED

ROC Chandigarh issued adjudication order dated 21st August 2024 in the matter of SML Isuzu Limited for not taking prior approval from Central Government for appointment of Managing Director and thus violated the provision of section 196 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹2,00,000 upon the company and ₹50,000 each upon the whole-time director, managing director and company secretary in default.

(www.mca.gov.in/bin/dms/getdocument?mds=cEong8JkC27tkhmU3X7N5Q%253D%253D&type=open)

64. Adjudication order for Violation of Section 92(4) of the Companies Act, 2013 in the matter of LAL ION EXCHANGE AND CHEMICALS PRIVATE LIMITED

ROC Gwalior issued adjudication order dated 22nd August 2024 in the matter of Lal Ion Exchange and Chemicals Private Limited for not filing the Annual Return from the financial year 2013-14 to 2022-23 within stipulated time as provided under section 92 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹1,00,000, ₹86,300, ₹73,050, ₹54,800, ₹36,550 and ₹18,300 for each financial year respectively starting from 2017-18 to 2022-23. Penalty of ₹25,000 each was imposed upon two directors in default for each financial year from 2017-18 to 2021-22. For financial year 2022-23 penalty of ₹18,300 each was imposed upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=9XSrPcuIs8hljLog%252FliPbQ%253D%253D&type=open)

65. Adjudication order for Violation of Section 12(1) of the Companies Act, 2013 in the matter of LAL ION EXCHANGE AND CHEMICALS PRIVATE LIMITED

ROC Gwalior issued adjudication order dated 22nd August 2024 in the matter of Lal Ion Exchange and Chemicals

Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹ 50,000 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=b4v8lijLYt1IyQzI%252F3KL7A%253D%253D&type=open)

66. Adjudication order for Violation of Section 137(1) of the Companies Act, 2013 in the matter of LAL ION EXCHANGE AND CHEMICALS PRIVATE LIMITED

ROC Gwalior issued adjudication order dated 22nd August 2024 in the matter of Lal Ion Exchange and Chemicals Private Limited for not filing the Financial Statements from the financial year 2018-19 to 2022-23 within stipulated time as provided under section 137 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹92,850, ₹74,600, ₹56,350, ₹38,100 and ₹19,850 for each financial year respectively. Penalty of ₹25,000 each was imposed upon two directors in default for each financial year from 2018-19 to 2021-22. For financial year 2022-23 penalty of ₹19,850 each was imposed upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=3%252BCRR%252BeUJNDx0zLJ14Y3%252FA%253D%253D&type=open)

67. Adjudication order for Violation of Section 12(1) of the Companies Act, 2013 in the matter of PULLMAN FOREX PRIVATE LIMITED

ROC Gwalior issued adjudication order dated 22nd August 2024 in the matter of Pullman Forex Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹31,000 each upon the company and on four directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=Z5sYRDtHkdEAHziwcokl6A%253D%253D&type=open)

68. Adjudication order for violation of section 92 and 137 of the Companies Act, 2013 in the matter of DIGI MUDRA CONNECT PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 4th July 2024 in the matter of Digi Mudra Connect Private Limited for not filing the Annual Return and Financial Statements for the financial year 2021-22 within stipulated time under section 92 and 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹62,500 upon the company and ₹50,000 each upon two directors for default under section 92 of the Act. For default in section 137 of the Act, penalty imposed was ₹65,500 upon the company and ₹50,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=uEzZnyHCgIkaY68vPi5xTw%253D%253D&type=open)

69. Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of FRUITFUL BUILDCON PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 24th June 2024 in the matter of Fruitful Buildcon Private Limited for not appointing whole-time company secretary in years 2016, 2018, 2019 and 2020 and thus violated provisions of section 203 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,00 upon the company for each year and ₹1,42,000, ₹99,000 and ₹5,00,000 each upon four of its directors in default for year 2018, 2019 and 2020 respectively. For year 2016 penalty of ₹1,14,000 was imposed upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=AaYy2n%252FRQBG%252ByGwf59nzcA%253D%253D&type=open)

70. Adjudication order for violation of section 138 of the Companies Act, 2013 in the matter of SHIVA STEELAGE PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 23rd July 2024 in the matter of Shiva Steelage Private Limited for not appointing Internal Auditor for the Financial Year 2019-20 and thus violated the provisions of section 138 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=kFb8hjOjEgSClIXvrh1zQ%253D%253D&type=open)

71. Adjudication order for violation of section 117 of the Companies Act, 2013 in the matter of IMPERIAL ENGINEERS PRIVATE LIMITED

ROC Jaipur issued adjudication order dated 24th June 2024 in the matter of Imperial Engineers Private Limited for not filing MGT-14 within stipulated time as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹20,250 each upon the company and one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=Vl6sBaIrgYpYe3zxbSy8jA%253D%253D&type=open)

72. Adjudication order for violation of section 150 of the Companies Act, 2013 in the matter of BANSWARA SYNTAX LIMITED

ROC Jaipur issued adjudication order dated 23rd July 2024 in the matter of Banswara Syntax Limited for appointing Independent Director without inclusion of his name in databank of independent directors and thus violated the provisions of section 150 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹3,00,000 upon the company and ₹1,00,000 each upon two directors for default.

(www.mca.gov.in/bin/dms/getdocument?mds=zjpzA3fVKXAEI%252B55CUG6uQ%253D%253D&type=open)

73. Adjudication order for violation of section 173(1) of the Companies Act, 2013 in the matter of RYBBON DIGITAL REWARDS INDIA PVT LTD (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not convening first board meeting for the FY 2021-22 within stipulated time as given under section 173 of the Companies Act, 2013, in reply ROC Ernakulum issued adjudication order dated 12th August 2024 and the Adjudication Authority has imposed penalty of ₹25,000 each upon three former directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=ULVdbi15RMSccw1XnVOJg%253D%253D&type=open)

74. Adjudication order for violation of Section 203 of the Companies Act, 2013 in the matter of MPLASTICS TOYS AND ENGINEERING PRIVATE LIMITED

ROC Chennai issued adjudication order dated 20th June 2024 in the matter of Mplastics Toys and Engineering Private Limited for not appointing whole-time company secretary as required under section 203 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹2,98,000 upon one director, ₹1,82,000 upon another director, ₹1,18,000 each upon three directors in default, ₹1,05,000 and ₹1,83,000 upon two more directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=OZ11oO%252BEFh4LY1xpNLWEBw%253D%253D&type=open)

