

# CHARTERED SECRETARY

THE JOURNAL FOR GOVERNANCE PROFESSIONALS

*1<sup>st</sup> National  
Women's  
Conference  
(Details inside)*



**Embrace Equity: Leading Change Together**





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# 03

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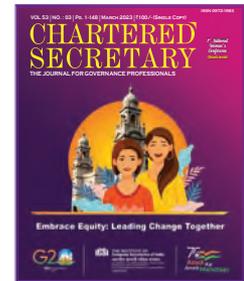
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# CHARTERED SECRETARY

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**T**he Month of March is the harbinger of many festivities across India, while the Northern India covers itself in various hues of the colours of 'Holi' symbolising end of winters and beginning of the spring, the Southern India and Western India celebrates Ugadi and Gudi Padwa respectively, March will culminate with Holy festivals of Chaitra Navratri and Ramanavami. With the country all decked up to celebrate these festivals, every nook and corner of our country will not only exude joy and bliss but also reverberate India's Ethos and Culture revitalising the spirit of 'Unity in Diversity.'

The Institute successfully organised the 5<sup>th</sup> Leadership Summit at New Delhi, from 12-14 February 2023, where the yearly Action Plan was threadbare deliberated and rolled out. The idea behind the elaborate Summit was to synchronise the Thought, Plan and Action, at all levels, to achieve the goals set by the President, ICSI, Vice- President, ICSI and the highly enthusiastic newly elected team of Central Council Members, Regional Council Members and Elected Members at Chapter Level.

The month of March also invokes the focus on an impediment that profoundly affects societies globally and points out in the direction of the need to rightly empower Women in all areas of a societal living .

Women are celebrated as the most powerful and the empowering force. Being an expert multi-tasker, most of the women workforce balance responsibilities at all levels quite proficiently on personal and professional front. There is no exaggeration in saying that women are responsible for the social fabric of a nation. The International Women's Day is celebrated on 8<sup>th</sup> March every year and this year ICSI has taken up the onus to augment the deliberations further on its very 1<sup>st</sup> National Women's Conference being held from 23<sup>rd</sup>-24<sup>th</sup> March 2023 at Kolkata. This conference will no doubt convey an amplified message for corporates/business entities to 'Embrace Equity' to encourage and enhance essential social responsibilities towards

the women work force and create a directive for an equitable working environment which is inclusive and gender neutral.

This issue of the Chartered Secretary also brings together various authors reflecting their views/researches through meticulous analysis to embark the need to EMBRACE EQUITY and Leading Change Together.

The varied articles by the Authors bring to the table, the areas and challenges, that need undivided attention to build a futuristic workforce, not only involving the present generation but also for the generations to come. It is our solemn responsibility as an Institute, that consciously elucidates 'Gender Parity' and inclusive growth of all sections of society, to urge the corporate/business environments to 'Embrace Equity' within their corporate preamble. We owe a lot to our future - for what we act upon in present will decide our future.

It is definitely the need of the hour for one and all to rise up to the occasion and build a 'New Tomorrow' for 'New India' and the 'New world' .

Top Women Leaders who are leading from the front have set examples in their own fields and it is a privilege to have some of them share their thoughts in in form of messages in this issue of the Journal, where they reveal how they became flagbearers to the cause of 'Must - Have -Equity' at their workplaces and their own experiences in steering the change, benefitting the society as a whole.

I on behalf of ICSI wish the esteemed readers, happy celebrations, throughout the month.

**Happy reading !**

**CS Asish Mohan**  
(Editor- Chartered Secretary)



1. ICSI delegation led by CS Manish Gupta, President, ICSI met Shri Om Birla, Hon'ble Speaker, Lok Sabha, to apprise him about the role of ICSI & CS in strengthening the governance culture in India & facilitating ease of doing business.

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2. ICSI delegation led by CS Manish Gupta, President, ICSI met Shri Gyanesh Kumar, Secretary, Ministry of Co-operation to explore professional opportunities for CS and discuss areas of mutual interest.

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- 3-4. CS Manish Gupta, President, ICSI, addressed the Interactive Session with Shri Sanjay Shorey, Regional Director, Northern Region, Ministry of Corporate Affairs, Govt of India and Shri Pranay Chaturvedi, Registrar of Companies (ROC Delhi) Ministry of Corporate Affairs, Govt of India, organised by NIRC of ICSI. CS B. Narasimhan, Vice-President, ICSI, CS Suresh Pandey and CS Dhananjay Shukla, Central Council Members, ICSI alongwith CS Virendra Suhag, Chairman, NIRC of ICSI also attended the programme.

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5. CS Manish Gupta, President, ICSI, addressed a Seminar 'Saksham-Let's Empower the Professional.' organised by Bhilwara Chapter of NIRC of ICSI.

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6. CS Manish Gupta, President, ICSI, addressed a Seminar 'Aarambh- #togetherwegrow' organised by Udaipur Chapter of NIRC of ICSI.



7. SIRC of ICSI organised the President's Interaction Meeting and One Day Seminar on "Nidhi Companies-Regulatory Changes & Challenges and Liability of Company Secretary & Directors". CS Manish Gupta, President, ICSI, and CS B.Narasimhan, Vice-President, ICSI, addressed the Seminar. CS Mohan Kumar A, CS Dwarakanath C, CS Rajavolu Venkata Ramana, Central Council Members, ICSI, along with CS Damodaran M, Chairman, SIRC of ICSI and CS Pradeep B Kulkarni, Vice-Chairman, SIRC of ICSI were also present during the meet.
8. Chandigarh Chapter of NIRC of ICSI celebrated its 45<sup>th</sup> Foundation Day. CS Manish Gupta, President, ICSI, graced the occasion as the Guest of Honour and Keynote Speaker. Justice Jagmohan Bansal, Hon'ble Judge, Punjab and Haryana High Court was the Chief Guest.
9. CS Manish Gupta President, ICSI addressed a full day Seminar on the theme 'CS- Role as a Governance Professional' organised by Kanpur Chapter of NIRC of ICSI.
10. 24<sup>th</sup> Residential Programme organised by Coimbatore Chapter of SIRC of ICSI at Ooty. CS Manish Gupta, President, ICSI, CS B.Narasimhan, Vice- President, ICSI graced the occasion.
11. CS Manish Gupta, President ICSI addressed a Seminar 'Unnayan' at Ajmer Chapter of NIRC of ICSI.
12. 2 Days Training Program held on Effective Advocacy Strategies at ICSI Center of Excellence Hyderabad recently.
13. Bhubaneswar Chapter organised two days Seminar on the theme 'Company Secretary : The New Age Corporate Chanakya'.

# 5<sup>th</sup> ICSI LEADERSHIP SUMMIT HELD ON 12 -14 FEBRUARY 2023 AT NEW DELHI





# AWARDS IN LEADERSHIP SUMMIT 2023





WEBINAR ON

ENHANCING EFFICIENCY OF THE FINANCIAL SERVICES FOR CREATING GROWTH OPPORTUNITIES HELD ON MARCH 7, 2023





**ICSI** 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। इष्टार्थं कुरु। तृपतिः बोधेनैः स्युः कुरु।

*Mission*  
"To develop high calibre professionals  
facilitating good corporate governance"



# 2<sup>nd</sup> International Conference of ICSI Overseas Centre

11-12 May, 2023 | London, United Kingdom

Co-Host: ICSI Overseas Centre, United Kingdom



In association with



**ICGN**  
International Corporate Governance Network



**IVSC**  
International  
Valuation  
Standards  
Council



## 2<sup>nd</sup> International Conference of ICSI Overseas Centre

### TENTATIVE PROGRAMME SCHEDULE

#### 11<sup>th</sup> May, 2023 (Thursday)

TIME (London Time)	PARTICULARS
8:30 AM - 9:30 AM	Delegate Registration
9:30 AM - 10:30 AM	Inaugural Session
10:30 AM - 11:30 AM	Session 1
11:30 AM - 12:00 PM	Tea Break
12:00 PM - 1:30 PM	Panel Discussion 1
1:30 PM - 2:30 PM	Lunch
2:30 PM - 3:30 PM	Session 2
3:30 PM - 5:00 PM	Panel Discussion 2
5:00 PM onwards	Networking

#### 12<sup>th</sup> May, 2023 (Friday)

TIME (London Time)	PARTICULARS
9:00 AM - 10:00 AM	Session 3
10:00 AM - 11:30 AM	Panel Discussion 3
11:30 AM - 12:00 PM	Tea Break
12:00 PM - 1:00 PM	Session 4
1:00 PM - 2:00 PM	Lunch
2:00 PM - 3:30 PM	Panel Discussion 4
3:30 PM - 4:30 PM	Session 5
4:30 PM - 5:00 PM	Tea Break
5:00 PM - 6:00 PM	Interactive Session for ICSI Members

### DELEGATE FEE (NON-RESIDENTIAL)

  
**ICSI Member / Member of partner organisation**  
**₹ 25,000\***

  
**ICSI Student - ₹ 22,000\***

  
**Others - ₹ 30,000\***

\* Exclusive of GST @18%

#### REGISTRATION:

- Prior Registration for the Conference is mandatory. Register at <https://tinyurl.com/reglondonconf>
- Delegate fee is payable in advance and is non-refundable. Please note that payments are not accepted through DD, Cheque, Cash etc.
- The fee includes literatures, tea/coffee, refreshments, high-tea and 2 lunches
- Delegates may arrange flight tickets, visa, stay and local travel on their own. **UK Visa process takes 4-5 weeks after submission of documents.**
- For more details Log on to <https://tinyurl.com/ICSILondonconference>

**Members attending the conference shall be eligible for grant of CPE credits in terms of ICSI (Continuous Professional Education) Guidelines, 2019**

CS Manish Gupta  
President, The ICSI

CS B Narasimhan  
Vice President, The ICSI

CS NPS Chawla  
Council Member & Chairman  
International Affairs Committee, The ICSI

CS Asish Mohan  
Secretary, The ICSI

CS Abhijit Mukhopadhyay  
Chairman  
ICSI Overseas Centre, UK



सम्मतः च असिर्वृद्धानाम्  
तामः च पृच्छसि संशयान् ।  
को हि स्याद्दृशो लोके  
यादृशः त्वम् अस्मिन् ॥

(The sages praise you because you destroy ignorance with wisdom.  
This is how Bharat describes Rama showing importance of wisdom and knowledge.)



Dear Professional Colleagues,

**A**t the very outset, as I extend my heartiest wishes to each one of you on the delightful and exuberant festival of colours, I would also bow before Maa Durga and Lord Rama seeking blessings for each one of you during the nine-day long festivities of Chaitra Navratri and Ram Navmi. Not only is it a matter of great pride to have been born in a country of such rich cultural heritage and religious history but it is also equally magnificent to see how each celebration is a moment of gaining deeper insights and lifelong learning.

The above shloka or chaupai, sourced from the Ramayana, is not only a brief yet comprehensive description of Lord Rama rather it is a message to each one of us aspiring for greatness to imbibe this very quality of forsaking ignorance for wisdom and reaching highest pinnacles of success and not letting our routine activities and mundanities hamper our journey of learning at all.

The conduct of Lord Rama is the true illustration of professionalism of the highest order. And it is this very conduct that each one of us as Governance professionals need to strive for.

### 1<sup>st</sup> National Women's Conference - प्रणाम आदिशक्ति

ਭੰਡਿ ਜੰਮੀਐ ਭੰਡਿ ਨਾਮੀਐ ਭੰਡਿ ਮੰਗਣੁ ਵੀਆਹੁ ॥

From woman, man is born; within woman, man is  
conceived;  
to woman he is engaged and married.

ਭੰਡਹੁ ਹੋਵੈ ਦੋਸਤੀ ਭੰਡਹੁ ਚਲੈ ਰਾਹੁ ॥

Woman becomes his friend; through woman, the future  
generations come.

ਸੇ ਕਉ ਮੰਦਾ ਆਖੀਐ ਜਤਿ ਜੰਮਹਿ ਰਾਜਾਨ ॥

So why call her bad? From her, kings are born.

ਭੰਡਹੁ ਹੀ ਭੰਡੁ ਉਪਜੈ ਭੰਡੈ ਬਾਝੁ ਨ ਕੋਇ ॥

From woman, woman is born; without woman, there  
would be no one at all.

The month of March marks yet another fabulous celebration, one which is a reminder of our roots as well as the provider of strength and power to our shoots. It is not just this nation but the entire world gets together to celebrate women power on the International Women's Day on the 8<sup>th</sup> of March each year. A day which is a reiteration of equality, of embracing diversity and of reaping benefits of inclusivity and moving towards growth and development, taking everyone alongside.

Usually, the day is marked by a huge celebration at the ICSI Headquarters and filled with both enthusiasm and fervour, the Chapters and Councils pitch in with their own Seminars, conferences, cake cutting ceremonies and various other forms of celebrations.

However, in a novel attempt, this year the Institute intends to take this celebration to heights unprecedented. I am immensely pleased to invite all of you to the 2-day long focused event on women and women power - the 1<sup>st</sup> ICSI National Women's Conference 2023 in the land known to rever Maa Durga as a daughter and mother alike - Kolkata.

Themed upon "Empowered women: Inspiring a better tomorrow", the event scheduled to be held on 23-24 March, 2023 shall mark the beginning of a new era, one where gender diversity is not an afterthought but a part of the foundation of every entity and organisation, for it is the above words of the Gurbani of Guru Nanak that define the omnipresence and inevitable significance of women.

It goes without saying that it is the wholehearted participation of both the male and female members alike which will render this futuristic attempt a grand success and set the course for the years to follow.

*Hope to see you all in the city where traditional meets contemporary and past meets future to make way for greater equity....!!!*

## Treading beyond boundaries – One step at a time

*"In London, everyone is different, and that means anyone can fit in."*

Extending invites to all of you for a national event, I am equally thrilled to share that your Institute, our Institute is ready to take the next steps in achieving our vision "to be a global leader in promoting good corporate governance". While the first International Conference in partnership with our Overseas Centre at Dubai was our way of telling the world that "we have arrived"; every step forward shall be a march ahead to not just preach and guide the world with the mantras of good governance but to work in synergies with global professionals and global entities and

to pave the way for governance-driven sustainable growth and development.

The city of Dubai has called us once again as we have collaborated with the Institute of Directors for the 30<sup>th</sup> Annual World Congress on Leadership for Innovation and Business Excellence from March 14-17, 2023, the details of which will be shared with you in the future editions. But with that what has added greater excitement and enthusiasm is the upcoming 2<sup>nd</sup> International Conference of ICSI Overseas Centre scheduled to be held on May 11-12, 2023 at London, United Kingdom. If the above quote holds true, the city of London stands to be the perfect opportunity of sprawling governance, good governance and taking forward the deliberations of our combined future which were initiated in the Middle East last year.

With the contemporary theme of 'Strengthening Global Governance for an equitable, inclusive and sustainable future', the 2-day capacity building initiative is bound to open doors of global synergy and higher learnings.

*Looking forward to welcoming you in the city of Big Ben !!!*

## Leadership Summit 2023

*"The way a team plays as a whole determines its success. You may have the greatest bunch of individual stars in the world, but if they don't play together, the club won't be worth a dime." - Babe Ruth*

As a student or member even, the only person taking all the decisions and making mountains move seemed to be the President. And if he was the only one with the magic wand in hand, signing the documents, making public appearances and talking through the pages of Journals and newsletters, why was there an entire council or management committees at various levels. But as the bond grew with the Institute, so did the understanding of the significance of more hands on Board and more minds in decision making and even further more interlinkages and verticals to support the needs of the ever growing number of stakeholders. Having assumed the office of the President, the first order of business was to decide the dates of the annual meeting of the Leadership – the Leadership Summit 2023.

It was a sheer delight to welcome and witness the presence of more than 200 office bearers of the four Regional Councils and 72 Chapter Management Committees, the Officers in charge in all these places, all in the company of my Central Council Colleagues and the Heads of Directorates at the ICSI Headquarters. The three days

of combined brainstorming not only chalked the course of action for the entire year but aligned all of us with the common thought of taking the Institute to unprecedented heights.