75. Adjudication order for violation of Section 117 of the Companies Act, 2013 in the matter of SUBAM BENEFIT FUND NIDHI LIMITED

ROC Chennai issued adjudication order dated 9th May 2024 in the matter of Subam Benefit Fund Nidhi Limited for not filing MGT-14 for approval of managerial remuneration for the financial years 2017-18 and 2018-19 within stipulated time as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company and ₹50,000 upon director in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=CKVFUwAnR1aVrAci836QQ%253D%253D&type=open)

76. Adjudication order for violation of Section 117 of the Companies Act, 2013 in the matter of SAHYADREE MULTICITY NIDHI LIMITED

ROC Pune issued adjudication order dated 23rd August 2024 in the matter of Sahyadree Multicity Nidhi Limited for not filing MGT-14 for approval of accounts for the financial years 2018-19, 2019-20 and 2020-21 within stipulated time as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹9,32,000, ₹1,31,300 and ₹1,01,000 upon the company for each financial year respectively. Penalty of ₹5,00,000, and ₹50,000 each was imposed upon three directors in default for each financial year 2018-19, 2019-20 and 2020-21 respectively.

(www.mca.gov.in/bin/dms/getdocument?mds=kXLg%252B5VDQKwrUGIYluMula%253D%253D&type=open)

77. Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of SAHYADREE MULTICITY NIDHI LIMITED

ROC Pune issued adjudication order dated 23rd August 2024 in the matter of Sahyadree Multicity Nidhi Limited for not filing its Financial Statements for the financial year 2020-21 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,01,000 upon the company and ₹50,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=%252BjZ8%252F18vk5NWj0YqSCKHeg%253D%253D&type=open)

78. Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of SAHYADREE MULTICITY NIDHI LIMITED

ROC Pune issued adjudication order dated 23rd August 2024 in the matter of Sahyadree Multicity Nidhi Limited for not filing its Annual Return for the financial year 2019-20 and 2020-21 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,25,400 and 25,400 and 98,100 upon the company for each financial year respectively. Penalty ₹50,000 each was imposed three directors for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=cr8CrZG5vkSbRs5t7KpGg%253D%253D&type=open)

79. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of SAHYADREE MULTICITY NIDHI LIMITED

ROC Pune issued adjudication order dated 23rd August 2024 in the matter of Sahyadree Multicity Nidhi Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on three directors in default for violation under each section 12 and 12(3)(c) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=mRBnjDazL2cILW87UhrosA%253D%253D&type=open)

80. Adjudication order for violation of Section 90 of the Companies Act, 2013 in the matter of PIONEER ADHESIVES PVT LTD

ROC Mumbai issued adjudication order dated 23rd August 2024 in the matter of Pioneer Adhesives Pvt Ltd for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹6,00,000 upon the Company and ₹1,25,000 upon the director in default, ₹1,24,000 upon the managing director and ₹1,25,000 each upon three other officers in default.

(www.mca.gov.in/bin/dms/getdocument?mds=7kFM%252BxL62B9x%252FkMsL5jGgw%253D%253D&type=open)

81. Adjudication order for violation of Section 152(6) of the Companies Act, 2013 in the matter of V GUARD INDUSTRIES PVT LTD (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not complying with the provisions of section 152 of the Companies Act, 2013, in reply ROC Ernakulum issued adjudication order dated 19th August 2024 and the Adjudication Authority has imposed penalty of ₹2,03,000 upon the managing director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=qBc01%252FymdC9HljJdCmsv%252Fw%253D%253D&type=open)

82. Adjudication order for violation of section 117 of the Companies Act, 2013 in the matter of UNIQUE BHARTI PUBLICATION PRIVATE LIMITED

ROC Patna issued adjudication order dated 22nd August 2024 in the matter of Unique Bharti Publication Private Limited for not filing MGT-14 in financial year 2014-15 within stipulated time as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,00,000 upon the company and ₹25,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=3K%252BgRCec8ct5uaykLQCnYw%253D%253D&type=open)

83. Adjudication order for violation of section 158 of the Companies Act, 2013 in the matter of UNIQUE BHARTI PUBLICATION PRIVATE LIMITED

ROC Patna issued adjudication order dated 22nd August 2024 in the matter of Unique Bharti Publication Private Limited for not mentioning DIN over financial statements for financial year 2014-15 and 2015-16 as required under section 158 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,50,000 upon the company and ₹50,000 each upon two directors in default for each financial year respectively.

(www.mca.gov.in/bin/dms/getdocument?mds=PN0kHE215kpv3AzAQGxGsg%253D%253D&type=open)

84. Adjudication order for violation of section 12 of the Companies Act, 2013 in the matter of MANGAL FARMING AND AGRO INDUSTRIES PRIVATE LIMITED

ROC Goa issued adjudication order dated 21st August 2024 in the matter of Mangal Farming and Agro Industries Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=GpH8zaFPDulZ7OngADdQHA%253D%253D&type=open)

85. Adjudication order for violation of Section 134(3) (b) of the Companies Act, 2013 in the matter of CETHAR ENERGY LTD

ROC Chennai issued adjudication order dated 8th May 2024 in the matter of Cethar Energy Ltd as the financial

statement was not signed by the Company's directors and auditors from the financial year 2018-19 to 2020-21 and thus violated the provisions of section 134 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹3,00,000 upon the Company and ₹50,000 each upon six directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=mkmeHCE4GwHu%252BkiMhtgrZw%253D%253D&type=open)

86. Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of CETHAR ENERGY LTD

ROC Chennai issued adjudication order dated 8th May 2024 in the matter of Cethar Energy Ltd for not filing the financial statements from the financial year 2014-15 to 2017-18 within stipulated time and thus violated the provisions of section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹1,39,700 and ₹84,100 upon the Company for each financial year respectively. Penalty of ₹50,000 each was imposed upon three directors in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=ooFjg2KRJ9SEm4d0310z%252Bg%253D%253D&type=open)

87. Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of CETHAR ENERGY LTD

ROC Chennai issued adjudication order dated 8th May 2024 in the matter of Cethar Energy Ltd for not filing the Annual Return from the financial year 2018-19 and 2020-21 within stipulated time and thus violated the provisions of section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹1,39,400 and ₹85,300 upon the Company for each financial year respectively. Penalty of ₹50,000 each was imposed upon three directors in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=A5IRoJLYacCpleIOY6RKMq%253D%253D&type=open)

88. Adjudication order for violation of Section 89(6) of the Companies Act, 2013 in the matter of SUNFAST TVS LIMITED

ROC Chennai issued adjudication order dated 10th May 2024 in the matter of Sunfast Tvs Limited for delayed filing of Form MGT-6 and thus violated the provisions of section 89 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹5,00,000 upon the company and ₹2,00,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=M%252FTcnwHKuipXQMovIsrX%252Fw%253D%253D&type=open)

89. Adjudication order for violation of Section 90 of the Companies Act, 2013 in the matter of TRANSMISSIONS INTERNATIONAL INDIA PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 8th August 2024 in the matter of Transmissions International

India Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company for violation of provisions of section 90(4A) of the Act, penalty of ₹2,00,000 imposed upon the company and ₹50,000 each upon three directors in default for violation under section 90(5) of the Act. Penalty of ₹1,00,000 each was imposed upon two directors of company for violation under section 90(11) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=JydpTQKB3m6DyshazTv7hg%253D%253D&type=open)

90. Adjudication order for violation of Section 88 of the Companies Act, 2013 in the matter of SUBAM BENEFIT FUND NIDHI LIMITED

ROC Chennai issued adjudication order dated 9th May 2024 in the matter of Subam Benefit Fund Nidhi Limited for not maintaining the registers as required under section 88 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹3,00,000 upon the company and ₹50,000 upon director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=2DVBbuFl1aHvNLx2wh0Nlg%253D%253D&type=open)

91. Adjudication order for violation of Section 89(1) of the Companies Act, 2013 in the matter of NIMVERGE TECH INDIA PRIVATE LIMITED (application filed by the SBO of the Company sou-moto)

The beneficial owner in the company filed the application for adjudication u/s 454 in Form GNL-1 for not submitting declaration in Form MGT-5 within stipulated time as required under section 89 of the Companies Act, 2013, in reply ROC Mumbai issued adjudication order dated 26th August 2024 and imposed penalty of ₹1,08,000 upon the applicant.

(www.mca.gov.in/bin/dms/getdocument?mds=5OqZn7li0%252BS5eeCAsbfzg%253D%253D&type=open)

92. Adjudication order for violation of Section 135 of the Companies Act 2013 in the matter CLAIRVOYANT INDIA PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not constituting CSR Committee and spending requisite CSR amount as required under section 135(1) and 135(5) of the Companies Act, 2013 respectively, in reply ROC Pune issued adjudication order dated 21st August 2024 and the Adjudication Authority has imposed penalty of ₹42,000 each upon two directors and ₹31,000 each upon another two directors in default for violation of section 135(1) of the Act. Penalty of ₹89,311 was imposed upon four directors in default in section 135(7) of the Act.

(www.mca.gov.in/bin/dms/getdocument?mds=NGfIDxBq3iHS08KH0mU1Ag%253D%253D&type=open)

93. Adjudication order for violation of Section 204 of the Companies Act, 2013 in the matter of FAURECIA INDIA PRIVATE LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not obtaining secretarial audit report in Form MR-3 as required under section 204 of the Companies Act, 2013, in reply ROC Pune issued adjudication order dated 26th August 2024 and the Adjudication Authority has imposed penalty ₹2,00,000 each upon the company and five directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=%252FBW3VzoHrhjuqXNCujQKw%253D%253D&type=open)

94. Adjudication order for violation of Section 90 of the Companies Act, 2013 in the matter of DOOWON AUTOMOTIVE SYSTEMS INDIA PRIVATE LIMITED

ROC Chennai issued adjudication order dated 23rd August 2024 in the matter of Doowon Automotive Systems India Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹6,00,000 upon the Company and ₹1,00,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=4nZT5SojuzkTQMTBPYRLxA%253D%253D&type=open)

95. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of HADAPSAR URBAN MULTIPLE NIDHI LIMITED

ROC Pune issued adjudication order dated 26th August 2024 in the matter of Hadapsar Urban Multiple Nidhi Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=oO6jbZNoEL7N0WVOvdzOg%253D%253D&type=open)

96. Adjudication order for violation of Section 90 of the Companies Act, 2013 in the matter of JAIN RECYCLING PRIVATE LIMITED

ROC Chennai issued adjudication order dated 23rd August 2024 in the matter of Jain Recycling Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company and ₹1,00,000, ₹69,800 and ₹99,000 upon directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=t%252BGUW4AI7K40Mi1y713xA%253D%253D&type=open)

97. Adjudication order for violation of Section 90 of the Companies Act, 2013 in the matter of ASTRUM STAMPING PRIVATE LIMITED

ROC Chennai issued adjudication order dated 23rd August 2024 in the matter of Astrum Stamping Private Limited for delayed filing of return of SBO in Form BEN-2, which results in violating the provisions of section 90 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon the Company and ₹1,00,000 upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=vVCV9L5mLcy%252B7C4HI31jfg%253D%253D&type=open)

98. Adjudication order for violation of Section 138 of the Companies Act, 2013 in the matter of THRISSUR EXPRESSWAY LIMITED

ROC Hyderabad issued adjudication order dated 17th May 2024 in the matter of Thrissur Expressway Limited for not appointing internal auditor which results in violating the provisions of section 138 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹2,00,000 upon the Company and ₹50,000 and ₹45,000 upon two directors in default. Penalty of ₹10,000 each imposed upon eight ex-directors, CFO and CS of the Company.

(www.mca.gov.in/bin/dms/getdocument?mds=BMLlnxgRFAabDPV0PptsNg%253D%253D&type=open)

99. Adjudication order for violation of Section 117 of the Companies Act, 2013 in the matter of OCEAN PHARMACOAT PRIVATE LIMITED

ROC Hyderabad issued adjudication order dated 13th June 2024 in the matter of Ocean Pharmacoat Private Limited for not delayed filing of Form MGT-14 which results in violating the provisions of section 117 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹25,250 each upon the Company and two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=jD7IiRJNwnjwPVGLIyaPJQ%253D%253D&type=open)

100. Adjudication order for violation of Section 179 of the Companies Act, 2013 in the matter of SERVICE NOW SOFTWARE DEVELOPMENT INDIA PRIVATE LIMITED

ROC Hyderabad issued adjudication order dated 14th June 2024 in the matter of Service Now Software Development India Private Limited for not obtaining prior approval of board of directors for granting loan and thus violated the provisions of section 179 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹2,00,000 upon the Company and ₹50,000 and ₹45,000 upon two directors in default. Penalty of ₹10,000 each

imposed upon eight ex-directors, CFO and CS of the Company.