### And one for the future Gozernance Professionals...

तू उड़ने का बस रख जज़्बा  
पर अपने आप निकल आयेंगे  
तू राह बना और चुन मंज़िल  
के काँटें खुद हट जाएँगे।

Some would say that the primary reason why receiving education forms part of the early stage of life is because it is this education that shall lay the foundation for the rest of the life but I believe there is another good reason for this. Young minds are like clay – ones which can be moulded in any way the generations before them choose to and instill in them whatever values, morals and ethics that are deemed fit for a proper life. It is with this approach, when I meet the future Governance Professionals, the students of this Institute, that I feel extremely blessed to be accorded this opportunity of undertaking initiatives, communicating with them and knowingly or unknowingly play my role in shaping their future. The month of February is one which can be construed as a 'defining moment' in the lives of soon-to-be Company Secretaries. The results declared on the 25<sup>th</sup> of February decide the future course of action for them to celebrate setting foot into the league of full-fledged professionals, to prepare for the next step having achieved the present goal or to put in much more efforts in going through the same level once again.

Friends, time and again, both me and my predecessors, through various platforms, on occasions more than one have reiterated one common fact – your results might define your point and time of entry into the profession but they are in no way a judge of your professional character or the qualities that make you a true professional. For me, each one of you, who is putting in your wholehearted efforts, with patience and grit starting again, you are a professional right here – right this moment.

As I extend my heartiest congratulations to those who have landed on the next rung, for those who could not, my best wishes are with you as is my trust and faith in your capabilities. And the above words of motivation are just for you...!!!

### Way Forward: The times ahead

*"The future is not something we enter. The future is something we create." - Leonard I. Sweet*

You might be doing good according to your own self yet when experience guides you, you hold on to their hands

and take all the wisdom with open hands. I am filled with immense gratitude and delight in my heart towards the Smt. Nirmala Sitharaman, Hon'ble Minister and the Ministry of Finance along with all the Officers for organizing the Post Budget Webinar on 'Enhancing Efficiency of the Financial Services for Creating growth opportunities' for the benefit of professionals and all the stakeholders to chalk out the easy forward in filing of forms and promoting ease of doing business. But what is truly gratifying is the presence of Shri Narendra Modi, Hon'ble Prime Minister of India for the Inaugural address, sharing his thoughts, his words of advice and wisdom, his faith in the professional institutions and his expectations giving much greater momentum to our actions. The deliberations over Central Data Processing Centres, Reclaiming of shares and dividends by investors are a true way forward for us as a nation. Coming to the futuristic thought for the Institute, the meetings, greetings, discussions and deliberations with Shri Om Birla, Hon'ble Speaker, Lok Sabha and Shri Manoj Govil, Secretary, Ministry of Corporate Affairs have lent food for thought and set momentum to various initiatives at our end. The deliberations with Shri Gyanesh Kumar, Secretary, Ministry of Co-operation is a way forward in strengthening the cooperative movement in the country. Furthermore, the ICSI had requested NCLT benches to constitute a panel for each bench, of professionals including Company Secretaries willing and eligible to be appointed as Chairperson or Alternate Chairperson or Scrutinizer in their respective region. It is delighting to have received applications which shall be soon compiled and shared with the Benches. I am sure that this move shall open multiple doors of opportunity for the ICSI members.

I am happy to share that the Council in its most recent meeting has accorded approvals to various initiatives ranging from the formulation of the ICSI Governance and Compliance Standards for various legislations to mandating PCS Orientation Programme; from conducting Outreach Programmes for Members as well as with Regulatory Authorities to aligning with the Go-green initiative of the government and revamping the delivery mechanism for Chartered Secretary Journal.

A look at these practical decisions and initiatives and it becomes inevitably clear that the times ahead are times of steadfast action and taking giant leaps forwards and on that note of hope, anticipation and optimism for good times ahead...

Happy reading !!!

Yours Sincerely



**CS Manish Gupta**  
President, ICSI



**Vision**

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

**Motto**

सत्यं वद। धर्मं चर। इष्टकारं कुरु। अकारं न कुरु।

**Mission**

"To develop high calibre professionals facilitating good corporate governance"

# CHARTERED SECRETARY

THE JOURNAL FOR GOVERNANCE PROFESSIONALS

The ICSI in its endeavour to align with the 'Green Initiatives' of Govt. of India has revamped the delivery mechanism of Chartered Secretary Journal wherein e-copies of the Journal will be shared with the members at their registered e-mail IDs and shall also be available on ICSI portal.

Now esteemed members can choose one of the three options mentioned below during renewal of their Annual Membership Fee from 1<sup>st</sup> April 2023 onwards.

### 1<sup>st</sup> OPTION

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(exclusive of GST) on  
annual membership fee  
(ACS/FCS)

# List of Standing and Non-Standing Committees For The Year 2023

S. No.	Name	Position
<b>1 Executive Committee</b>		
1	CS Manish Gupta	Chairman
2	CS B. Narasimhan	Member
3	CS A. Mohankumar	Member
4	CS NPS Chawla	Member
5	CS Praveen Soni	Member
6	CS Sandip Kumar Kejriwal	Member
7	Govt. Nominee	Member
<b>2 Finance Committee</b>		
1	CS Manish Gupta	Chairman
2	CS B. Narasimhan	Member
3	CS Dhananjay Shukla	Member
4	CS Dwarakanath Chennur	Member
5	CS Pawan G. Chandak	Member
6	CS Rajesh C. Tarpara	Member
7	Govt. Nominee	Member
<b>3 Examination Committee</b>		
1	CS Manish Gupta	Chairman
2	CS Ashish Karodia	Member
3	CS B. Narasimhan	Member
4	CS NPS Chawla	Member
5	CS Rupanjana De	Member
6	CS Suresh Pandey	Member
7	Govt. Nominee	Member
<b>4 Financial Services Committee</b>		
1	CS B. Narasimhan	Chairman
2	CS A. Mohankumar	Member
3	CS Dwarakanath Chennur	Member
4	CS Manoj Kumar Purbey	Member
5	CS Rajesh C. Tarpara	Member
6	CS Rupanjana De	Member
7	Govt. Nominee	Member
<b>5 Corporate Laws and Governance Committee</b>		
1	CS Dhananjay Shukla	Chairman
2	CS Ashish Karodia	Member
3	CS Dwarakanath Chennur	Member
4	CS A. Mohankumar	Member
5	CS Rajesh C. Tarpara	Member
6	CS Rupanjana De	Member
7	CS Suresh Pandey	Member

<b>6 Professional Development Committee</b>		
1	CS Manish Gupta	Chairman
2	CS Dhananjay Shukla	Member
3	CS Dwarakanath Chennur	Member
4	CS Manoj Kumar Purbey	Member
5	CS A. Mohankumar	Member
6	CS Praveen Soni	Member
7	CS Rupanjana De	Member
8	CS Venkata Ramana R.	Member
9	Govt. Nominee	Member
10	Govt. Nominee	Member
<b>7 Training &amp; Educational Facilities Committee</b>		
1	CS B. Narasimhan	Chairman
2	CS Ashish Karodia	Member
3	CS Dwarakanath Chennur	Member
4	CS Pawan G. Chandak	Member
5	CS Rajesh C. Tarpara	Member
6	CS Sandip Kumar Kejriwal	Member
7	CS Suresh Pandey	Member
8	Govt. Nominee	Member
9	Govt. Nominee	Member
<b>8 Practising Company Secretaries Committee</b>		
1	CS Sandip Kumar Kejriwal	Chairman
2	CS Ashish Karodia	Member
3	CS Dhananjay Shukla	Member
4	CS A. Mohankumar.	Member
5	CS Pawan G. Chandak	Member
6	CS Praveen Soni	Member
7	CS Suresh Pandey	Member
<b>9 Information Technology Committee</b>		
1	CS Manish Gupta	Chairman
2	CS Manoj Kumar Purbey	Member
3	CS Praveen Soni	Member
4	CS Rajesh C. Tarpara	Member
5	CS Rupanjana De	Member
6	CS Sandip Kumar Kejriwal	Member
7	CS Venkata Ramana R.	Member
<b>10 Peer Review Committee</b>		
1	CS Dwarakanath Chennur	Chairman
2	CS Dhananjay Shukla	Member
3	CS NPS Chawla	Member
4	CS R. Sridharan	Member
5	CS Sanjay Somani	Member
6	CS V. Sreedharan	Member
7	CS Venkata Ramana R.	Member

11	<b>Expert Advisory Committee</b>		
	1	CS Manoj Kumar Purbey	Chairman
	2	CS Ashish Karodia	Member
	3	CS Praveen Soni	Member
	4	CS Rajesh C. Tarpara	Member
	5	CS Rupanjana De	Member
	6	CS Sandip Kumar Kejriwal	Member
	7	CS Venkata Ramana R.	Member
12	<b>PMQ Course Committee</b>		
	1	CS Suresh Pandey	Chairman
	2	CS Ashish Karodia	Member
	3	CS Dwarakanath Chennur	Member
	4	CS Manoj Kumar Purbey	Member
	5	CS Pawan G. Chandak	Member
	6	CS Sandip Kumar Kejriwal	Member
	7	CS Venkata Ramana R.	Member
13	<b>Secretarial Standards Committee</b>		
	1	CS Praveen Soni	Chairman
	2	CS Dhananjay Shukla	Member
	3	CS Dwarakanath Chennur	Member
	4	CS Sandip Kumar Kejriwal	Member
	5	Govt. Nominee	Member
14	<b>Editorial Advisory Panel</b>		
	1	CS Ashish Karodia	Chairman
	2	CS (Dr.) D. K. Jain	Member
	3	CS Bimal Jain	Member
	4	CS Dhananjay Shukla	Member
	5	CS Manoj Kumar Purbey	Member
	6	CS A. Mohankumar	Member
	7	CS Nitin Somani	Member
	8	CS NPS Chawla	Member
	9	CS P. Sivakumar	Member
	10	CS Pawan Dubey	Member
	11	CS Praveen Soni	Member
	12	CS Punit Handa	Member
	13	CS (Dr.) R. P. Tulsian	Member
	14	CS (Prof.) Rabi Narayan Kar	Member
	15	Dr. Ranjith Krishnan	Member
	16	CS Rohit Gupta	Member
	17	CS Sachin Khurana	Member
	18	CS Sumit Kumar	Member
	19	Govt. Nominee	Member
20	Govt. Nominee	Member	

15	<b>ICSI-CCGRT Management Committee</b>		
	1	CS Rajesh C. Tarpara	Chairman
	2	CS Ajay Aggarwal	Member
	3	CS Ashish Karodia	Member
	4	CS K. Venkataraman	Member
	5	CS NPS Chawla	Member
	6	CS Sandip Kumar Kejriwal	Member
	7	CS Suresh Pandey	Member
16	<b>Chapter Guidelines, Coordination, Regulation &amp; Election Reforms Committee</b>		
	1	CS A. Mohankumar	Chairman
	2	CS Dhananjay Shukla	Member
	3	CS Manoj Kumar Purbey	Member
	4	CS NPS Chawla	Member
	5	CS Rajesh C. Tarpara	Member
	6	CS Sandip Kumar Kejriwal	Member
	7	CS Venkata Ramana R.	Member
17	<b>International Affairs Committee</b>		
	1	CS NPS Chawla	Chairman
	2	CS Dwarakanath Chennur	Member
	3	CS Pawan G. Chandak	Member
	4	CS Rupanjana De	Member
	5	CS Suresh Pandey	Member
	6	CS Venkata Ramana R.	Member
18	<b>Auditing Standards Committee</b>		
	1	CS Rupanjana De	Chairperson
	2	CS Manoj Kumar Purbey	Member
	3	CS NPS Chawla	Member
	4	CS Pawan G. Chandak	Member
	5	CS Praveen Soni	Member
	6	CS Venkata Ramana R.	Member
	7	Govt. Nominee	Member
19	<b>Professional Research &amp; Publication Committee</b>		
	1	CS Pawan G. Chandak	Chairman
	2	CS Dhananjay Shukla	Member
	3	CS Manoj Kumar Purbey	Member
	4	CS A. Mohankumar	Member
	5	CS NPS Chawla	Member
	6	CS Rajesh C. Tarpara	Member
	7	CS Rupanjana De	Member
20	<b>ICSI-COE Management Committee</b>		
	1	CS Venkata Ramana R.	Chairman
	2	CS Ashish Karodia	Member
	3	CS Dhananjay Shukla	Member
	4	CS Manmohan Sharma	Member
	5	CS A. Mohankumar.	Member
	6	CS NPS Chawla	Member
	7	CS S S Marthi	Member
	8	CS Suresh Pandey	Member
21	<b>Board of Discipline</b>		
	1	CS Pawan G Chandak	Presiding Officer
	2	CS Suresh Pandey	Member
	3	CS Asish Mohan	Member



# INITIATIVES UNDERTAKEN DURING THE MONTH OF FEBRUARY, 2023

## INITIATIVES FOR MEMBERS

### MEETINGS AND GREETINGS

During the month, meetings were held with the following dignitaries:

- Shri Om Birla, Hon'ble Speaker, Lok Sabha
- Shri Gyanesh Kumar, Secretary, Ministry of Co-operation

### 1ST NATIONAL WOMEN'S CONFERENCE

It is a moment of pride for all of us that India holds the Presidency of the G20 from December 1, 2022 to November 30, 2023. Women-led development is one of India's G20 Priorities. With a view to support the same, the Institute is pleased to announce its 1<sup>st</sup> National Women's Conference to be held during **March 23-24, 2023 at Hotel Westin, Kolkata, West Bengal** on the theme **Empowered Women: Inspiring a better Tomorrow**. Esteemed members are requested to join this mega event as it will be an opportunity for rich deliberations, exchange of experience and views.

### 2<sup>ND</sup> INTERNATIONAL CONFERENCE OF ICSI OVERSEAS CENTRE IN LONDON

The Institute of Company Secretaries of India is organizing its 2<sup>nd</sup> International Conference of ICSI Overseas Centre in **London, United Kingdom** on May 11-12, 2023. The theme of the conference is **Strengthening Global Governance for an Equitable, Inclusive and Sustainable Future** and will provide a platform to envision probity in governance. Eminent Speakers from across jurisdictions are set to steer engaging discussions spanning a series of knowledge sharing sessions, including the UK-India Young Professionals Scheme.

### ICSI FIFTH LEADERSHIP SUMMIT – 2023

The ICSI Fifth Leadership Summit – 2023 was held during 12-13-14 February, 2023 at The Leela Ambience Convention Hotel (Delhi-NCR). Participants from across the country comprising Central Council Members, Regional Council Members, Chairmen of all Chapters along with the Regional Director of Regional Offices, Executive Officer / In-Charge of all Chapters and HoDs at HQ participated in this annual mega event and made it a big success. ICSI Directory 2023 was also launched during the event. Sequence of Programmes was as follows:

- Oath Taking Ceremony
- Presentation of Action Plans of all Regions by Chairpersons of the Regional Councils
- President's Meet with entire Leadership Team of the Country

(d) Leadership and Team Building Session

(e) Open House Session

### LAUNCH & CONDUCT OF TWO CRASH COURSES

Two Crash Courses in vital subjects such as Labour Laws (Batch 4) and Related Party Transactions (Batch 3) were launched exclusively for members of ICSI. The courses were delivered through 5 live web-based sessions of 2 hours each. More than 500 members of ICSI registered across 2 crash courses to up-skill and enhance their knowledge base in respective subject. The MCQ based assessment for both the courses is scheduled to be held on 10<sup>th</sup> & 11<sup>th</sup> March, 2023.

### ORIENTATION SESSION AND COMMENCEMENT OF PMQ COURSES

The Orientation session of all three PMQ Courses was conducted on February 17, 2023 in order to make all the candidates registered across PMQ Courses as launched by the ICSI, familiar with the course structure, e-Learning portal of the ICSI etc. More than 95 members of ICSI have registered in the flagship Post Membership Qualification (PMQ) courses of ICSI launched on the subjects of Corporate Governance, Internal Audit and Arbitration. The Orientation Session was graced by President, ICSI. The online web-based sessions of the 3 PMQ Courses kick started from February 18, 2023. There will be a total of 15 live web-based sessions that will be conducted for these PMQ Courses on each Saturday and Sunday for 2 hours each on every important aspect of subject. These sessions are delivered from the industry & subject experts.

### AWARD CEREMONY OF PMQ, CERTIFICATE & CRASH COURSES

3 Post Membership Qualification (PMQ) in the subjects of Corporate Governance, Internal Audit and Arbitration, 11 Certificate Courses on subjects like FEMA, IPR, CSR, POSH, GST, Securities Laws, Corporate Restructuring, Commercial Contract Management, Independent Director etc. and 2 Crash Courses on subjects like IT Tools and Appeals & Drafting were launched by the Institute since October, 2022. The Award ceremony of all these was conducted on February 25, 2023 to award the certificate of completion to all the candidates who successfully cleared respective courses after passing various stages of Courses. The Award Ceremony was graced by CS Devendra V. Deshpande, Immediate Past President, ICSI, who was the Guest of Honour; CS B. Narasimhan, Vice-President, ICSI, and CS Suresh Pandey, Chairman, PMQ Course Committee & Council Member, ICSI. More than 1600 candidates successfully completed their respective courses and attained the certificate of completion from the LMS portal.