(www.mca.gov.in/bin/dms/getdocument?mds=m3evpjY33mS9%252FBWkQLxj4w%253D%253D&type=open)

101. Adjudication order for violation of Section 203 of the Companies Act, 2013 in the matter of THRISSUR EXPRESSWAY LIMITED

ROC Hyderabad issued adjudication order dated 17th May 2024 in the matter of Thrissur Expressway Limited for not appointing whole-time Key Managerial Personnel which results in violating the provisions of section 203 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹5,00,000 each upon the Company and three directors in default. Penalty of ₹3,00,000 each imposed upon three ex-directors in default and ₹1,33,200 upon one ex-director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=ArLYt97xN75S7x908JYHBA%253D%253D&type=open)

102. Adjudication order for violation of Section 105 of the Companies Act, 2013 in the matter of VITTHAL CORPORATION LIMITED

ROC Pune issued adjudication order dated 23rd August 2024 in the matter of Vitthal Corporation Limited as details relating to proxies has not been given in reasonable prominence in the copy of Notice as required under Section 105 of the Companies Act, 2013. The Adjudicating Authority has imposed the Penalty of ₹5,000 each imposed upon two Managing Directors, CFO and CS of the Company.

(www.mca.gov.in/bin/dms/getdocument?mds=nnV%252BTmg%252BKvxJvCnNfLK8Zw%253D%253D&type=open)

103. Adjudication order for violation of Section 134(3)(f) of the Companies Act, 2013 in the matter of APS AGROTECH LIMITED

ROC Chennai issued adjudication order dated 21st August 2024 in the matter of APS Agrotech Limited as Board's report of FY 2014-15 did not give explanations or comments on every qualification or adverse remarks of the auditor and thus violated the provisions of section 134 of the Companies Act, 2013. The Adjudicating Authority has imposed the Penalty of ₹3,00,000 upon the Company and ₹50,000 upon one officer in default.

(www.mca.gov.in/bin/dms/getdocument?mds=akkgYTf52KNLL05iy%252Fx6Yw%253D%253D&type=open)

104. Adjudication order for violation of Section 117 of the Companies Act, 2013 in the matter of SRI SATHURASIRI NIDHI LIMITED.

ROC Chennai issued adjudication order dated 27th August 2024 in the matter of Sri Sathurasiri Nidhi Limited. for delayed filing MGT-14 in year 2020, 2021 & 2022 as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of

₹2,00,000 upon the company and ₹50,000 each upon five directors in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=Tqsle66luCv3yXi%252FREXVX6w%253D%253D&type=open)

105. Adjudication order for violation of Section 203 of the Companies Act, 2013 in the matter of CHANDRA CFS AND TERMINAL OPERATORS PRIVATE LIMITED

ROC Chennai issued adjudication order dated 20th August 2024 in the matter of Chandra CFS and Terminal operators Private Limited for not complying with the provisions of section 203 of the Companies Act, 2013. The Adjudicating Authority has imposed the Penalty of ₹5,00,000 each upon the Company and two director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=CUSLNjrLpBE%252B3gQHghSOxQ%253D%253D&type=open)

106. Adjudication order for violation of Section 39 of the Companies Act, 2013 in the matter of AAB INDUSTRIAL LOGISTICS AND WAREHOUSING PRIVATE LIMITED

ROC Chennai issued adjudication order dated 19th June 2024 in the matter of AAB Industrial Logistics and Warehousing Private Limited for delayed filing of return of allotment in Form PAS-3 and thus violated the provisions of section 39 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹3,20,000 each upon the company and two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=LAN0SE4lFmWV0t8JkWAwCQ%253D%253D&type=open)

107. Adjudication order for violation of Sec 117(3)(g) of CA 2013 in the matter of ARRADIYAA GLOBAL BENEFITS NIDHI LIMITED

ROC Chennai issued adjudication order dated 24th May 2024 in the matter of Arradiyaa Global Benefits Nidhi Limited for delayed filing MGT-14 as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹1,29,500 upon the company and ₹50,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=VamtZLIoOzjsalfWmcbhgQ%253D%253D&type=open)

108. Adjudication order for violation of Section 12(1) of the Companies Act, 2013 in the matter of IKSHU INFRASTRUCTURE PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 27th August 2024 in the matter of Ikshu Infrastructure Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=g6njz%252Bq%252B8KlZ2k0RTJb61Q%253D%253D&type=open)

109. Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of KUMAR & VIR SKYBUILDERS PRIVATE LIMITED

ROC Patna issued adjudication order dated 28th August 2024 in the matter of Kumar & Vir Skybuilders Private Limited for not filing its Financial Statements for the financial year 2022-23 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹66,000 each upon the company and two directors in default.

(www.mca.gov.in/bin/dmsgetdocument?mds=Vxw%252FZE33ymvT%252BIHACCcRxw%253D%253D&type=open)

110. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of KUMAR & VIR SKYBUILDERS PRIVATE LIMITED

ROC Patna issued adjudication order dated 28th August 2024 in the matter of Kumar & Vir Skybuilders Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=%252BHVzjZfEA00SB4ka9Sow%253D%253D&type=open)

111. Adjudication order for violation of Section 149(4) of the Companies Act, 2013 in the matter of MYLAN LABORATORIES LIMITED

ROC Hyderabad issued adjudication order dated 27th August 2024 in the matter of Mylan Laboratories Limited for not having requisite number of independent directors on its Board as stipulated under section 149 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,52,000 upon the company and ₹1,00,000 each on three directors in default.