## JOINT PROGRAMME

- The ICSI joined as Associate Partner in the Seminar organized by PHD Chamber of Commerce on the theme “ESG: Need of the Hour for a Sustainable Future – Regulatory Framework & Beyond” at New Delhi on February 15, 2023.
- The ICSI joined as Associate Partner in the “Residential Workshops on Corporate Governance & Workshop on CSR” organized by PHD Chamber of Commerce from February 26, 2023 to March 1, 2023 at Kathmandu, Nepal. CS Dwarakanath Chennur, Council Member, The ICSI represented the Institute as a Guest Speaker on CSR at the Workshop.

## FORMATION OF ICSI STUDY CIRCLES

The ICSI has been promoting the Formation/Renewal of Study Circles for creating knowledge upgradation avenues through professional discussion and deliberation. In February, 2023 Study Circles formed for the Financial Year 2023-24 were as under:

- Madhya Kolkata Study Circle of ICSI (Region: East)
- JSW Group (Corporate) Study Circle of ICSI (Region: West)

## PANEL OF PROFESSIONALS FOR APPOINTMENT AS CHAIRPERSON, ALTERNATE CHAIRPERSON AND SCRUTINIZER

The ICSI had requested the NCLT benches to constitute a panel for each bench, of professionals including Company Secretaries who are willing and eligible to be appointed as Chairperson or Alternate Chairperson or Scrutinizer in their respective regions.

In response to our representations, some of the Benches had solicited list of members interested in being appointed as chairperson, alternate chairperson and scrutinizer for the court convened meetings for Compromise and Arrangements under the Companies Act, 2013.

Keeping in view of the above, the ICSI had invited applications from members to share their intent through a google form. The compiled list will be shared with the respective NCLT Benches and the final decision of appointment shall lie with the Benches only.

## REPRESENTATIONS SUBMITTED

During the month, following representations were submitted with various Regulatory Authorities:

Purpose	Authority	Date
Suggestions on Strengthening the Investor Grievance Redressal Mechanism in Indian Securities Market	SEBI	February 1, 2023

Request for relaxation in levy of additional fee in filing of company forms (second set) launched on MCA-21 V3 portal due date of which falls till February 28, 2023	MCA	February 02, 2023
Request to extend the reservation period of names reserved under Section 4(5) of the Companies Act, 2013 and period of re-submission under rule 9 of the Companies (Incorporation) Rules, 2014	MCA	February 02, 2023
Detailed representation on functioning of MCA-21 V3 portal	MCA	February 10, 2023

## HANDLING VARIOUS CS RELATED POSITIONS SUCH AS CS TRAINEE REQUIREMENT AND JOBS FOR CS MEMBERS AT VARIOUS GOVERNMENT OFFICES

Requests were received from various offices of the Ministry of Company Affairs/PSUs/Banks regarding the position of Company Secretary Trainees /Members from time to time and shortlisted Resumes of Members and Students were sent to them.

Company Secretary Trainees and Members Requirement at various Government Offices/PSUs/Bank		
Sl. No.	Department / Organization	Designation
1.	Andhra Pradesh Power Generation Corporation Limited	Company Secretary
2.	K-RIDE Rail Infrastructure Development Company Limited	Sr. Executive, CS
3.	LIC of India	Consultants
4.	Nabfins Limited	Company Secretary
5.	The Cotton Corporation of India Limited	Company Secretary
6.	ICSI	CSC Executives
7.	ICSI	CRC Executives
8.	Acumen Technical Advisory Private Limited	Management Trainee
9.	Aditya Birla Housing Finance Limited	Management Trainee
10.	BCL Industries Limited	Management Trainee
11.	Burger King India Limited	CS Intern
12.	Castrol India Limited	Management Trainee
13.	CLIX Capital Services Private Limited	CS Intern
14.	Eldeco Infrastructure and Properties Limited	CS Trainee
15.	GAIL Gas Limited	Management Trainee
16.	HDFC Asset Management Company	CS Management Trainee
17.	IRB Infrastructure Developers Limited	CS Management Trainee

18.	Integris Health Private Limited	CS Trainee
19.	ITC Infotech India Limited	Management Trainee
20.	Jaypee Infratech Limited	CS Trainee
21.	JTL Infra Limited	CS Management Trainee
22.	MAX Healthcare Institute Limited	CS Management Trainee
23.	MCA, Office Of Regional Director, Mumbai	CS Trainee
24.	Morgan Stanley Advantage Services Private Limited	CS Intern
25.	Nagreeka Exports Limited	CS Management Trainee
26.	National Stock Exchange of India Limited	CS Trainee
27.	Neuberg Diagnostics	CS Management Trainee
28.	PG Electroplast Limited	CS Management Trainee
29.	PNB Finance & Industries Limited	CS Trainee
30.	Share India Securities Limited	CS Trainee
31.	Svatantra Microfin Private Limited	CS Trainee
32.	Talcher Fertilizers Limited	CS Trainee
33.	The Coca Cola Company	Management Trainee
34.	The Shipping Corporation of India Limited	CS Trainee
35.	TP Northern Odisha Distribution Limited	CS Trainee
36.	Vaxtex Cotfab Limited	CS Trainee
37.	West Bengal Electricity Transmission Company Limited	Management Trainee

### STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL

(As on 28<sup>th</sup> February, 2023)

Registered Users			Total no. of Vacancies	
Members	Students	Corporates	Jobs	Trainings
164	812	141	135	325

### CAMPUS PLACEMENT PROGRAMME

The Campus Placement Programme of the Institute provides a unique opportunity to corporates to peruse the profiles of qualified young and experienced Company Secretaries, interview them and select those ones whoever suits their requirement. Campus Placement drive is a one-stop solution for corporates and members. One Campus Placement drive was conducted for Aarti Industries Limited in the month of February 2023 and more than 145 members had participated.

### ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS

#### • Workshops

Date	Topic
18.02.2023	Insights of Power Sector & Manufacturing Sector under IBC
24.02.2023	Alternative Career Options for IPs (Part 1) - Turn Around & Business Rescue - Preventing Company from getting into Insolvency
27.02.2023 & 28.02.2023	Restructuring Process Involving Financial Service Providers (FSP)
28.02.2023	Alternative Career Options for IPs (Part 2) - Mediation in Insolvency - Pre-default and Post-Insolvency

#### • Interactive meet

Date	Topic
06.02.2023	Let's connect: A platform for the IPs Managing the CD as Going Concern

### ICSI REGISTERED VALUERS ORGANISATION

#### • 50 Hours Online Education Course

ICSI RVO conducted "50 Hours Educational Programme" from February 17-26, 2023.

#### • Continuous Educational Programme (CEP)

ICSI RVO has conducted the following Continuing Professional Education Programme (CPE):

- ♦ February 4, 2023 - "Dealing with Subjectivity in Valuation".
- ♦ February 18, 2023 - "Valuation of Startups".
- ♦ February 25, 2023 - "Excitement & Challenges of First Valuation Report".

#### • Mandatory Training Programme (COP)

The ICSI RVO conducted a Training of four hours of "Mandatory Training Programme (COP)" on February 22, 2023 on the following topics:

- ♦ Code of Conduct for Registered valuers
- ♦ Professional Ethics
- ♦ Drafting Valuation Report
- ♦ Soft Skills (How to communicate with the clients and peers)

### INITIATIVES FOR EMPLOYEES

- *Health Checkup Camp during the 5<sup>th</sup> ICSI Leadership Summit*

A health checkup camp was organized on 13<sup>th</sup> February

2023 during the 5<sup>th</sup> ICSI Leadership Submit at Leela Ambiance Convention Hotel, Delhi. All Council Members and Senior Management team attended the camp by Medanta Hospital, Gurugram.

- *Webinar on “Asthma Awareness” by Shanti Gopal Hospital*

A webinar was organized on 7<sup>th</sup> February 2023 on the topic “Asthma Awareness” by Shanti Gopal Hospital for the benefit of ICSI employees and pensioners. Dr. Nitin Kumar presented the webinar, which was well received by one and all.

- *Webinar on “Epilepsy / Care + Precautions” by Dr Reddy’s Foundation*

A webinar was organized on 14<sup>th</sup> February 2023 on the topic “Epilepsy / Care + Precautions” by Dr Reddy’s Foundation for the benefit of ICSI employees and pensioners. All employees participated in the webinar presented by Dr. Hari Sudhan.

- *Training on ERP, Fixed Assets and HQ reconciliation*

A training on ERP, Fixed Assets and HQ reconciliation was conducted for all Regional Directors of ICSI. All other key employees also participated in the three-days training program from 15<sup>th</sup>-17<sup>th</sup> February 2023.

## INITIATIVES FOR STUDENTS

### ICSI SAMADHAN DIWAS

Samadhan Diwas is an initiative by the ICSI towards on the spot solution of the grievances of the trainees and trainers. During the Samadhan Diwas, the officials of Directorate of Training interact with the trainees and trainers and provide them the resolution to their grievances. The 25<sup>th</sup> Samadhan Diwas was organised on February 08, 2023. The 26<sup>th</sup> Samadhan Diwas was organised on February 22, 2023 through virtual mode in the presence of officials of all designated offices of the Institute which gathered the attention of a lot of stakeholders and for the first time witnessed more than 150 participation of trainees, trainers and ICSI offices on PAN India basis. The stakeholders have appreciated the efforts of the Institute for creating such a platform of direct interaction and resolution of grievances.

### FREE HALF DAY PROGRAMME FOR ICSI STUDENTS THROUGH REGIONAL AND CHAPTER OFFICES

ICSI is organizing free Half Day Programme for the students of ICSI (Every month) through its Regional and Chapter offices. These programmes will immensely help the students in improving and updating their academic knowledge. Besides, the focus will be also on soft skills and personality development of the students.

For details, click [https://www.icsi.edu/media/webmodules/06092022\\_halfdayprogramme.pdf](https://www.icsi.edu/media/webmodules/06092022_halfdayprogramme.pdf)

### ANNOUNCEMENT ON PAPER WISE EXEMPTION FOR JUNE 2023 SESSION OF EXAMINATION

The option for claiming paper wise Exemption on the basis of Higher Qualification (ICAI-cost /LLB) for Executive & Professional student(s) for June 2023 CS Exam will be activated in smash portal (<https://smash.icsi.edu>) after declaration of December 2022 Session of Examination Result.

### 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.

### SCHEDULE OF ICSI CLASSES AT ROS/ CHAPTERS FOR JUNE 2023 SESSION OF EXAMINATION

Classes are being conducted by Regional/Chapter Offices for the students appearing in June 2023 Session of Examination. For details, click <https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>

### PROFESSIONAL PROGRAMME PASS CERTIFICATE OF ICSI IN DIGILOCKER

As per ongoing practice the Institute has been issuing Pass Certificate of Professional Programme to the students in Physical Mode. However, in its attempt to move towards digitization, the Institute decided to issue Professional Programme Pass Certificate online via DIGILOCKER. The said initiative was launched at the 50<sup>th</sup> National Convention of ICSI at Kolkata with the National e-Governance Division (NeGD), Ministry of Electronics and Information Technology (MeitY), Govt. of India and communicated to the students via Bulk-Email regarding initiative of the Institute and process how to download the same/Announcement uploaded at ICSI Website. The students who passed on or after June 2021 Session of Examinations can download their Professional Pass Certificate from DIGILocker.

### FACILITATE STUDENTS TO RENEW THEIR REGISTRATION 3 MONTHS PRIOR EXPIRY OF REGISTRATION

As per the ongoing practice, students can renew their registration validity only after the expiry of their registration. However, in an attempt to ease the process and to avoid last minute hassle for students, the Institute decided to provide the renewal facility to the students 3 months before expiry of their registration and the same has been implemented from December 2022 onwards. Detailed announcement of the same has been uploaded at [www.icsi.edu](http://www.icsi.edu)

## COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

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

- **CSEET (May 2023 session)**

CSEET May 2023 session will be held on May 6, 2023 through remote proctored mode. For details, click [https://smash.icsi.edu/Scripts/CSEET/Instructions\\_CSEET.aspx](https://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx)

- **CSEET classes (May 2023 session)**

CSEET Classes are being conducted by Regional/Chapter Offices for the students appearing in CSEET to be held in May 2023. Details of Regional/Chapter offices conducting classes are available at the following link: <https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>

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

CSEET students can now register directly for the CSEET classes conducted by the 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 [https://smash.icsi.edu/Scripts/CSEET/Instructions\\_CSEET.aspx](https://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 [https://www.icsi.edu/media/webmodules/granting\\_exemption\\_230621.pdf](https://www.icsi.edu/media/webmodules/granting_exemption_230621.pdf)

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

The Institute has decided that the **CSEET Guide – I** (Business Communication, Legal Aptitude and Logical Reasoning, Economic and Business Environment) and **CSEET Guide – II** (Current Affairs) 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) will be provided on optional basis to all students at the time of CSEET registration**

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: <https://www.icsi.edu/reference-reading-material/>

## STUDENT COMPANY SECRETARY, CS FOUNDATION E-BULLETIN AND CSEET COMMUNIQUE

The Student Company Secretary e-journal for Executive/Professional programme students of ICSI, CS Foundation course e-journal for Foundation programme students of ICSI and CSEET Communique covering the latest update on the subject on the CSEET have been released for the month of **February, 2023**. The journals are available on the Academic corner of the Institute's website at the link: <https://www.icsi.edu/e-journals/>

## ACADEMIC INITIATIVES

- **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 <https://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 the benefits of our members and students available at <https://www.icsi.edu/infocapsule/>

## ICSI ACADEMIC CONNECT

ICSI organized a session on “Corporate Restructuring” and Career Awareness Programme at Sharda University, Greater Noida under “Academic Connect Initiative” of ICSI on February 21, 2023.

## IMPORTANT LINKS FOR STUDENTS

To facilitate and update the students, a list of important links at the website of the Institute has been compiled. Students can go through the links given below to get all important details:

- For Student Services related updates: [https://www.icsi.edu/media/webmodules/Student\\_Services\\_links.pdf](https://www.icsi.edu/media/webmodules/Student_Services_links.pdf)
- For Academic updates: [https://www.icsi.edu/media/webmodules/Academic\\_links.pdf](https://www.icsi.edu/media/webmodules/Academic_links.pdf)
- For Training related updates: [https://www.icsi.edu/media/webmodules/Training\\_Links.pdf](https://www.icsi.edu/media/webmodules/Training_Links.pdf)



# International WOMEN'S DAY



# Women Leadership



## Views of Women Professionals on Embrace Equity - Leading Change Together



**Anupriya Patel**

Minister of State for Commerce & Industry Govt of India

It gives me immense pleasure to learn that The Institute of Company Secretaries of India (ICSI) is bringing out a special issue of its monthly Nagship journal Chartered Secretary - The Journal for Governance Professionals' to mark International Women's Day 2023. International Women's Day is a day to challenge biased notions of gender that hold Women back. I hope the journal will accelerate the attainment of women's rights and help Shape a fairer society.

The Government led by Hon ble Prime Minister Narendra Modi ji has facilitated India's transition from the idea of women's development to 'women-led development' e.g. Entry of women in armed forces, startups, media etc. Through their exemplary deeds, Several women have left an indelible mark in the history of humankind. They continue to Inspire generations. It is heartening to see women rise up to positions of leadership and Drive change. The Nari Shakti has excelled in every field be it sports, medicine, science, Mathematics, literature, revival of traditional crafts, spirituality and social service, etc. Together, we have to build a nation focused on women empowerment, emphasizing Equality of opportunity.

The first citizen of the country, Smt. Droupadi Murmu, Hon"ble President of India is the shining example of the faith reposed by the nation in the leadership of women.

My heartiest greetings to the editorial team for the wonderful initiative. I expect the Curated articles of the journal would be instrumental in breaking biases & advancing Gender Equality.



**Mrs Sushma Paul Berlia**

Chairperson, Apeejay Education  
Co-Founder & Chancellor, Apeejay Styta University  
Chairperson and President, Apeejay Styta and Svrán Group

- 1<sup>st</sup> Woman President of the PHDCCI in 2005-06.
- 1<sup>st</sup> Woman in India to lead her own pharmaceutical company (when not yet 30)
- 1<sup>st</sup> Woman Entrepreneur of a major educational group in India.
- Former Independent Director & Member, Governing Board, ICSI Insolvency Professional Agency (ICSI, IPA)

**"T**each a man and you teach an individual. Teach a woman and you teach a generation."

Women's education & empowerment is the way forward to achieve a ripple down effect on all aspects of societal development. Discrimination against women helps no one. Not

even the men. Even as the country's constitution has granted men and women equal rights, gender disparity in India thrives on stereotypical notions and regressive attitudes.