(www.mca.gov.in/bin/dmsgetdocument?mds=edYD3kCdoas8ZvO3jQguxg%253D%253D&type=open)

112. Adjudication order for violation of Section 178(8) of the Companies Act, 2013 in the matter of MYLAN LABORATORIES LIMITED

ROC Hyderabad issued adjudication order dated 27th August 2024 in the matter of Mylan Laboratories Limited for not having independent director in Nomination and Remuneration Committee as stipulated under section 178 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹5,00,000 upon the company and ₹1,00,000 each on three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=qgsp101iV9pUhTa1LWNyEA%253D%253D&type=open)

113. Adjudication order for violation of Section 177(1) of the Companies Act, 2013 in the matter of MYLAN LABORATORIES LIMITED

ROC Hyderabad issued adjudication order dated 27th August 2024 in the matter of Mylan Laboratories Limited

for not having independent director in Audit Committee as stipulated under section 177 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹5,00,000 upon the company and ₹1,00,000 each on three directors in default.

(www.mca.gov.in/bin/dmsgetdocument?mds=94eHWFV1j9TDGs8HRdoZ5Q%253D%253D&type=open)

114. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of SONAL INTERNATIONAL LIMITED

ROC Ahmedabad issued adjudication order dated 26th August 2024 in the matter of Sonal International Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹1,00,000 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=%252FnaHMGNaXflTWMidqZod1A%253D%253D&type=open)

115. Adjudication order for violation of Section 117 of the Companies Act, 2013 in the matter of NARMADA THERMAL POWER PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 27th August 2024 in the matter of Narmada Thermal Power Private Limited for delayed filing MGT-14 as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹7,72,000 upon the company and ₹2,00,000 each upon seven directors in default and ₹50,000 upon the CS of the Company.

(www.mca.gov.in/bin/dms/getdocument?mds=T4uWhw1jGqfr4vQandttHw%253D%253D&type=open)

116. Adjudication order for violation of Section 149(4) of the Companies Act, 2013 in the matter of ABHITECH ENERGYCON LIMITED (Application filed sou-moto by the company)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not complying with the provisions of section 149 of the Companies Act, 2013, in reply ROC Himachal Pradesh issued adjudication order dated 30th August 2024 and the Adjudication Authority has imposed penalty of ₹3,00,000 upon the company and ₹1,00,000 each upon six directors and CS in default. Penalty of ₹71,000 imposed upon one director.

(www.mca.gov.in/bin/dmsgetdocument?mds=Z36tGH%252FPkDS8Vt1%252FjoSDEw%253D%253D&type=open)

117. Adjudication order for violation of Section 158 of the Companies Act, 2013 in the matter of SINGHAM POLYTUBES PRIVATE LIMITED

ROC Patna issued adjudication order dated 29th August 2024 in the matter of Singham Polytubes Private Limited for not mentioning DIN over financial statements for financial year 2017 to 2021 as required under section 158

of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,50,000 each upon the company and two directors in default for each financial year respectively.

(www.mca.gov.in/bin/dms/getdocument?mds=C9wP%252BqNmuCtt2o6ZFR4BbA%253D%253D&type=open)

118. Adjudication order for violation of Section 203 of Companies Act 2013 in the matter of MAHATAMIL MINING AND THERMAL ENERGY LIMITED

ROC Hyderabad issued adjudication order dated 29th August 2024 in the matter of Mahatamil Mining and Thermal Energy Limited for not appointing whole-time Company Secretary, Director and CFO which results in violating the provisions of section 203 of the Companies Act, 2013. The Adjudicating Authority has imposed the penalty of ₹41,41,000 upon the Company and its past & current directors in default for not appointing company secretary. For not appointing whole-time director penalty of ₹7,16,000 was imposed upon company and its directors in default. For not appointing CFO penalty of ₹26,61,000 was imposed upon company and its directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=d6xxniUnnS3V3E6JcMKs2Q%253D%253D&type=open)

119. Adjudication order for violation of Section 92 of Companies Act 2013 in the matter of ARRADIYAA GLOBAL BENEFITS NIDHI LIMITED

ROC Chennai issued adjudication order dated 24th May 2024 in the matter of Arradiyaa Global Benefits Nidhi Limited for not filing its Annual Return for the financial year 2021 and 2022 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹96,300 and ₹59,800 upon the company for each financial year respectively and ₹50,000 each upon three directors in default for each year.

(www.mca.gov.in/bin/dms/getdocument?mds=9NUOBmFjthFUVpU3YjX%252FHQ%253D%253D&type=open)

120. Adjudication order for violation of Section 137 of Companies Act 2013 in the matter of ARRADIYAA GLOBAL BENEFITS NIDHI LIMITED

ROC Chennai issued adjudication order dated 24th May 2024 in the matter of Arradiyaa Global Benefits Nidhi Limited for not filing its Financial Statements for the financial year 2021 and 2022 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹99,300 and ₹62,800 upon the company for each financial year respectively and ₹50,000 each upon three directors in default for each year.

(<https://www.mca.gov.in/bin/dms/getdocument?mds=60d%252BiPDB5MpVL9QPLG3hJQ%253D%253D&type=open>)

121. Adjudication order for violation of Section 189(2) of Companies Act, 2013 in the matter of APS AGROTECH LIMITED

ROC Chennai issued adjudication order dated 21st August 2024 in the matter of APS Agrotech Limited as it has not maintained registers of contracts for FYs 2014-15, 2015-2016, 2016-2017 and 2017-18 as required under section 189 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company for each financial year respectively and ₹25,000 each upon five directors in default for each year.

(www.mca.gov.in/bin/dms/getdocument?mds=nfA1KUbrz2WpjRb%252FHYdUFQ%253D%253D&type=open)

122. Adjudication order for violation of Section 137 of Companies Act, 2013 in the matter of APS AGROTECH LIMITED

ROC Chennai issued adjudication order dated 21st August 2024 in the matter of APS Agrotech Limited for not filing its Financial Statements for the financial year 2015-16, 2016-17 and 2017-18 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company for each financial year respectively and ₹50,000 each upon one director in default for each year.