The onerous task of changing the mind-set is possible only through education and equality. Having spent a lifetime in the realms of education and industry, I can vouch that it is only education and economic independence which can usher in a breath of fresh air in the claustrophobic atmosphere of gender disparity all around us.

At the corporate level, it has to be ensured that women acquire the skills and receive the mentorship that could catalyse their career advancement. Success stories can also counter the myth that women are not suitable for certain kinds of positions. Any law which enables the realisation of gender parity acts as a framework to bring changes. So does corrective action taken by government, media, organisations, individuals and of course, initiatives by women themselves. Entrepreneurship and start-ups by women should be given a fillip as it allows more encouragement to women.

On their part, men need to be more sensitive. They need to change the mind-set wherever required, in terms of bringing up their daughters, inheritance attitude towards women and social acceptance of women as equal partners.

Also, women need to stop short-changing themselves. They need to believe in their own potential. Gender parity needs to come down from a high pedestal and manifest itself in the day to day reality of life.



## Hon'ble Smt Justice Ranjana Prakash Desai

Chairperson, Press Council Of India

**I**t gives me immense pleasure to learn that the Institute of Company Secretaries of India is celebrating International Women's Day by dedicating the March 2023 issue of Chartered Secretary Journal with the theme "Embracing Equity: Leading change together". The United Nations initiated the same with the intent of bringing the deliberation on gender equality to light. It is a celebration of hope, diversity, equitability and inclusivity.

This shift in focus from Equality to equity is a need of the hour. For ages, Women have faced double barriers in securing themselves a job or even getting access to the fundamental necessities of life to survive. Women's empowerment is a mere mirage when women still are subjected to denial of education, poor access to finance, dowry, domestic violence and sexual harassment at workplaces and many other hurdles. Another big barrier faced by almost every woman is the unwritten rule book of society, containing the dos and don'ts for women. Hence, focusing on providing equal opportunities is not enough; women need to be provided with an equal platform with the tools and resources to enable them to get the desired output of these opportunities. If the challenges faced by men and women are not the same, then how can they achieve equal output with the unequal opportunities? After thousands of years of discrimination and suppression, it is only their right to get a greater share of the resources.

Late Justice Ruth Bader Ginsburg, lawyer and Jurist, who served as an Associate Justice of the Supreme Court of the United States, said and I quote,

"Women belong in all places where decisions are being made. It shouldn't be that women are the exception."

A report by the Secretary-General of the United Nations

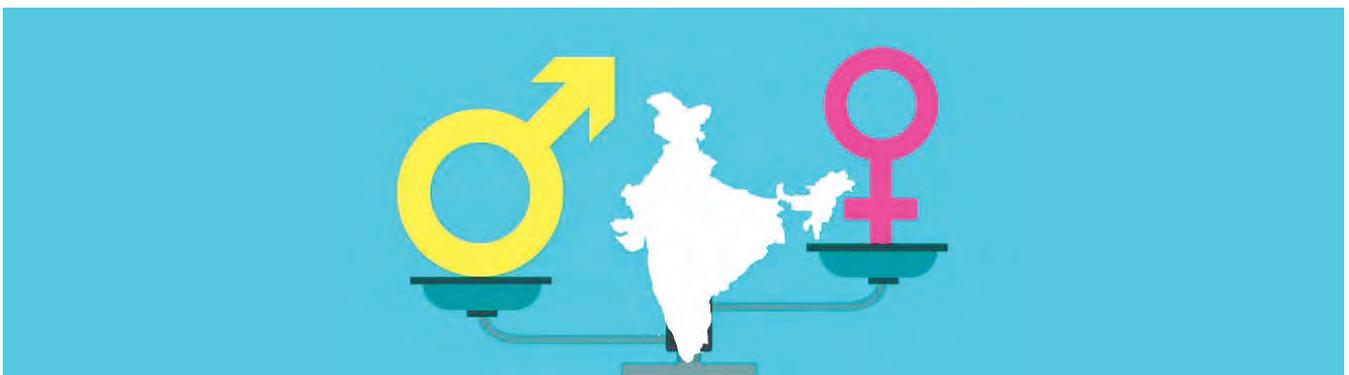
states that Women constitute around half of the World's human resources yet the representation of women in decision-making and leadership positions in the world is relatively low. Even when women do make it to the top, they have to prove themselves worthy of that position every single day. This mindset towards the women workforce needs to change. Though India has attained 75 years of independence, attainment of independence in the case of women to date is hardly visible. Statistics say women form only 19.23% of the workforce in India, this data though does not entirely give a glimpse of women's participation in the economic development of the nation. In this era of development and technological advancements, all genders need to stand shoulder to shoulder to achieve the goal of making India a great nation and Gender Equity is a pre-requisite for achieving that.

I am glad to see discussions on Embracing Equity are opening up. But truth be told, it will take years for this discussion to turn into action finally. The road to changing the mindset of people is a long one. So, I hope my following words have the desired impact on the women readers.

There are times when women feel tired of the fight for their dreams. Their decisions and abilities are doubted. They are denied the opportunities they deserve, not on the basis of their talent or capacity but their gender. Finally, they end up asking themselves whether their fight is worth it. To this I would say, never give up working hard to achieve your dreams. I am writing this piece today because once I did not give up my fight to reach this position where I am today. Becoming a lawyer that too in the early seventies, being a female, was never an easy path to walk on. But I never gave up. I had to work and put in double the effort in comparison to my male colleagues to get validation for my work. But, every step was a learning experience for me that made my will stronger than before.

So never give up on your dreams because, each time a woman gives up, every little girl watching her starts doubting the feasibility of her own dreams. So, as women, we have to keep fighting, not just for ourselves but for every little girl watching us.

Finally, I want to congratulate ICSI for their initiative of raising awareness about Women's issues through their journal. I look forward to seeing them play an even bigger role in tackling gender discrimination and creating a more gender-inclusive environment for their members, officials and students.





### Shanti Ekambaram

Whole - Time Director  
Kotak Mahindra Bank Ltd

**W**omen are building blocks of a family, company, organisation, and every fabric of society. Over the years, women have progressed in many fields and made forays into uncharted territories, challenging both themselves and the entire ecosystem. As we celebrate Women's Day this year, I call upon India Inc to drive gender diversity and inclusiveness and build a conducive environment for all

female employees. Give them equal opportunities, parity in pay, believe in them, respect them for their opinions, skill them and support them when they need it. That is when we will make an equitable world and embrace equality in its true sense," said Shanti Ekambaram, Whole-time Director, Kotak Mahindra

"Women are building blocks of a family, company, organisation, and every fabric of society. Over the years, women have progressed in many fields and made forays into uncharted territories, challenging both themselves and the entire ecosystem. As we celebrate Women's Day this year, I call upon India Inc to drive gender diversity and inclusiveness and build a conducive environment for all female employees. Give them equal opportunities, parity in pay, believe in them, respect them for their opinions, skill them and support them when they need it. That is when we will make an equitable world and embrace equality in its true sense," said Shanti Ekambaram, Whole-time Director, Kotak Mahindra Bank Ltd.



### Ms. Ira Singhal, IAS

IAS Topper and Dy. Commissioner  
- Office of Div. Commissioner  
Department of Revenue

**O**n the Eve of women's day I wish that we lived in a world which was as equal for woman as it is for everyone else. We generally talk of equality and promoting equality amongst genders in work places and today many woman have joined our workforce, our corporate sector and our public sector. It is indeed a proud moment for India to see this many woman be a part of our economic space but we need to ask ourselves, have we really given women the same space that other genders get? Why do we still have stories of woman not having the same positions, the same opportunities and the same salaries as their male counterparts? This is something we still need to look at. As gender parity rises, we need to turn our attention to whether we are also addressing the challenge of intersectional disadvantages that amongst women different women face.

Not all woman are equal that is something that we need to realise. Woman from different classes, different segments, different abilities, different backgrounds, come with the added burden of their backgrounds along with the burden of their gender. Their heritage, their caste, their skin colour and disabilities have defined the opportunities they have accessed hence they are disadvantaged in ways which are

intersectional. When we look around us we find that very often it is a certain class of woman who get the opportunity to become equal in the ways that they have. But now it is time to look at equality even within the genders themselves. A woman of a lower class does not get the same opportunities that a woman of the higher class gets. Or a woman from the rural area does not have the same access to opportunities that a woman from the urban area has. Similarly, a woman with the disability does not get the same opportunities that the woman without disability has. Hence when we promote gender equality what we need to now look at, is also, that we promote it along with promoting equality amongst classes, amongst castes, among skin colours and among varying abilities. We need to ensure that women amongst all strata of society get equal representation and equal opportunity in our workplaces.

So as we go forward into this new world and as we build India into a global superpower, we need to ensure that we make this country an equal country for people regardless of their background, their gender, their caste, their colour and their abilities. For true development, we need every hand to be a part and every voice to be heard. With intersectional workspaces, we will get intersectional development, which will be development in the true sense.

I hope that all women in future get the same opportunities that some of us who were a little more lucky have got, and that every woman gets a chance to work upto her potential, to contribute to nation building and to contribute into the growth story of India. My best wishes to you all and I hope that each one of us goes on to ensure that we may make the world around us an equal space in the true sense.



**Professor Ved Kumari**

Vice-Chancellor NLUIO

The International Women’s Day is a celebration of hope, diversity, equitability and inclusivity and a day to celebrate women’s achievements, raise awareness about discrimination and take action to promote gender parity.

Education plays a very important role in life of human beings. Digital technology has become integral to education today specially since COVID at all stages of education. While technology is a great source of knowledge it has also shown

the danger it poses to children, specially girls and women. The cyber space is used by paedophiles to groom and exploit children. Online violence and abuse of women on internet is also rising.

On the other hand, women are denied mobile phones under the patriarchal norms of controlling women’s access to information and socialisation.

The education system need to address such challenges while increasing reliance and inclusion of digital technology in the education system.

A gender-responsive approach to innovation, technology, and digital education can increase the awareness of women and girls regarding their rights and civic engagements. Advancements in digital technology offer immense opportunities to address development and humanitarian challenges in achieving the 2030 Agenda’s Sustainable Development Goals.

I congratulate the Institute of Company Secretaries of India for choosing the theme of ‘Embrace Equity: Leading Change Together’ for its Journal - **Chartered Secretary** to celebrate International Women’s Day.



**Archana Shukla**

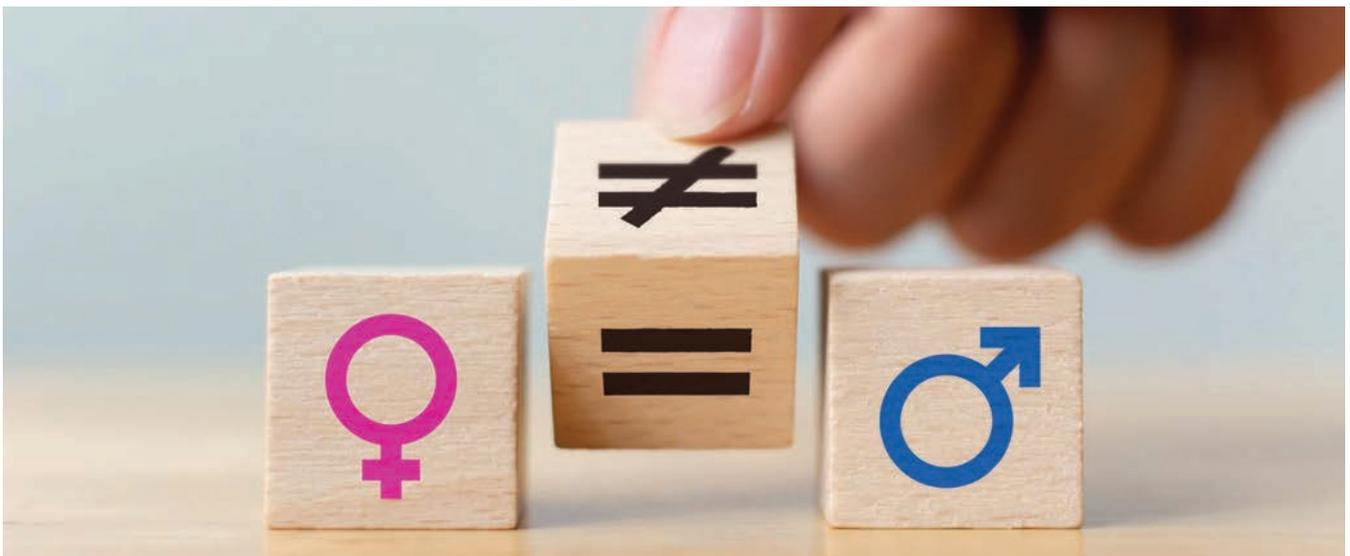
Director- IIM Lucknow

This year International Women’s Day’s call is to **Embrace Equity**. This is an important moment for all of us to willingly accept, adopt and espouse gender

equity across wellbeing, employment, technology, sport and social leadership.

As an Academician and one who is leading a globally renowned institution it is my primary responsibility to explicitly address gender equity across organisations and geographic boundaries in an accessible and dynamic platform. It becomes our primary goal to cultivate the mind sets and practices necessary to create an affirming, inclusive, and equitable ecosystem including the education.

There is a need for encouragement and empowerment of the other gender (the stronger one) at early stages in life to really help them unleash their potential and influence the world around them. You empower a female, you empower generations.





### Hetal Dalal

President and COO  
Institutional Investor Advisory Services  
India Limited (IIAS)

According to the World Economic Forum's Global Gender Gap Report 2022, India ranks 135 of the 156 companies scored. There is no doubt that India's rank needs to improve on gender equality. From corporate India's perspective, women representation at the board level, in senior leadership, and in the overall workforce is relatively low.

Despite several companies claiming to be equal opportunity employers, more than half of the S&P BSE 100 index constituents have less than 10% of the workforce as women, or have not even disclosed this statistic. Despite the regulatory push, women representation on boards aggregated 17.6% across NIFTY 500 companies on 31 March 2022 – a while away from the global campaign of having at least 30% women on boards. Women representation at senior leadership levels remains a bigger challenge, and one where there is no quick fix. An IIM-Ahmedabad research report titled 'The Glass Ceiling' on Leadership Gender Balance in NIFTY 200 index constituents noted the share of women in top management and senior executive positions is significantly lower than the share of women on the board of directors. The report gloomily

noted the gender pay gap also widens as women advance in their careers.

What is the way forward? Regulators, companies, their boards, and shareholders will all need to commit themselves to improving the gender mix.

**Companies:** Creating and cultivating an active pipeline of female candidates in leadership has to become an important element of a successful board. A Harvard Business Research<sup>1</sup> paper titled 'When Gender Diversity Makes Firms More Productive' argues gender diversity relates to more productive companies, as measured by market value and revenue, only in contexts where gender diversity is viewed as "normatively" accepted. By normative acceptance, they mean a widespread cultural belief that gender diversity is important. For this, companies will need to challenge cultural blocks and strive for a more gender diverse board and workforce through necessary affirmative action.

**Regulations:** Regulations in India have set the stage with mandatory quotas for women representation at the board level. They need to continue press ahead and focus equally on the gender mix at all stages of the working cycle. Better and sharper reporting in the BRSR disclosures will allow regulators and market participants to track progress.

**Investors:** Shareholders need to insist on gender diversity as an important aspect of overall ESG performance. With sustainability-linked financial instruments (such as sustainability bonds), gathering steam in India, the time is ripe for investors and lenders to play an active role in pushing for the social and governance aspects of ESG as well.

*1. Harvard Business Review*



### Prof. Geetha. C, M.A., M.Ed., Ph.D

Registrar (Admin), Kuvempu University,  
Jnana Sahyadri, Shankaraghatta

A woman is nature's most beautiful and precious creation. She is the heart and soul of a family. From being a mother, wife, sister and daughter, she is endowed with qualities that keep a family together with her selfless love and care. As the saying goes behind every successful man there is a woman. To celebrate the importance and significance of women every year International Women's Day is celebrated on 8<sup>th</sup> March. It is a day celebrated to honour and acknowledge the women and to recognize their achievements irrespective of their nationality, ethnicity, and cultural, economic or political fields. The contribution of women in every sphere of life is massive. They have broken the glass ceiling and are heading

several countries and organizations. She is adept at handling several tasks simultaneously. Today there is no sphere where women are not working and excelling at it. However, it is important to raise awareness about women's rights and gender parity. Women's day is a special day dedicated to discuss the issues plaguing women and their possible solutions.

The theme for International Women's Day, 8 March, 2023 is, "Digit ALL: Innovation and technology for gender equality". The United Nations Observance of International Women's Day recognizes and celebrates the women and girls who are championing the advancement of transformative technology and digital education. Bringing marginalized women into technology results in more creative solutions and has greater potential for innovations that meet women's needs and promote gender equality. International Women's Day also gives us an opportunity to reflect on the road ahead and to suggest effective measures to encourage women to improve communities, organisations and nations.

I wish your esteemed Journal – the Chartered Secretary the very best and feel happy and proud to share a few words on this very important occasion.

## Article Part - I

**Gender Equality In Tech Based Industries**

40

Tanay Ojha, ACS, Arunodaya Ojha, ACS

The purpose of article is to examine the current state of gender equality in the technology industry, and to explore the various factors that contribute to this issue. The paper will also examine the efforts being made to promote gender equality in the industry, and will consider the implications of these efforts for the future of the technology industry and for society more broadly. Gender equality in the technology-based industries is a critical issue that has been gaining momentum in recent years. Despite the significant advances made in the field of technology and the proliferation of technology-based industries, the gender gap in these industries remains a persistent challenge.

**Empowering Women for a Sustainable Future: The Importance of ESG on International Women's Day**

44

Naina Gupta, ACS

The power of collective action has been evident throughout history, as women's movements around the world have successfully challenged discriminatory policies and social norms. For instance, the suffragette movement in the early 20<sup>th</sup> century paved the way for women's political representation, while the feminist movement of the 1960s and 70s challenged gender roles and stereotypes. More recently, the #MeToo movement has exposed the prevalence of sexual harassment and assault and prompted significant changes in the workplace and society. Therefore, leading change together is not only necessary but also effective in achieving gender parity. By working together, women can amplify their voices and demand the changes needed to achieve equity.

**Government Initiatives to Improve Gender Equality In India**

49

Rajroop Singh Chahal, FCS

Gender equality in India remains a myth for many women, particularly those in marginalized communities. They call for more comprehensive and intersectional approaches to addressing gender inequality, including managing the root causes of patriarchal attitudes and social norms and promoting women's empowerment and participation in all areas of society. Gender equality is crucial for achieving the objective of women's empowerment (Sundar, 2017). It has been noted that women in India experience numerous forms of discrimination and obstructions to taking

advantage of development gains due to their disempowerment. So, achieving gender equality may make it feasible for women to feel more empowered.

**Transgender Persons In India and Government Welfare Measures**

53

Mitulkumar Suthar, ACS

In India there are a host of socio – cultural groups of transgender people like hijras/ kinnars, and other transgender identities like – shiv-shaktis, jogtas, jogappas, Aradhis, Sakhi, etc. All members of these subgroups face severe discrimination and harassment in all respects in contemporary India and they are subjected to unfair treatments like verbal abuse, physical and sexual violence; false arrests; denial of share in their ancestral property, services, and admission to educational institutions; and victimization in multiple settings like family, educational institutions, workplace, health care settings, public spaces.

**Men as Allies for Gender Equity and Women Empowerment - He for She!**

59

Kalyani Karna, CMA

Incorporating men into gender and development interventions is a critical and integral part of gender mainstreaming. Everyone is on board for initiatives on women empowerment, but the initiatives are largely myopic in their approaches. Gender Equality Strategy 2022-2025 of UNDP stresses on our responsibility to fully engage men and boys across a wide range of initiatives. Gender as an interdisciplinary concept refers to both women and men, the relations between them, and the institutions that govern these relationships.

**Digital Revolution: Activating Innovation for Women Empowerment**

64

Sneha Mohan Kumar, ACS

Even though the present digital revolution assures women the opportunity to become more socially and economically independent, whether women in India are really equipped to capitalize the same is a million-dollar question! Studies have revealed that digital awareness is still a distant dream for women, particularly those hailing from the country's rural areas. Digital access and usage of digital skills is essential to avail the online facilities, both at workplace and personal life. If women are not adapted to the use of technology, it will be yet another stumbling block in their workforce participation and will hamper their pursuits in achieving the goals of gender equality.

## An Exploratory Research Study on The Implementation of 3 Gender Equality Laws In the Corporate Sector In India 69

**Nivedita Krishna, ACS**

There are several laws in place to promote women's participation in the workforce. This includes Article 14 of the Indian Constitution that confers the right against gender-based discrimination on all Indian citizens. Yet gender inequality in the corporate sector persists. At Pacta, we undertook a research study under the aegis of UN Women to assess the implementation of three recent laws that promote gender equality in India's corporate sector.

## Time to "Walk the Talk" on Gender Equality for a Resilient India 75

**Amit K Vyas, FCS**

The spirit behind recognition and celebration of this day has definitely electrified and galvanised the efforts and initiatives at a Global level towards 'Women empowerment and Gender Equality', the fact remains that much needs to be done and many miles have to be crossed. The Constitution of India also recognizes the principle of gender equality in its Preamble, Fundamental Rights, and under the Directive Principles of State Policy. One of the most significant provisions in the Indian Constitution is Article 15(3) which empowers the State to adopt measures of positive discrimination in favour of women. It is also notable that the National Commission for Women was set up in the year 1992 for dealing with complaints of women's rights violation, to advise on the aspect of socio-economic development of women and to protect the legal rights of women, etc.

**Article Part - II**

## Social Stock Exchange (SSE) – An Overview 81

**Shamik Dasgupta, FCS**

There is no denying the fact that, like any other unorganised segment, SEs also do have their own challenges and concern especially for raising their needed fund due to their limited network. That causes a big challenge for the NGOs to make their strategic planning, as well. On the other hand, many dubious entities take the advantage of the absence of regulations and loopholes. Both the sources and utilisation of funds are controlled & managed against the public interest and the national interest, as well. In fact, during the 5 years period from 2017 to 2021, the FCRA registration of 6,677 NGOs were cancelled by the Government for violation of various provisions of the Foreign Contribution (Regulation) Act, 2010.

## Research Corner

P - 87

## Corporate Bond Market Trends and Challenges: The Role of a Corporate Bond Market in an Economy 88

**Dr. Sridhar L S, Dr. D. Raja Jebasingh, Mr. P. Lakshmi Narayanan**

As the financial system in the majority of emerging economies is centred on banks, the impact on the banking sector is an important part of the growth of bond markets. A common concern is that bond markets could divert business away from banks. This may create some concerns among bank supervisors. In contrast, corporate bond issuance can assist central banks in achieving steady economic growth if it makes businesses less susceptible to banking system flaws. Banks also play a significant role in the development of the private sector bond market, as they are frequently among the market's most significant issuers, holders, dealers, advisers, underwriters, guarantors, trustees, custodians, and registrars. In fact, banks derive more income from these activities and then from lending. For this reason, it is essential to have robust banks in order to have a healthy bond market. And a bond market might enhance the health of banks by enhancing market discipline (Hawkins, 2002).

## Opinion

P - 95

## Payment to Directors in respect of professional services rendered by them-Some Perspectives on the Law 95

**Ramaswami Kalidas, FCS**

Considering the fact that the provisions in the Act where it comes to the remuneration of the directors are pretty much self-regulatory in that there are self-built limits within the framework of the Act, as regards payments to different categories of directors such as Managing/Whole-time Directors, Manager and non-executive directors, it is essential to understand whether the remuneration paid to the directors where they render professional services would still form a part of the overall remuneration payable to them as per ceilings imposed by the Act.

## Legal World

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- **LW 03:03:2023** We are, therefore, satisfied that in respect of a sick industrial company, even if it be a subsidiary of a government company, there is no legal obligation cast upon the State Government to pay the wages due to the workmen.[SC]
- **LW 16:03:2023** The RP ought not to have made a contingent provision with respect to the Appellant herein having regard to the specific facts of this case, which would be subject to the result of the Arbitration Proceedings.[SC]

- **LW 17:03:2023** NCLAT upholds the maintainability of the petition alleging oppression and mismanagement.
- **LW 18:03:2023** NCLAT restores the name of the company subject to conditions.
- **LW 19:03:2023** The Petitioner does not satisfy any of the requirements stipulated under Section 2(55) of the Companies Act, 2013, he cannot seek any exemption under Section 244 of the Companies Act, 2013.[NCLAT]
- **LW 20:03:2023** After 20.10.1989 there is a radical change and under the amended provision a factory or establishment to which ESI Act applies would be governed by the ESI Act notwithstanding that the number of persons employed therein at any time falls below the limit specified by or under the ESI Act. Therefore, on and after 20.10.1989, irrespective of number of persons employed a factory or an establishment shall be governed by the ESI Act. [SC]
- **LW 21:03:2023** In our considered view, invoking condition no. 6(b) of the policy for repudiation was unsustainable in law for the reason that clause 6(b) only desires to submit necessary document for the purpose of assessment of claim regarding the loss/damages caused due to the fire which took place.[SC]
- **LW 22:03:2023** While upholding the quashing of the clauses, we are of the view that the refund should be restricted to a period of three years prior to the date of the filing of the writ petition on account of IPCL's delay in approaching the court. [SC]
- **LW 23:03:2023** In such circumstances, to brand the orders of the Assessing Authority as suffering from illegality and impropriety appears to us to be not only unjustified but also demonstrates thorough lack of understanding of the principle regulating exercise of suo motu revisional power by a quasi-judicial authority apart from being in breach of the principle of judicial discipline, while confronted with orders passed by a superior Tribunal/Court.[SC]
- Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA
- Grant of extension of time to entities operating/ desirous of operating as Online Bond Platform Providers (OBPPs) for making an application to obtain certificate of registration as a stock broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992
- Enhanced obligations and responsibilities on Qualified Stock Brokers (QSBs)
- Review of Chapter IX – Green Debt Securities of the Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 (hereinafter referred to as the 'NCS Operational Circular'), as amended from time to time
- Dos and don'ts relating to green debt securities to avoid occurrences of greenwashing
- Amendments to Operational Circular for Credit Rating Agencies
- Operational Circular for Credit Rating Agencies
- Manner of achieving minimum public shareholding
- Transaction in Corporate Bonds through Request for Quote (RFQ) platform by Alternative Investment Funds (AIFs)
- Designation of 1 individual and 2 organisations under Section 35(1) (a) and 2(1) (m) of the Unlawful Activities (Prevention) Act, 1967 and their listing in the Fourth and First Schedule of the Act- Reg
- Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 – Disclosures for State Co-operative Banks and Central Co-operative Banks
- Implementation of Indian Accounting Standards (Ind AS)
- Governance, measurement and management of Interest Rate Risk in Banking Book
- Introduction of Foreign Contribution (Regulation) Act (FCRA) related transaction code in NEFT and RTGS Systems
- Exim Bank's GOI-supported Line of Credit (LOC) for USD 100 million to the Government of the Republic of Maldives (GO-MDV), for financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank
- Formation of new district in the State of Sikkim – Assignment of Lead Bank Responsibility
- Issuance of PPIs to Foreign Nationals / Non-Resident Indians (NRIs) visiting India
- Liquidity Adjustment Facility - Change in rates
- Standing Liquidity Facility for Primary Dealers
- Change in Bank Rate

## From The Government P-109

- Extension of Time for filing of 45 company e-Forms and PAS-03 in MCA 21 Version 3.0 without additional fee -reg
- Extension of Time for filing of 45 company e-Forms, PAS-03 and SPICE+PartA in MCA 21 Version 3.0 without additional fee -reg
- Advisory for SEBI Regulated Entities (REs) regarding Cybersecurity best practices
- Maintenance of a website by stock brokers and depository participants
- Introduction of Issue Summary Document (ISD) and dissemination of issue advertisements
- Clarification in respect of the compliance by the first-time issuers of debt securities under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with Regulation 23(6)
- Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021

## Other Highlights P-127

- ❖ NEWS FROM THE INSTITUTE
- ❖ GST CORNER
- ❖ ETHICS IN PROFESSION
- ❖ CG CORNER



**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।  
इष्टं कुरु। तपः कुरु। श्रेयं कुरु।

**Mission**  
"To develop high calibre  
professionals facilitating  
good corporate governance"

# CS MEGA TRAINEE DRIVE (I) 2023

**Saturday, 25<sup>th</sup> March 2023**

Link to register: <https://tinyurl.com/icsi-mtd-Mar2023-Company>



**Last Date of Registration:  
Tuesday, 21<sup>st</sup> March 2023**

Dear Sir / Madam,

Greetings from the Institute of Company Secretaries of India!!!

The Institute is constantly making efforts for enhancing career/ training opportunities for its members and students through Placement and Trainee drives. The Institute is organizing CS Mega Trainee Drive (I) - 2023 for its Executive and Professional Programme pass students.

The primary objective of the program is to provide a platform for the aspiring CS Trainees and Companies/ PCS firms to come together for mutual benefit.

## MODALITIES

1. Prior registration is mandatory to participate in the drive.
2. The Institute reserves the right to call limited number of organizations during the process in case large number of applications received.
3. Participating organisations would be conducting the interviews simultaneously.
4. Allotment of time slot would be based on availability and sole discretion of the Institute.
5. The organizations are requested to submit the list of shortlisted candidates immediately after the completion of the Interview. On the Spot offers are earnestly solicited.

## The venue and contact person details of CS Mega Trainee Drive (I), 2023 is as under:

S. No.	Address of Regional Offices	Contact Person
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2	<b>ICSI-WIRO, Mumbai</b> 13,56 & 57, Jolly Maker Chambers No.II, Nariman Point, Mumbai –400 021	Shri Sanjay Kumar Nagar, Regional Director (West) Ms. Bhavna Rakte, Executive Assistant, email: <a href="mailto:wiro@icsi.edu">wiro@icsi.edu</a> ; <a href="mailto:bhavna.rakte@icsi.edu">bhavna.rakte@icsi.edu</a>
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## Call for Articles for publication in Chartered Secretary Journal – April 2023

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- Understanding legalities : Role of a CS under FEMA
- EXIM Policies and global Governance
- Global thought on ESG
- Digital Governance: The cornerstone of 21<sup>st</sup> Century
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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.

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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.
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# 1

## ARTICLES



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# Gender Equality In Tech Based Industries

The technology industry is one of the fastest-growing and most dynamic sectors in the world, and plays a critical role in shaping the future of society. However, despite its tremendous impact and growth, the technology industry has been criticized for its lack of gender equality, with many women facing significant barriers and challenges in entering and advancing in the field.



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## INTRODUCTION

**G**ender inequality in the technology industry is a complex and multifaceted issue, and is driven by a range of factors including societal attitudes, cultural norms, and systemic biases. However, there is growing recognition of the need to address this issue, and to promote greater diversity and inclusivity in the workplace.

The purpose of article is to examine the current state of gender equality in the technology industry, and to explore the various factors that contribute to this issue. The paper will also examine the efforts being made to promote gender equality in the industry, and will consider the implications of these efforts for the future of the technology industry and for society more broadly.

Gender equality in the technology-based industries is a critical issue that has been gaining momentum in recent years. Despite the significant advances made in the field of technology and the proliferation of technology-based

industries, the gender gap in these industries remains a persistent challenge. Women are still underrepresented in the tech workforce, and they face numerous barriers that prevent them from reaching their full potential. In this article, we will explore the current state of gender equality in the tech industry, the challenges that women face, and the steps that can be taken to achieve gender equality.

## BACKGROUND

The technology industry has been criticized for its lack of gender equality for many years, with women facing significant barriers and challenges in entering and advancing in the field. Some of the key issues facing women in the technology industry include:

- The gender pay gap: Women in the technology industry are often paid less than their male counterparts for doing the same job. This gap can be significant, and is driven by a range of factors, including systemic biases and discrimination, as well as a lack of transparency around pay practices.
- The underrepresentation of women in technical roles: Despite making up nearly half of the global workforce, women are underrepresented in many technical roles in the technology industry, and are particularly scarce in leadership positions.
- Stereotyping and bias: Women in the technology industry often face a range of biases and stereotypes, including assumptions about their technical abilities, their commitment to their careers, and their suitability for leadership positions.
- The lack of flexible work arrangements: Women in the technology industry are often unable to take advantage of flexible work arrangements, such as remote work or part-time hours, due to a lack of support from their employers or societal norms that expect women to prioritize caregiving responsibilities.
- The hostile work environment: Women in the technology industry often face a hostile work environment, including sexual harassment, discrimination, and a lack of support from their colleagues and superiors.