(www.mca.gov.in/bin/dms/getdocument?mds=X514vm7hH%252F3JGDgkZb%252Bebg%253D%253D&type=open)

123. Adjudication order for violation of Section 117 of Companies Act 2013 in the matter of BALASARASWATHI NIDHI LIMITED

ROC Chennai issued adjudication order dated 20th August 2024 in the matter of Balasaraswathi Nidhi Limited for delayed filing MGT-14 for FY 2022 and 2023 as provided under section 117 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹10,000 each upon the company and one director in default for each financial year. The Adjudicating Authority imposed total penalty of ₹3,00,000 upon the company and ₹50,000 upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=NSevCfjBT9auSAoG0soN5Q%253D%253D&type=open)

124. Adjudication order for violation of Section 12 of the Companies Act, 2013 with respect to GRIH AARAMBH DEVELOPERS PRIVATE LIMITED

ROC Patna issued adjudication order dated 30th August 2024 in the matter of Grih Aarambh Developers Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The adjudicating authority has imposed the penalty of ₹47,500 each upon the company and on two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=gzGwIdtCd0xg9uHXaX8g4Q%253D%253D&type=open)

125. Adjudication order for violation of Section 92 of Companies Act, 2013 in the matter of APS APROTECH LIMITED

ROC Chennai issued adjudication order dated 21st August 2024 in the matter of Aps Aprotech Limited for not filing its Annual Return for the financial year 2015-16, 2016-17 and 2017-18 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 upon the company for each financial year respectively and ₹50,000 each upon one director in default for each year.

(www.mca.gov.in/bin/dms/getdocument?mds=zesmxC5h1r71IbEFik%252Bdyw%253D%253D&type=open)

126. Adjudication order for violation of Section 135 of Companies Act, 2013 in the matter of FREUDENBERG PERFORMANCE MATERIALS INDIA PRIVATE LIMITED (application filed by the SBO of the Company sou-moto)

The company filed the application for adjudication u/s 454 in Form GNL-1 for not spending requisite amount on CSR for FY 2020-21 and 2021-22 as required under section 135 of the Companies Act, 2013, in reply ROC Chennai issued adjudication order dated 21st August 2024 and imposed penalty of ₹50,82,858 and ₹30,24,582 upon the company and ₹2,00,000 and ₹1,51,229 upon Managing Director of the company for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=8s7tDDR%252B5DmU5gY%252FVyGG0Q%253D%253D&type=open)

127. Adjudication order for violation of Section 134 of Companies Act 2013 in the matter of BALASARASWATHI NIDHI LIMITED

ROC Chennai issued adjudication order dated 20th August 2024 in the matter of Balasaraswathi Nidhi Limited as for the financial year 2022-23 the financial statement was not signed by the Managing Director and the Director and violated the provisions of section 134 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹3,00,000 upon the company and ₹50,000 upon one director in default.

(www.mca.gov.in/bin/dms/getdocument?mds=NSevCfjBT9auSAoG0soN5Q%253D%253D&type=open)

128. Adjudication order for violation of Section 179(3) of the Companies Act, 2013 in the matter of GVK JAIPUR EXPRESSWAY LIMITED

ROC Chennai issued adjudication order dated 19th June 2024 in the matter of Gvk Jaipur Expressway Limited as it has not passed Board Resolution for granting inter-corporate loan and thus violated the provisions of section 179 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹2,10,000 upon the company and ₹60,000 each upon four directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=zSp3vBg5VYeppiF0cYA2hQ%253D%253D&type=open)

129. Adjudication order for violation of Section 179 of the Companies Act, 2013 in the matter of SERVICE NOW DATA SERVICES PRIVATE LIMITED

ROC Chennai issued adjudication order dated 14th June 2024 in the matter of Service Now Data Services Private Limited as it has not passed Board Resolution for granting inter-corporate loan and thus violated the provisions of section 179 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹2,10,000 upon the company and ₹60,000 each upon two directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=RfsJdvzKDdJouLBgOIYP%252BA%253D%253D&type=open)

130. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of SPACENET ENTERPRISES INDIA LIMITED

ROC Chennai issued adjudication order dated 16th July 2024 in the matter of Spacenet Enterprises India Limited as for the financial year 2021-22 lapses in internal control system not mentioned under Board's Report and violated the provisions of section 134 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹3,00,000 upon the company and ₹50,000 each upon three directors in default.

(www.mca.gov.in/bin/dms/getdocument?mds=OHxwIiz1c6NqUI5ZyRazwg%253D%253D&type=open)

131. Adjudication order for violation of Section 143(2) of Companies Act 2013 in the matter of J.R.S. Container Terminal Private Limited

ROC Chennai issued adjudication order dated 5th June 2024 in the matter of J.R.S. Container Terminal Private Limited as financial statements do not provide a true and fair view of the state of the Company's affairs for the financial year 2016-17 and 2017-18 and thus violated of provisions of section 143 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹10,000 upon the statutory auditor of the company.

(www.mca.gov.in/bin/dms/getdocument?mds=XYADotJaHmCDfZMOT9HZSw%253D%253D&type=open)

132. Adjudication order for violation of Section 179(3) (f) of Companies Act 2013 in the matter of J.R.S. CONTAINER TERMINAL PRIVATE LIMITED.

ROC Chennai issued adjudication order dated 5th June 2024 in the matter of J.R.S. Container Terminal Private Limited as it has not passed Board Resolution for granting loan to Related Party Transaction in financial years 2016-17, 2017-18 and 2018-19 and thus violated the provisions of section 179 of the Companies Act, 2013. The Adjudicating Authority imposed total penalty of ₹2,00,000 upon the company and ₹50,000 each upon two directors in default for each financial year.

(www.mca.gov.in/bin/dms/getdocument?mds=a1CJ%252B8pSwjL4mHXLW89Cww%253D%253D&type=open)

7

BEYOND GOVERNANCE

Case Study

In order to make the Chartered Secretary Journal (CSJ) more interactive for the members and students, the Case Study section has been introduced from April issue. Each Case Study is followed by question(s) which are to be solved by member(s)/student(s). The answer(s) are to be sent to cs.journal@icsi.edu latest by 25th of each month.

The answer(s) will be reviewed by a Panel of reviewer(s). The winner will be given:

- (i) Certificate of Appreciation.
- (ii) His/Her name will be published in the next issue of the Journal.
- (iii) He/She will be awarded cash award of ₹ 2,500.

Crossword

A new section 'Crossword' containing terminologies/concepts from Companies Act, IBC, NCLT and such related areas of profession is introduced. Members/students are to send the answers of Crossword to cs.journal@icsi.edu latest by 25th of each month.