## EFFORTS TO PROMOTE GENDER EQUALITY IN THE TECHNOLOGY INDUSTRY

In recent years, there has been increasing recognition of the need to address the issue of gender inequality in the technology industry, and to promote greater diversity and inclusivity in the workplace. There are a number of initiatives

and programs underway aimed at promoting gender equality in the industry, including:

- **Company initiatives:** Many companies in the technology industry have launched their own initiatives and programs aimed at promoting gender equality in the workplace. This can include policies and programs aimed at promoting diversity and inclusivity, providing opportunities for women to succeed and advance in their careers, and addressing issues such as the gender pay gap.
- **Industry initiatives:** There are also a number of initiatives underway within the technology industry more broadly, aimed at promoting gender equality and diversity. For example, the ParityPledge and the Female Founders Alliance are two initiatives that aim to recognize and promote best practices in gender equality in the technology industry.
- **Government initiatives:** Governments around the world are also taking steps to address gender inequality in the technology industry. For example, some governments have introduced legislation aimed at promoting gender equality in the workplace, and at addressing the gender pay gap.
- **Consumer pressure:** Consumers are also playing an increasingly important role in promoting gender equality in the technology industry.

## THE CURRENT STATE OF GENDER EQUALITY IN TECH

The technology industry is one of the fastest-growing and most innovative sectors in the world. However, despite its growth and potential, the tech industry has a persistent problem with gender equality. According to a report by the National Center for Women & Information Technology (NCWIT), women make up only 25% of the technology workforce. Furthermore, women are often paid less than their male counterparts and are underrepresented in leadership positions.

One of the reasons for the gender gap in the tech industry is the lack of representation of women in the field. This is partly due to societal and cultural factors, such as the perception that the technology field is only for men and that women are not as competent in technology-related subjects. Additionally, the lack of female role models in the tech industry is another factor that contributes to the underrepresentation of women.

Another factor that contributes to the gender gap in the tech industry is the work-life balance challenge. Women are often the primary caretakers of children and elderly family members, and they face greater demands on their time and energy. This can make it difficult for them to pursue careers in the tech industry, which is known for its long hours and demanding work schedules.

## CHALLENGES FACED BY WOMEN IN TECH

Despite the efforts made to promote gender equality in the tech industry, women still face numerous challenges that prevent them from reaching their full potential. These challenges include:

There is growing recognition of the need to promote greater diversity and inclusivity in the workplace.

1. **Bias and discrimination:** Women in the tech industry are often subject to bias and discrimination, which can take many forms. For example, women may be overlooked for promotions and leadership positions, and they may receive lower salaries than their male counterparts. In addition, women may be subjected to sexist and derogatory comments, which can create a hostile work environment.
2. **Lack of mentorship and sponsorship:** Women in the tech industry often struggle to find mentors and sponsors who can help them advance their careers. This is due to the lack of female role models in the industry and the fact that women are often excluded from informal networks and social gatherings.
3. **Work-life balance:** The tech industry is known for its long hours and demanding work schedules, which can make it difficult for women to balance their professional and personal lives. This can lead to burnout and can also prevent women from pursuing their careers in the tech industry.
4. **Lack of diversity:** The tech industry is often criticized for its lack of diversity, which can make it difficult for women to feel comfortable and included in the workplace. This can lead to feelings of isolation and can also prevent women from reaching their full potential.

## STEPS TO ACHIEVE GENDER EQUALITY IN TECH INDUSTRY

Achieving gender equality in the technology industry is a complex and ongoing process that requires effort from individuals, companies, and society as a whole. Here are some steps that can help move towards greater gender equality in tech:

1. **Promote diversity and inclusivity in hiring practices:** Companies can work towards gender equality by promoting diversity and inclusivity in their hiring practices. This means actively seeking out and considering female candidates for positions, creating a welcoming and inclusive work environment, and providing equal opportunities and benefits to all employees.
2. **Address unconscious bias:** Unconscious bias can play a significant role in perpetuating gender inequality in the workplace. To combat this, companies can provide training and education on unconscious bias to all employees, and work to identify and eliminate such biases in their hiring and promotion practices.
3. **Increase representation of women in leadership positions:** Women are underrepresented in leadership positions in the tech industry. Companies can take steps to increase the number of women in these roles by promoting from within, offering leadership development programs, and actively



seeking out female candidates for leadership positions.

4. Offer flexible work arrangements: Women are often burdened with additional responsibilities outside of work, such as caring for children or elderly relatives. Companies can help to address this by offering flexible work arrangements, such as remote work or flexible hours, that allow employees to balance their work and family responsibilities.
5. Address the gender pay gap: The gender pay gap continues to persist in the tech industry. Companies can work to eliminate this by conducting regular pay equity audits, ensuring that women are paid equally for equal work, and providing transparency in compensation and promotion practices.
6. Encourage mentorship and sponsorship: Mentorship and sponsorship can be a powerful tool in helping women advance in their careers. Companies can encourage these relationships by pairing women with senior leaders who can provide guidance, support, and advocacy for their careers.
7. Create safe and supportive work environments: Women in the tech industry are often subject to harassment, discrimination, and bullying. Companies can help to create safe and supportive work environments by implementing anti-harassment policies, providing training on workplace respect and inclusion, and taking swift action against any instances of harassment or discrimination.

By taking these steps, the technology industry can work towards a future in which gender equality is a reality, and women are able to thrive and reach their full potential in the tech field.

## LEGAL FRAMEWORK FOR GENDER EQUALITY IN TECH INDUSTRY

In India, there are several laws and regulations aimed at promoting gender equality in the technology industry. Some of the key laws include:

1. The Constitution of India: The Constitution of India guarantees equality before the law and prohibits discrimination on the grounds of sex. This provides a legal foundation for promoting gender equality in the workplace.

2. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: This act provides for the protection of women from sexual harassment at the workplace and sets up a mechanism for the resolution of complaints.
3. The Equal Remuneration Act, 1976: This act prohibits discrimination in the matter of payment of remuneration on the grounds of sex. It requires employers to pay equal wages to male and female employees for equal work or work of a similar nature.
4. The Maternity Benefit Act, 1961: This act provides for the protection of the employment of women during the time of her maternity and for granting her leave with wages. It requires employers to grant 12 weeks of maternity leave to female employees.
5. The Parental Leave for Women Employees Rules, 2013: This rule provides for the grant of parental leave to female employees who have children. The leave can be taken for the purpose of taking care of a child, or for undergoing medical treatment related to the birth of a child.
6. The Companies Act, 2013: The Companies Act, 2013 requires companies to appoint at least one woman director on their board of directors. This helps to increase representation of women in leadership positions in the tech industry.
7. The Information Technology (Amendment) Act, 2008: This act provides for the punishment of any person who sends, by means of a computer resource or a communication device, any information that is offensive or menacing in nature. This can help to address the issue of online harassment of women in the tech industry.

In addition to these laws, there are also various initiatives and programs aimed at promoting gender equality in the technology industry in India. For example, the National Commission for Women and the Ministry of Women and Child Development provide support and resources to help women advance in the tech field.

By enforcing these laws and supporting initiatives and programs aimed at promoting gender equality, India can work towards a future in which women have equal opportunities and are able to succeed in the tech industry.

## POSITION OF WORLD TOWARDS GENDER EQUALITY IN TECH INDUSTRY

Around the world, there is growing recognition of the importance of gender equality in the technology industry. Despite this, significant disparities between men and women remain in many areas, including representation in leadership positions, pay, and opportunities for advancement.

In recent years, there has been an increased focus on promoting gender equality in the technology industry, driven by both private sector companies and government initiatives. For example, many technology companies have launched programs and initiatives aimed at increasing the representation of women in their workforce, providing opportunities for women to advance in their careers, and addressing issues such as the gender pay gap.

Governments have also taken steps to promote gender equality in the technology industry. In many countries, laws have been passed to address issues such as sexual harassment in the workplace, and to promote equal pay for equal work. Additionally, many governments have launched programs and initiatives aimed at encouraging girls and women to pursue careers in technology and providing them with the necessary skills and support to succeed.

Despite these efforts, much work remains to be done in order to achieve true gender equality in the technology industry. For example, women are still underrepresented in many technical roles and in leadership positions, and the gender pay gap persists in many countries.

In order to address these challenges and promote gender equality in the technology industry, it is important for companies, governments, and society as a whole to work together. This may involve implementing policies and programs aimed at promoting diversity and inclusivity, providing opportunities for women to succeed and advance in their careers, and addressing issues such as the gender pay gap.

Overall, the world is moving in the right direction towards gender equality in the technology industry, but there is still much work to be done to fully realize this goal.

### STATUS IN DEVELOPING COUNTRY

In developing countries, the issue of gender equality in the technology industry is even more pressing. Despite recent advancements in technology and increased access to education and job opportunities, women in many developing countries face significant barriers to entering and advancing in the tech field.

One of the main challenges faced by women in developing countries is the lack of access to education and training in technology and related fields. In many developing countries, girls and women are often discouraged from pursuing careers in technology or are not given the same opportunities as men to receive a quality education in these fields.

Another significant challenge is the lack of representation of women in leadership positions in the technology industry. This can be due to a variety of factors, including discrimination, bias, and the undervaluing of women's contributions.

Additionally, women in developing countries are often subjected to gender-based violence and discrimination in the workplace. This can include sexual harassment, unequal pay, and limited opportunities for advancement.

Despite these challenges, there are initiatives and programs aimed at promoting gender equality in the technology industry in developing countries. For example, many non-profit organizations work to provide girls and women with access to education and training in technology and related fields. Additionally, some governments have launched initiatives to promote the participation of women in the tech field and to address issues such as the gender pay gap.

In order to promote gender equality in the technology industry in developing countries, it is important for governments, companies, and society as a whole to work together. This may involve implementing policies and programs aimed at promoting diversity and inclusivity, providing access to education and training for women, and addressing issues such as the gender pay gap.

Ultimately, promoting gender equality in the technology industry in developing countries is essential for achieving greater social and economic equality and for driving progress and development.

### ANTICIPATED DEVELOPMENT OF GENDER EQUALITY IN TECH INDUSTRY

The future of gender equality in the technology industry is difficult to predict, but there are many positive developments and initiatives underway that suggest progress will continue.

One of the key areas of focus for many companies in the technology industry is increasing the representation of women in technical roles and in leadership positions. This includes initiatives to attract more women to study and pursue careers in technology, as well as programs aimed at retaining and promoting women within the industry.

Another important development is the increasing recognition of the importance of diversity and inclusivity in the workplace. Companies are recognizing that promoting gender equality is not only a moral obligation, but also makes good business sense, as research has shown that more diverse and inclusive companies are more innovative and successful.

There are also a number of initiatives underway to address the gender pay gap in the technology industry. This includes increased transparency around pay practices, as well as programs aimed at addressing systemic bias and promoting equal pay for equal work.

In addition to these initiatives, advances in technology and artificial intelligence are also expected to play a role in promoting gender equality in the future. For example, AI-powered tools and systems can help to identify and address biases in hiring and promotion practices, as well as provide new opportunities for remote and flexible work, which can be particularly beneficial for women who are balancing work and family responsibilities.

Overall, while there is still much work to be done to achieve full gender equality in the technology industry, the future looks bright, with many positive developments and initiatives underway.

### CONCLUSION

In conclusion, the technology industry in India has made significant progress in recent years in promoting gender equality in the workplace. However, there is still much work to be done to address the ongoing challenges and barriers faced by women in the industry.

It is important for companies, governments, and other stakeholders to work together to create a more inclusive and equitable technology industry in India. This can involve implementing policies and programs aimed at promoting diversity and inclusivity, providing opportunities for women to succeed and advance in their careers, and addressing issues such as the gender pay gap.

In addition, it is also important for consumers and stakeholders to hold companies accountable for their actions and to encourage them to take concrete steps towards promoting gender equality in the workplace.

Ultimately, promoting gender equality in the technology industry in India will require a collective effort from all stakeholders. By working together, we can help to create a more inclusive and equitable technology industry that benefits everyone, regardless of gender. 

# Empowering Women for a Sustainable Future: The Importance of ESG on International Women's Day

International Women's Day is a global event that is celebrated annually on March 8<sup>th</sup>. The day is a time to recognize and celebrate the social, economic, cultural, and political achievements of women, and to call for gender equality and women's rights around the world.



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## INTRODUCTION

International Women's Day has its roots in the early 20<sup>th</sup> century, when women in various countries began organizing to demand better working conditions, voting rights, and other rights and opportunities that were denied to them. The first International Women's Day was celebrated in 1911, and since then it has grown into a global movement that is celebrated in many countries around the world.

International Women's Day (IWD) is a global event that aims to celebrate women's social, economic, cultural, and political achievements, as well as call for gender parity. The theme for 2023 is "Gender equality today for a sustainable tomorrow," which highlights the need to challenge biases and stereotypes, broaden perceptions, and improve gender equality. In this article, we will explore the importance of embracing equity and leading change together, along with incorporating Environmental, Social, and Governance (ESG) factors in promoting gender equality.

## EMBRACING EQUITY: A FUNDAMENTAL PREREQUISITE FOR CHANGE

Equity is the state of being fair and impartial, where everyone has equal access to resources and opportunities, regardless of their gender, race, ethnicity, or social status. The goal of equity is to ensure that individuals can achieve their full potential, which, in turn, benefits society as a whole. However, achieving equity is easier said than done, especially when it comes to gender equality. Despite the progress made over the years, women still face significant disparities in various domains of life, including education, employment, income, and political representation.

For instance, according to the World Economic Forum's 2020 Global Gender Gap Report, the global gender gap will take 99.5 years to close. This gap encompasses various areas such as economic participation, educational attainment, health and survival, and political empowerment. In other words, women will have to wait almost a century to have the same economic opportunities, access to education and healthcare, and political influence as men. Moreover, the COVID-19 pandemic has exacerbated the gender gap, as women have been disproportionately affected by job losses, school closures, and domestic violence.

Therefore, the theme for IWD 2021 is highly relevant, as it underscores the need to embrace equity and work towards achieving gender parity. Equity requires us to challenge the status quo, examine our biases, and ensure that everyone has equal opportunities to succeed. It also involves dismantling the barriers that prevent women from reaching their full potential, such as discriminatory policies, cultural norms, and social expectations. By embracing equity, we can create a more inclusive and just world for all.

## LEADING CHANGE TOGETHER: THE POWER OF COLLECTIVE ACTION

Embracing equity requires collective action, as no individual or organization can achieve it alone. Leading change together means working collaboratively towards a common goal, sharing resources and knowledge, and supporting each other's efforts. It also involves recognizing the diverse experiences and perspectives of women from different backgrounds and contexts and ensuring that their voices are heard and valued.

The power of collective action has been evident throughout history, as women's movements around the world have successfully challenged discriminatory policies and social norms. For instance, the suffragette movement in the early 20<sup>th</sup> century paved the way for women's political representation, while the feminist movement of the 1960s and 70s challenged gender roles and stereotypes. More recently, the #MeToo movement has exposed the prevalence of sexual harassment and assault and prompted significant changes in the workplace and society.

Therefore, leading change together is not only necessary but also effective in achieving gender parity. By working together, women can amplify their voices and demand the changes needed to achieve equity. It also provides a platform for men to become allies in the fight for gender equality and to challenge their own biases and privilege.

Incorporating ESG in the International Women's Day theme "Embrace Equity: Leading Change Together" is not only relevant but also essential in promoting gender equality. ESG factors are critical in measuring a company's commitment to social responsibility, diversity and inclusion, and ethical business practices. By incorporating ESG in gender equality initiatives, we can create a more sustainable, equitable, and inclusive world.

## ENVIRONMENTAL: GENDER EQUALITY AND CLIMATE CHANGE

The environment is an important component of ESG, as companies and organizations have a responsibility to mitigate their impact on the planet. However, the environment is also closely linked to gender equality, as women are disproportionately affected by climate change. Women are more vulnerable to the impacts of natural disasters, have limited access to natural resources, and are more likely to experience food insecurity and poverty. Therefore, promoting gender equality and addressing climate change go hand in hand.

Incorporating ESG in promoting gender equality involves adopting sustainable practices that reduce the carbon footprint and protect the environment. For example, companies can invest in renewable energy, reduce waste and emissions, and promote eco-friendly products and services. By adopting sustainable practices, companies can reduce their impact on the environment and create a more equitable and sustainable world for all.

## SOCIAL: DIVERSITY AND INCLUSION IN THE WORKPLACE

The social component of ESG is focused on promoting diversity and inclusion in the workplace and ensuring that employees are treated fairly and respectfully. Gender equality is an important aspect of diversity and inclusion, as women continue to face discrimination and bias in the workplace. Women are often paid less than men for the same job, are underrepresented in leadership positions, and face harassment and discrimination.

Incorporating ESG in promoting gender equality requires companies to adopt policies and practices that promote diversity and inclusion. For example, companies can implement gender pay equity, provide equal opportunities for promotion, and provide training and education on unconscious bias. By promoting diversity and inclusion, companies can create a more inclusive and equitable workplace that benefits employees, customers, and society as a whole.

## GOVERNANCE: ETHICAL BUSINESS PRACTICES

The governance component of ESG is focused on promoting ethical business practices and ensuring that companies operate in a responsible and transparent manner. Gender equality is an important aspect of ethical business practices, as it involves treating all stakeholders fairly and with respect. Companies have a responsibility to promote gender equality

The global gender gap will take 99.5 years to close. This gap encompasses various areas such as economic participation, educational attainment, health and survival, and political empowerment.

both internally and externally, and to ensure that their operations do not contribute to gender discrimination or bias.

Incorporating ESG in promoting gender equality requires companies to adopt ethical business practices that promote transparency, accountability, and fairness. For example, companies can implement anti-discrimination policies, provide equal opportunities for all employees, and engage with stakeholders on gender equality issues. By promoting ethical business practices, companies can create a more equitable and responsible business environment that benefits all stakeholders.

As we move forward, I would like to tell you that Sustainability and International Women's Day are deeply interconnected, as both seek to promote a more equitable, inclusive, and sustainable world. International Women's Day celebrates the social, economic, cultural, and political achievements of women, while also highlighting the ongoing struggles for gender equality. Sustainability, on the other hand, seeks to promote practices and policies that protect the environment, preserve natural resources, and promote social equity.

At its core, sustainability is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. This includes promoting responsible consumption and production practices, reducing waste and emissions, and protecting natural resources. Women are often at the forefront of sustainable practices, as they play a crucial role in managing natural resources and promoting sustainable development. However, women are also disproportionately affected by environmental degradation, climate change, and other sustainability challenges.

For example, women are often responsible for collecting water, fuel, and food for their families, which can be time-consuming and physically demanding. Women are also more likely to live in poverty, which limits their access to education, healthcare, and economic opportunities. This can create a cycle of poverty that perpetuates environmental degradation and social inequality. Therefore, promoting gender equality is crucial in promoting sustainable development and environmental protection.

Incorporating sustainability in International Women's Day initiatives involves promoting practices and policies that support both social equity and environmental sustainability. This includes promoting renewable energy, reducing waste and emissions, and protecting natural resources. It also involves promoting gender equality and women's empowerment, as women play a crucial role in promoting sustainable development and protecting the environment.



For example, companies can adopt sustainable practices that reduce their environmental impact while also promoting gender equality. This can include promoting diversity and inclusion in the workplace, investing in renewable energy, and reducing waste and emissions. Governments can also adopt policies that promote sustainable development and gender equality, such as promoting gender-responsive budgeting, investing in education and healthcare, and protecting natural resources.

### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

International Women's Day and the Sustainable Development Goals (SDGs) are closely linked, as both seek to promote a more equitable, inclusive, and sustainable world. The SDGs, which were adopted by the United Nations in 2015, are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

Gender equality is a key component of the SDGs, as it is essential for achieving sustainable development. Women and girls continue to face discrimination and bias in many areas of life, including education, healthcare, employment, and political representation. Therefore, promoting gender equality is crucial for achieving the SDGs.

International Women's Day provides an opportunity to raise awareness about the importance of gender equality and to promote actions that advance the SDGs. By incorporating the SDGs in International Women's Day initiatives, we can create a more holistic approach to promoting gender equality and sustainable development.

Some of the key SDGs that are relevant to International Women's Day include:

- Goal 5: Gender Equality - This goal seeks to eliminate all forms of discrimination and violence against women and girls, and to ensure their full and equal participation in all areas of life.
- Goal 1: No Poverty - This goal seeks to eradicate poverty in all its forms, including the feminization of poverty.
- Goal 3: Good Health and Well-being - This goal seeks to ensure that all people have access to quality healthcare, including sexual and reproductive healthcare.
- Goal 4: Quality Education - This goal seeks to ensure that all people have access to quality education, including girls and women who are often excluded from educational opportunities.
- Goal 8: Decent Work and Economic Growth - This goal seeks to promote full and productive employment and decent work for all, including women who often face discrimination in the workplace.
- Goal 13: Climate Action - This goal seeks to take urgent action to combat climate change and its impacts, which disproportionately affect women and girls.

Incorporating the SDGs in International Women's Day initiatives involves promoting actions that advance gender equality and sustainable development. This can include promoting policies and practices that support gender equality and women's empowerment, such as gender-responsive budgeting, equal pay for equal work, and promoting women's

leadership and political participation. It also involves promoting sustainable practices that protect the environment and promote social equity, such as reducing waste and emissions, investing in renewable energy, and protecting natural resources.

## ACTIVATING TECHNOLOGY AND INNOVATION FOR GENDER EQUALITY

Activating technology and innovation for gender equality is crucial in creating a more equitable, inclusive, and sustainable world. Technology and innovation have the potential to transform the way we live, work, and communicate, and to promote gender equality in a variety of ways.

Here are some of the ways technology and innovation can be activated for gender equality:

1. **Access to information and communication technology (ICT):** Access to ICT is essential for promoting gender equality, as it can provide women and girls with access to education, healthcare, and economic opportunities. This can include providing access to mobile phones, computers, and the internet, and promoting digital literacy.
2. **E-commerce and entrepreneurship:** Technology can be used to promote entrepreneurship and e-commerce, which can provide women with new economic opportunities. For example, platforms such as Etsy and eBay can provide women with a platform to sell their products and reach new customers.
3. **Data and analytics:** Technology can be used to collect and analyze data on gender disparities, which can inform policies and programs that promote gender equality. This can include collecting data on the gender pay gap, the number of women in leadership positions, and the representation of women in STEM fields.
4. **Digital safety and security:** Technology can also be used to promote digital safety and security for women and girls, who are often disproportionately affected by online harassment and abuse. This can include promoting safe and secure online platforms and providing training on how to stay safe online.
5. **Virtual reality and gaming:** Virtual reality and gaming can be used to promote empathy and understanding of gender issues, and to provide women and girls with new educational opportunities. For example, virtual reality can be used to simulate real-world experiences and promote understanding of gender disparities.

Incorporating technology and innovation in initiatives for gender equality requires a multi-faceted approach that involves addressing the digital divide and promoting digital literacy. It also involves promoting policies and programs that encourage entrepreneurship, access to ICT, and the use of data and analytics. Finally, it involves promoting safe and secure online platforms, and exploring new technologies such as virtual reality and gaming to promote empathy and understanding of gender issues.

## EXPANDING THE ROLE OF WOMEN IN BOARDROOM

Expanding the role of women in the boardroom as per the second proviso to section 149(1) and the Regulation 17(1) of the SEBI (LODR) Regulations, every specified company and a listed entity is mandatorily required to appoint at least 1 (One) Women Director in the Board and beyond is an important step towards achieving gender equality and creating a more inclusive and diverse society. Here are some key ways in which this can be achieved:

1. **Promoting diversity and inclusion:** Companies and organizations need to recognize the importance of having diverse perspectives and experiences at all levels, including in the boardroom. This means actively seeking out women and other underrepresented groups for leadership roles and creating a culture that is inclusive and welcoming to all.
2. **Providing opportunities for mentorship and leadership development:** Women who aspire to leadership roles need support and guidance to help them achieve their goals. Providing mentorship programs and leadership development opportunities can help women build the skills and confidence they need to succeed in the boardroom and beyond.
3. **Addressing systemic barriers and biases:** Many women face systemic barriers and biases that prevent them from advancing in their careers. This includes gender discrimination, unconscious bias, and the lack of policies that support work-life balance. Addressing these issues can help level the playing field and create a more equitable workplace.
4. **Advocating for policy changes:** Policies at the national and international level can have a big impact on the role of women in the boardroom and beyond. Advocating for policies that support women's rights, such as equal pay, paid parental leave, and affordable child care, can help create a more supportive environment for women to succeed.
5. **Holding companies accountable:** Companies need to be held accountable for creating a diverse and inclusive workplace. This can include setting targets for women's representation on boards and in leadership roles, and reporting on progress towards these targets.

By taking these steps, we can help expand the role of women in the boardroom and beyond, and create a more equitable and inclusive society for all.

India has several laws that address women's safety and diversity. Some of the most important laws include:

1. **The Protection of Women from Domestic Violence Act, 2005:** This law provides for the protection of women from domestic violence, and recognizes that domestic violence can take many forms, including physical, sexual, emotional, and economic abuse. It also provides for the establishment of protection officers, who are responsible for providing assistance to women who are victims of domestic violence.

## Empowering Women for a Sustainable Future: The Importance of ESG on International Women's Day

2. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: This law requires all employers to establish mechanisms to prevent and redress complaints of sexual harassment at the workplace. It also defines sexual harassment and provides for penalties for non-compliance.
3. The Maternity Benefit Act, 1961: This law provides for maternity benefits for women, including paid leave and other benefits, to ensure that women are not discriminated against because of their pregnancy or motherhood.
4. The Dowry Prohibition Act, 1961: This law prohibits the giving or taking of dowry, which is a common practice in some parts of India. The law also provides for penalties for those who violate the provisions of the act.
5. The Criminal Law (Amendment) Act, 2013: This law provides for harsher punishments for sexual offenses, including rape, and also recognizes new offenses such as acid attacks and stalking. The Criminal Law (Amendment) Act, 2013 was passed in the aftermath of the Nirbhaya case wherein a female student was gang-raped in December 2012. The Act amended several provisions of the Indian Penal Code, Indian Evidence Act, and the Criminal Procedure Code.
6. The Prohibition of Child Marriage Act, 2006: This law prohibits the marriage of girls under the age of 18 and boys under the age of 21, and provides for penalties for those who violate the provisions of the act.
7. The Equal Remuneration Act, 1976: This law provides for equal pay for men and women for the same work or work of a similar nature.

These laws are designed to promote women's safety and diversity, and to ensure that women are protected from discrimination and violence. While there is still much work to be done to fully achieve gender equality in India, these laws represent important steps forward in the fight for women's rights.

The Indian government has launched several initiatives and schemes aimed at promoting women's safety and empowerment. Here are some of the key initiatives and schemes:

1. **Beti Bachao Beti Padhao:** Launched in 2015, this scheme aims to improve the declining child sex ratio and promote the education and empowerment of girls. The scheme provides cash incentives for families that have a girl child and promotes community action to stop sex-selective abortion and other forms of gender discrimination.
2. **Pradhan Mantri Matru Vandana Yojana:** This scheme provides financial assistance to pregnant and lactating women for their first live birth, with the aim of improving maternal and child health outcomes. The scheme provides a cash incentive of Rs. 5,000 in three instalments, and also provides counselling on nutrition and health.
3. **Mahila Police Volunteer:** Launched in 2016, this scheme aims to increase the participation of women in community policing and improve women's safety. The scheme trains women volunteers to act as a link between the police and the community, and to support women in accessing police services and reporting crimes.



4. **One Stop Centres:** The One Stop Centre scheme provides integrated services for women affected by violence, including counselling, medical and legal support, and shelter. The scheme aims to provide a safe and supportive environment for women in crisis, and to improve their access to justice and support services.
5. **Nirbhaya Fund:** The Nirbhaya Fund was set up in 2013 to support initiatives aimed at improving women's safety and security. The fund has supported a range of initiatives, including the establishment of women's helplines, the installation of CCTV cameras in public places, and the creation of forensic labs to improve evidence collection in sexual assault cases.

These are some of the key initiatives and schemes launched by the Indian government to promote women's safety and empowerment.

### CONCLUSION

As we celebrate International Women's Day, it is important to reflect on the progress that has been made towards gender equality and to recognize the challenges that still remain. Women continue to face systemic discrimination and inequality in many areas of life, from the workplace to the home. Further that it the profession of Chartered Accountants, Company Secretaries and Advocates the ratio for new members being qualified and entering the profession either in job site or in practice is significantly increased in the past 5-10 years and they are also playing their significant roles in the Corporate and Law Compliance management as well as corporate governance.

However, there are also many other reasons to be optimistic about the future. Women around the world are making their voices heard and demanding change, and there are many organizations and initiatives dedicated to promoting women's empowerment and advancing gender equality.

To continue to make progress towards gender equality, we must continue to challenge patriarchal systems, promote policies that support women's participation and leadership, and create safe and supportive environments for women to thrive. By working together to support women's rights and create a more inclusive and equitable society, we can build a better future for all. 

# Government Initiatives to Improve Gender Equality In India

The idea of gender equality aims to eliminate the idea that people in a community or a country are either male or female. Gender equality handles societal problems without making distinctions between the sexes of its constituents. Equal opportunity is another benefit of gender equality, which applies to all aspects of life. In his 1976 book *The History of Sexuality*, philosopher Michel Foucault introduced the phrase “gender neutrality” for the first time. The significance of gender equality has recently come to light due to its contribution to the general advancement of society, not only by its constituents but also by its administrators or regulators. Every development area—educational, social, economic, religious, and political—is impacted by gender equality, which is the fundamental tenet of a just society. Inequality is a problem that not only impedes economic development but has also become the source of many social ills.



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## INTRODUCTION

The outcomes of the numerous efforts made by the various governments in India to safeguard and preserve the interests of women and minimize levels of inequality among its citizens to speed up development by guaranteeing the best possible use of all of its human resources are not adequate. Gender discrimination in India is a severe problem that affects both men and women on the one hand and the entire country on the other hand. We have gender inequality in the workplace, health, social, educational, and political matters.

## OBJECTIVES OF THE STUDY

1. To comprehend the significance of the concept of gender equality
2. To determine the most recent initiatives for gender equality in India.
3. To list the several laws' provisions for gender equality in India.

## LIMITATIONS OF THE STUDY

This study's primary data came from secondary sources exclusively, including papers, websites, and other sources.

Statistics for the period under consideration ranged from January 2014 to December 2022.

## LITERATURE REVIEW

2023 (Prachi Dube) Says that it is time for politicians to include transgender individuals in these laws because the bulk of Indian legislation is designed for both men and women only. The rape laws, however, surprisingly favor women. There is no longer any justification for gender-specific rules against sexual harassment. There is no reason to believe that sexual assault frequently occurs outside the established system. The only way to effectively broaden the scope of coverage for these offences is through creating and implementing gender-neutral legislation. Sexual assault must be defined according to the many degrees of harm it might inflict, the legal definition of rape must be revised, and each must always be described in full.

(NFHS 5, 2019-2021) The fifth survey in the series, the National Family Health Survey 2019–21 (NFHS-5), offers data on India's population, health, and nutrition for each state and union territory (UT). Similar to NFHS-4, NFHS-5 provides district-level estimates of several significant metrics. This poll offers insightful data on the metrics guaranteeing women's empowerment, safety, and advancement.

According to (Kumud Rana and Archana Kumari (2018), authors argue that normative heteronormativity is a significant barrier to gender equality in India and that efforts to challenge these norms are essential for achieving a more equitable society. They call for a more intersectional approach to gender equality that recognizes the interconnectedness of different forms of discrimination and seeks to address them holistically.

Anshu and Nitin Gupta (2019), the authors argue that gender equality in India remains a myth for many women, particularly those in marginalized communities. They call for more comprehensive and intersectional approaches to addressing gender inequality, including managing the root causes of patriarchal attitudes and social norms and promoting women's empowerment and participation in all areas of society.

Gender equality is crucial for achieving the objective of women's empowerment (Sundar, 2017). It has been noted that women in India experience numerous forms of discrimination

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and obstructions to taking advantage of development gains due to their disempowerment. So, achieving gender equality may make it feasible for women to feel more empowered.

### RESEARCH METHODOLOGY

The present study is mainly based on secondary data. The data for this study has been collected from sources like research papers published in journals, government websites and other authenticated sources.

### NEW INITIATIVES TAKEN BY THE GOVERNMENT OF INDIA

Since 2014, the Indian government has adopted several measures to support women to ensure their economic stability and provide them with better opportunities to advance in all areas of life.