- The answer(s) will be published in the next issue of CSJ.
- The winners will be selected randomly.
- The name of three winners will be published in the next issue of CSJ.



**IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION**

RRS.....APPELLANT

Versus

The StateRESPONDENT

The issue involved in this criminal appeal is w.r.t. the provision of sub-section (1) of Section 143A of the Negotiable Instruments Act, 1881 (for short, 'the N.I. Act'), which provides for the grant of interim compensation.

Facts

- 1) The 2nd respondent (hereinafter referred as 'the respondent') is the complainant in a complaint under Section 138 of the N.I. Act. The complaint was filed in the Court of the Chief Judicial Magistrate.
- 2) The case in the complaint is that the appellant and the respondent formed various companies on different terms and conditions regarding profit sharing and payment of salary.
- 3) It is alleged that the appellant did not pay the amounts due and payable to the respondent. Therefore, a legal notice was issued to the appellant by the respondent.
- 4) According to the case of the respondent, the appellant was liable to pay the total amount of Rs. 4,38,80,000/- to the respondent, and in fact, a civil suit has been filed by the respondent in the Civil Court for recovery of the said amount.
- 5) After that, on 13th July 2018, there was a meeting between parties when the appellant agreed to pay

a sum of Rs. 4,25,00,000/- to the respondent, and two cheques in the sum of Rs. 2,20,00,000/- and 2,05,00,000/- dated 6th August 2018 and 19th September 2018 respectively were handed over to the appellant. As the first cheque in the sum of Rs. 2,20,00,000/- was dishonoured, a complaint was filed after the service of a statutory notice alleging the commission of an offence punishable under Section 138 of the N.I. Act on which the learned Magistrate took cognizance of the offence.

Application under Section 143A of the NI Act

Before the Court of the learned Magistrate, the respondent moved an application under Section 143A of the N.I. Act seeking a direction against the appellant/accused to pay 20 per cent of the cheque amount as compensation. By the order dated 7th March 2020, the learned Judicial Magistrate allowed the application and directed the appellant to pay an interim compensation of Rs. 10,00,000/- to the respondent within 60 days. The Sessions Court affirmed the order of the learned Magistrate in a revision application. The said orders were subjected to a challenge before the High Court. The learned Judge of High Court dismissed the petition by the impugned judgment. These orders are the subject matter of challenge in the present criminal appeal.

Submissions by Appellant

1. Sub-section (1) of Section 143A of the N.I. Act uses the word 'may'. Therefore, the provision is discretionary.
2. The existence of a prima facie case is essential for exercising the power under Section 143A.
3. After the Court comes to the conclusion that a case for grant of interim compensation has been made out, the Court has to apply its mind to the quantum of interim compensation. In every case, the Court

cannot grant 20 per cent of the cheque amount as interim compensation.

Submissions by Respondent

1. The very object of Section 138 of the N.I. Act, sub-section (1) of Section 143A will have to be held as mandatory.
2. There is a presumption under Section 139 of the N.I. Act that unless a contrary is proved, the holder of a cheque received the cheque for the discharge, in whole or in part, of any debt or liability.
3. The question of rebutting the said presumption would arise only after the evidence is adduced. Therefore, the defence of the accused at the stage of considering an application under subsection (1) of Section 143A is irrelevant. In every case, an order of payment of interim compensation must follow.

Issues

- Q1. Whether the provision of sub-section (1) of Section 143A of the Negotiable Instruments Act, 1881 (for short, 'the N.I. Act'), which provides for the grant of interim compensation, is directory or mandatory?

- Q2. Will same interpretation be applicable to the power of Appellate Court to order payment pending appeal against conviction under section 148 of the Act?

Decide the issues.

Disclaimer: The case study has been framed from the facts and figures available in the public domain with some modifications/assumptions so as to enable members to apply their professional skills to answer the same and hide the identity of the case. Author is not to be held liable for any resemblance of the facts and figures with any case.

Winner of Case Study – August 2024

CS Shivam Singhal
ACS-41948

BEST ANSWER CASE STUDY AUGUST, 2024

Query 1: Whether the provisions of Chapter-V of the MSMED Act, 2006 would have an effect overriding the provisions of the Arbitration Act, 1996?

- 1) To address the Query 1 a comprehensive analysis of the statutory interpretation principles and the legislative intent underlying both statutes is necessary.
- 2) When two statutes potentially conflict, the legal principle “**generalia specialibus non derogant**” (*i.e. general laws do not override special laws*) is particularly significant. This principle establishes that a special statute, designed to address specific issues, takes precedence over a general statute. Moreover, the maxim “**leges posteriores priores contrarias abrogant**” (*i.e. later laws repeal earlier conflicting laws*) reinforces the idea that a more recent and specific law supersedes earlier general legislation.
- 3) It should be noted that “**special law**” refers to legislation enacted to address specific cases or circumstances, distinguishing it from general laws that apply broadly to all situations covered by the general legal framework.
- 4) It is important to note that the objective of the MSMED Act was to facilitate the promotion, development, and enhance the competitiveness of micro, small and medium enterprises. Chapter V of the MSMED Act sets up a statutory system to ensure prompt payment of dues and offers a specialized forum for dispute resolution through the Micro and Small Enterprises

Facilitation Council (MSEFC). This framework is specifically designed to address the unique challenges that MSMEs face, particularly regarding delayed payments.

- 5) Further, the Arbitration Act was designed to create a fair and efficient arbitral process that meets specific arbitration requirements, while minimizing the supervisory role of the courts. The Act encompasses various elements of arbitration and conciliation, including the arbitration agreement, the composition of arbitral tribunals, the conduct of arbitration proceedings, and the finality and enforcement of both domestic and certain foreign arbitral awards. It functions as a general statute applicable to domestic arbitration, international commercial arbitration, and conciliation, without focusing on specific disputes or particular categories of individuals.
- 6) Considering the aforementioned facts, we can conclude that the provisions of Chapter V of the MSMED Act, 2006, supersede the provisions of the Arbitration and Conciliation Act, 1996. As a specialized and more recent statute, the MSMED Act provides a specific framework for resolving disputes related to delayed payments to MSMEs, thereby ensuring that its provisions override the general arbitration framework established by the Arbitration Act.

Query 2: Whether any party to a dispute with regard to any amount due under Section 17 of the MSMED Act,

2006 would be precluded from making a reference to the Micro and Small Enterprises Facilitation Council under sub-section (1) of Section 18 of the said Act, if an independent arbitration agreement existed between the parties as contemplated in Section 7 of the Arbitration Act, 1996?

- 1) Query 2 is based on the applicability of certain provisions of Sections 17 and 18(1) of *MSMED Act, 2006* and Section 7 of *Arbitration and Conciliation Act, 1996*. Extracts of these provisions are as follows:

MSMED Act, 2006

“Section 17. Recovery of amount due. —

For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the amount with interest thereon as provided under section 16.”

“Section 18. Reference to Micro and Small Enterprises Facilitation Council. —

- (1) *Notwithstanding anything contained in any other law for the time being in force, any party to a dispute may, with regard to any amount due under section 17, make a reference to the Micro and Small Enterprises Facilitation Council.”*

Arbitration and Conciliation Act, 1996

“Section 7. Arbitration agreement. —

- (1) *In this Part, “arbitration agreement” means an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not.*
- (2) *An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement.*
- (3) *An arbitration agreement shall be in writing.*
- (4) *An arbitration agreement is in writing if it is contained in—*
 - (a) *a document signed by the parties;*
 - (b) *an exchange of letters, telex, telegrams or other means of telecommunication including communication through electronic means which provide a record of the agreement; or*
 - (c) *an exchange of statements of claim and defence in which the existence of the agreement is alleged by one party and not denied by the other.*
- (5) *The reference in a contract to a document containing an arbitration clause constitutes an arbitration agreement if the contract is in writing and the reference is such as to make that arbitration clause part of the contract.”*

- 2) It is important to note that Section 18 contains a non-obstante clause, **“notwithstanding anything contained in any other law for the time being in force,”** indicating that this provision is designed to take precedence over any other applicable laws.
- 3) Further, it is a well-established principle that private agreements between parties cannot override statutory provisions designed to safeguard specific interests. Therefore, the absence of the term **“agreement”** in sub-section (1) of Section 18 does not suggest that the statutory mechanism set forth by the MSMED Act is meant to be subordinate to or overridden by any independent arbitration agreement.
- 4) After interpreting the aforementioned provision, we can conclude that sub-section (1) of Section 18 of the MSMED Act, 2006 serves as an enabling provision. It allows a party to a dispute under Section 17 to seek recourse from the Micro and Small Enterprises Facilitation Council, even if an arbitration agreement exists between the parties.



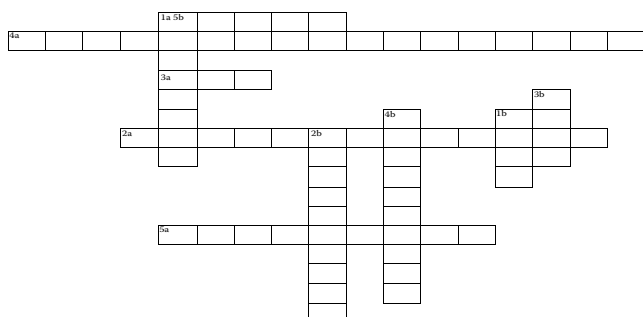
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CROSSWORD PUZZLE – COMPANY LAW - SEPTEMBER 2024



ACROSS

- 1a. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, In the event a creditor assigns or transfers the debt due to such creditor to any other person during the insolvency resolution process period, both parties shall, within _____ days of such assignment or transfer, provide the interim resolution professional or the resolution professional, as the case may be, the terms of such assignment or transfer and the identity of the assignee or transferee.
- 2a. Under Companies Act, 2013, If for the purpose of any meeting of a company, invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the company's expense to any member entitled to have a notice of the meeting sent to him and to vote thereat by proxy, every officer of the company who issues the invitation as aforesaid or authorises or permits their issue, shall be liable to a penalty of _____ rupees.
- 3a. Under the public issue of debt securities or, non-convertible redeemable preference shares shall be kept open for a minimum of three working days and a maximum of _____ working days.
- 4a. Under the Companies Act, 2013, a company shall not make an offer or invitation. to subscribe to securities through private placement unless the proposal has been previously approved by the shareholders of the company, by a _____ for each of the offers or invitations.
- 5a. Under the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, The listed entity shall submit quarterly and year to date standalone financial results to the stock exchange within _____ days of end of each quarter, other than the last quarter.

DOWNWARDS

- 1b. The notice of the meeting under sub-section (3) of section 230 of the Companies Act shall be advertised in Form No. _____.
- 2b. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, At the conclusion of a vote held under this Regulation, the resolution professional shall announce and make a written record of the summary of the decision taken on a relevant agenda item along with the names of the members of the committee who voted for or against the decision, or abstained from voting and shall circulate a copy of the record to all participants by electronic means within _____ hours of the conclusion of the voting.
- 3b. A company shall give notice seeking information about significant beneficial owners in accordance with under sub-section (5) of Section 90 of Companies Act, 2013 , in Form No. _____.
- 4b. Under Companies Act, 2013, A poll demanded on any question other than adjournment of the meeting or appointment of Chairman shall be taken at such time, not being later than _____ hours from the time when the demand was made, as the Chairman of the meeting may direct.
- 5b. Under the Insolvency and Bankruptcy Act, 2016, the Resolution Professional shall not undertake any related party transaction unless approved by the committee of creditors by a vote of per cent of the voting shares.

Winners - Crossword August 2024

- 1ST CS Sunil Kumar Sharma FCS-8253
- 2ND CS Vikas Goyal FCS-6671
- 3RD CS Heena Bagaria ACS-64756

Crossword Puzzle – August 2024 Answers

ACROSS

1. TWO PERCENT
2. FIFTY LAKH
3. SEVEN
4. ONE-TENTH
5. ESCROW

DOWNWARDS

1. SEVEN
2. FORTY THOUSAND
3. CIRP-1
4. TEN
5. SIXTY-SIX

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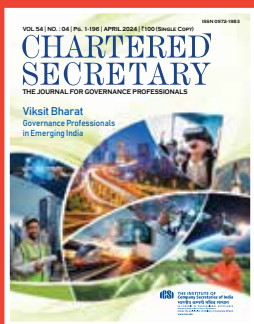
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