At the United Nations on the 25<sup>th</sup> anniversary of the international conference on women, Smt. Smriti Irani, the Minister for Women and Child Development of the Government of India, declared that our administration understands the significance of gender equality and women's empowerment in all areas of development. The current NDA administration has launched several initiatives to help women and raise their level of awareness. Details of the latest government measures to promote women's political, social, and economic empowerment since 2014 are provided below:-

1. **Beti Bachao, Beti Padhao (Save the Daughter, Educate the Daughter) campaign:** Launched in 2015, this campaign aims to address the issue of female feticide and promote the education and empowerment of girls. The campaign includes various activities, such as awareness-raising campaigns, financial incentives for families to educate their daughters, and initiatives to address gender-based violence.
2. **One Stop Centre (OSC) Scheme:** Launched in 2015, this scheme aims to support and assist women affected by violence. The OSCs offer various services, including medical, legal, and counseling support and temporary shelter for needy women.
3. **Mahila E-Haat: Launched in 2016,** this online platform aims to promote women's entrepreneurship and economic empowerment by providing a marketplace for women to sell their products and services.
4. **Sukanya Samridhi Yojana:** Launched in 2015, this scheme encourages parents to save for their daughters' education and marriage expenses. The scheme provides tax benefits and a high-interest rate on savings deposited in the account.
5. **Pradhan Mantri Matru Vandana Yojana (PMMVY):** Launched in 2017, this scheme provides financial assistance to pregnant and lactating women to help meet their nutritional needs and promote the health and well-being of mothers and children.
6. **Women's Safety:** The Government of India has taken various measures to enhance women's safety, such as setting up dedicated women's helplines (such as 181 and 1091), establishing all-women police stations, and launching a mobile application called "Himmat" to assist in case of emergency.
7. **National Nutrition Mission (Poshan Abhiyaan):** Launched in 2018, this mission aims to reduce malnutrition and improve maternal and child health. The task includes a range of activities, including awareness campaigns, nutrition education, and the provision of nutritional supplements to pregnant and lactating women and children under the age of 6.d
8. **Gender Champions:** Launched in 2019, this initiative aims to engage men as allies in promoting gender equality. The program encourages male leaders to publicly commit to taking action to promote gender equality and to serve as role models for others.
9. **Women in Science:** The Government of India has launched several initiatives to encourage women's participation in science, technology, engineering, and mathematics (STEM) fields. For example, the Vigyan Jyoti program aims to provide exposure and mentorship to girls in STEM. In contrast, the KIRAN scheme offers opportunities for women scientists to advance their careers through fellowship and training programs.
10. **Swachh Bharat Abhiyaan (Clean India Mission):** Launched in 2014, this mission aims to promote cleanliness and hygiene across the country. The task includes improving sanitation and hygiene facilities for women, such as constructing separate toilets for girls in schools.
11. **Digital India:** The Digital India program aims to promote digital literacy and access to technology, particularly in rural areas. The program encourages women's digital literacy and entrepreneurship with initiatives such as the Women Entrepreneurship Platform and the Digital Sakhi program.
12. **The women's Hotline Programme,** also introduced in 2015, aims to offer 24/7 emergency support to women subjected to abuse in public and private situations. A toll-free hotline was established for this purpose to provide prompt support.
13. **The Mahila Police Volunteers Program** was implemented in all states and UTs in 2016 by the Ministries of Women and Child Development and Home Affairs. This major government-sponsored initiative seeks to create a link between police authorities and local communities to ensure police outreach on criminal cases.
14. **SWADHAR Greh,** a programme that aims to improve women's social, economic, and health security, was implemented in 2018. By providing women who lack these

Gender equality is crucial for achieving the objective of women's empowerment (Sundar, 2017). It has been noted that women in India experience numerous forms of discrimination and obstructions to taking advantage of development gains due to their disempowerment. So, achieving gender equality may make it feasible for women to feel more empowered.



essentials—a home, food, and clothing—this programme also emphasized women’s empowerment.

15. **STEP (Support to Training and Employment Programme for Women)**, This programme was amended in 2014, and under it, funding is given to groups who work to teach women.
16. **Mahila Shakti Kendra (MSK)**, a programme launched in 2017, aims to provide convergent support services in a single place so that participants may develop, advance their skills, and find employment independently. Women are to have access to services through this initiative, such as high-quality medical treatment, education, employment possibilities, and counseling.

### BENEFITS OF GOVERNMENT NEW INITIATIVES

The Indian government recognizes the significance of women’s contributions to the country’s economic growth and is constantly working on to increase women’s engagement in economic activities. The government made several announcements in light of this that promote and guarantee their involvement in economic activity. For assisting women in starting their businesses, there are programmes including Skill India, Made in India, Startup India, Pradhan Mantri Mudra Yojana, Stand Up India, and Prime Minister’s Employment Generation Plan (PMEGP). The government has also developed enabling regulations that permit women to work in unconventional fields like fighter pilots in the Indian Air Force, Commandos, The following are the results of the efforts implemented by the current Government of India:-

1. **Economic growth:** By promoting women’s entrepreneurship and economic empowerment, initiatives such as the Mahila E-Haat and the Women Entrepreneurship Platform can help to increase women’s participation in the formal economy, leading to overall economic growth. The GOI has ensured fictionalization of 450 Working Women Hostels which has aided 74666 working women and 11018 children in daycare centers.
2. **Improved health outcomes:** Initiatives such as the National Nutrition Mission and the Pradhan Mantri Matru Vandana Yojana can help improve women’s and children’s health and well-being, reducing the burden of illness and improving overall health outcomes. The financial aid provide to more than 2.6 crore pregnant and lactating mothers during the financial year 2022-23.
3. **Reduced gender-based violence:** The One Stop Centre scheme and the women’s helplines can help support and assist women affected by violence, reducing the prevalence of gender-based violence and promoting women’s safety. Provide support to 5.40 lakh women with the help of. 708 OSCs. With the help of WHL across 34 States and UTs, has handled more than 70 lakh calls.
4. **Increased gender equality:** Through initiatives such as the Gender Champions program and the Beti Bachao, Beti Padhao campaign, the Indian government is working to promote gender equality and shift societal attitudes towards gender roles and norms. The effect of this resulted as the Sex Ratio at Birth (SRB) increased from 918 to 937 as per the latest national family health survey report (2019-2021).
5. **Increased participation in education:** The Beti Bachao, Beti Padhao campaign and the Sukanya Samridhi Yojana can help encourage parents to invest in their daughters’ education, leading to increased girls’ participation in formal education and improved overall educational outcomes.

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6. **Reduced poverty:** Women's economic empowerment can help to reduce poverty and improve the standard of living for families, particularly in rural areas where women often face more barriers to employment and income generation.
7. **Improved political participation:** Through initiatives such as the Mahila Shakti Kendra and the National Rural Livelihood Mission, the Indian government is working to increase women's participation in local governance and decision-making, promoting gender equality in political representation.
8. **Improved child development:** The Integrated Child Development Services scheme, which provides early childhood care and education, health, and nutrition services to children under the age of six, can help to improve the development and well-being of young children, particularly those from marginalized communities. As per the present report presented by Mrs. Smriti Irani, Honorable Minister for Women and Child Development, GOI, there is a rise in the number of females enrolled in elementary and secondary school, which is now virtually equal to that of boys,
9. **Enhanced social cohesion:** By promoting gender equality and reducing gender-based violence, the Indian government is working to create a more cohesive and inclusive society where all individuals can live with dignity and respect. The GOI implemented the gender budgeting through forty one ministries and departments and allocated Rs. 1.71 lakh crore for the fiscal year 2022-2023.
10. **Improved disaster resilience:** Women are often disproportionately affected by natural disasters due to existing gender inequalities and their caregiving responsibilities. Through initiatives such as the National Disaster Management Plan, which includes provisions for women's safety and empowerment in disaster situations, the Indian government is working to promote disaster resilience and reduce the impact of disasters on women and marginalized communities.

### GENDER EQUALITY SCENARIO IN INDIA

The World Economic Forum (WEF) uses the annual Global Gender Gap Report (GGGR) or Index to illustrate where various nations stand on gender parity about their positions in the preceding year. The study examines whether gender equality has improved or declined in countries which are part of survey.

In the most recent survey, India is ranked 135<sup>th</sup> out of 146 countries. India's status had marginally improved from the previous year when we were placed 140 out of 156. India improved their score from 0.625 last year to 0.629 this year, a difference of 0.003. As per the report, if India go by the same pace than it will take more than 150 years to achieve the fuller gender equality.

According to the most recent National Family Health Survey – 5 (NFHS-5, 2019–2021), women's status has improved in several ways over the previous five years (compared to NFHS-4). More than 78.6% of women have bank accounts that they use personally shows 25% increase over the status five years ahead. This suggests that three out of four women have personal bank accounts. In India, 54% of women, or one in two, now own mobile phones that they use personally, it up from 46% five years ago. In India, the status of women own a home or a piece of land individually or jointly, up from 38% five years ago. The sex ratio has improved from 918 to 937, according to NFHS-5 data. Nowadays, women

are the founders and CEOs of one out of every five non-farm companies.

The NFHS-5 survey also shows that our culture is changing, with males starting to appreciate women as partners in the home and contributors to society. Today, more women take part in essential home choices. According to NFHS-5 data, 88.7% of women now, compared to 84% five years ago, are involved in crucial household decisions. In the last ten years, there has been a significant decline in the frequency of domestic violence. According to NFHS-5 statistics, only 29% of married women report having experienced marital abuse, down from 39% ten years ago and 33% five years ago.

Despite the reports cited above, gender inequality in India is still a reality and affects women in every sphere of life. It starts in the womb and lasts throughout life. There are 25 women in the Rajya Sabha and 78 women in the Lok Sabha in India, respectively. There are 787 members in present parliament in India out of which only 103 women, the presence of female member is nearly 13%, which shows a very dismal state of female participation in politics in India. In 2021, Indian women's participation as part of the labour force was 22%, while that of men's participation was 78%, this also indicates that the women involvement in economic activities is not sufficient or a large number of women either are limited to non-economic activities or not able to work due to gender inequality.

### CONCLUSION

Being one of the biggest democracies in the world, India has shown the rest of the world how to manage a democracy properly. The world is now looking on India not only for its stand on Gender equality but also on the way we will move forward to make the nation's position better in Global Index for gender equality, at present we are at 135 position out of 146. The primary document in the country that addresses not only gender equality but also ways to improve the status of women in society is India's constitution. It is now the responsibility of the states and the union government to put the Indian Constitution and any other laws that promote gender equality into practice.

Throughout the past ten years, India's gender equality situation has improved. Fewer females are coerced into early marriages, and more girls attend school. Today, women work in every sector in India, it can be defense, politics, business, and spiritual, social, economic or health, etc and are in positions of authority. The government of India has started to make appropriate legal change in the present laws for enhancing gender equality.

It is important to mention here that without women participation in economic activities or decision-making, our goal of becoming the next superpower would not be achieved. Gender equality is vital for political, economic, developmental, moral and ethical reasons. Without gender equality, progress cannot be inclusive or long-lasting.

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10. <https://www.statista.com>

# Transgender Persons In India and Government Welfare Measures

We live in a society that is deeply structured by gender. Sexual orientation categories based on the gender binary system are disrupted by gender diversity. Gender diversity provides a challenge to the gender binary system in a number of ways—via intersex, third or other genders, gender fluidity, positions outside of gender, gender queer etc. People of the Transgender' category also challenges this normalization of gender binaries. All members of these subgroups face severe discrimination and harassment in all respects in contemporary India and they are subjected to unfair treatments like verbal abuse, physical and sexual violence; false arrests; denial of share in their ancestral property, services, and admission to educational institutions; and victimization in multiple settings like family, educational institutions, workplace, health care settings, public spaces. For a very long time, the transgender community in India has lived at the fringes of society. It was only after the landmark ruling by the Supreme Court in 2014, popularly known as the NALSA judgment, that transgender persons were legally recognized as the 'third gender'. The Government of India, over the course of years, has made consistent and significant efforts in designing and working towards a trans-inclusive society. Safeguarding the fundamental right - 'TO LIVE LIFE WITH DIGNITY' under Article 21 of the Constitution, this document looks into how some of the Central Government's measures in the last few years have been furthering these rights of the community.



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## INTRODUCTION

**W**e live in a society that is deeply structured by sex and gender. The categorization of people as '*male*' or '*female*' permeates our society on every level. But sexual orientation categories based on the gender binary system are disrupted by gender diversity. Gender diversity provides a challenge to the **gender binary system** in a number of ways—via intersex, third or other genders, gender fluidity, positions outside of gender, gender queer etc. People of the 'Transgender' category also challenge this normalization of gender binaries. In India there are a host of socio – cultural groups of transgender people like hijras/ kinnars, and other transgender identities like – shiv-shaktis, jogtas, jogappas, Aradhis, Sakhi, etc. All members of these subgroups face severe discrimination and harassment in all respects in contemporary India and they are

subjected to unfair treatments like verbal abuse, physical and sexual violence; false arrests; denial of share in their ancestral property, services, and admission to educational institutions; and victimization in multiple settings like family, educational institutions, workplace, health care settings, public spaces. Seldom, our society realizes or cares to realize the trauma, pain and agony which the members of Transgender community neither undergo, nor appreciates the innate feelings of the members of the Transgender community, especially of those whose mind and body disown their biological sex. Our society often ridicules and abuses the Transgender community and in public places like railway stations, bus stands, schools, workplaces, malls, theatres, hospitals, they are sidelined and treated as untouchables.

## STATUS OF TRANSGENDER PERSONS IN INDIA

The **Transgender Persons (Protection of Rights) Act, 2019** defines "**Transgender person**", as a person whose gender does not match with the gender assigned to that person at birth and includes trans-man or trans-woman (whether or not such person has undergone Sex Reassignment Surgery or hormone therapy or laser therapy or such other therapy), person with intersex variations, genderqueer and person having such socio-cultural identities as kinner, hijra, aravani and jogta.

## PROBLEMS FACED BY TRANSGENDER COMMUNITY

Transgender people in India face a variety of issues. This discrimination not only denies TG people equal access to key social goods, such as employment, health care, education and housing, but it also marginalizes them in society and makes them one of the vulnerable groups who are at risk of becoming socially excluded. Here I am highlighting some major problems faced by TG people in India:

### 1. Marginalization and Social Exclusion:

Marginalization is at the core of exclusion from fulfilling and full social lives at individual, interpersonal and societal levels. People who are marginalized have relatively little control over their lives and the resources available to them; they may become stigmatized and are often at the receiving end of negative public attitudes. Their opportunities to make social contributions may be limited and they may develop low self-confidence and self esteem and may become isolated. Social policies and practices may mean they have relatively limited access to valued social resources such as education and health services, housing, income, leisure activities and work.

#### • Impact of exclusion and discrimination:

The exclusion and discrimination have major impacts on the lives of transgender persons. This has resulted in the following:

- Dropping out of school earlier
- Leaving Home and Family
- Unable to find regular jobs, have less options than others.
- Unable to access various services and Unaware of what they are entitled to
- Lack of family and social support
- Migrate to other countries for seeking safer livelihood and acceptance
- Rejected from Religion (Esp. Muslim and some Christian Fundamentalist sects)
- Attempt suicide
- Decide to follow their parents to marry opposite sex and then divorce

### 2. Impact of Family Reactions on Transgender People:

Conflict and Rejection Transgender people face a number of difficulties' within the family. Most families do not accept gender nonconforming behavior in their children, which may manifest as early as three to five years of age. A study by a team from the National Institute of Epidemiology among 60,000 transgender people across 17 states, including Tamil Nadu, found that a large proportion of them receive no support from their biological family.

### 3. Harassment of Transgender People in Educational System:

The transgender community is a highly marginalized and vulnerable one and is seriously lagging behind on human development index mainly in the area of education. Majority of this community is illiterate or less educated due to which they are not able to participate fully in social, cultural, political and economic activities. Actually educational Institutions are very much gendered place. Stigmatization of gender-nonconforming and transgender children and youth is amplified in the

educational system, which mirrors the rest of society in reinforcing strictly binary and patriarchal gender norms.

### 4. Poor Economic Conditions and Discrimination in the Workplace:

The interrupted education and social exclusion further limits the employment and livelihood opportunities for transgender community.

There are several factors responsible for their economic deprivations which are as under:

- Exclusion from Family and Society
- Stigma and Discrimination at work place
- Lack of knowledge and training in vocational skill development
- Lack of opportunities
- Lack of confidence in engaging them by employers.

### 5. Problems of Homelessness:

The myriad problems facing Transgender people who are homeless include a lack of housing and services that meet their specific needs. They are living on city's streets because they were thrown out of their homes for being queer, or ran away to escape an abusive situation. Family housing in the shelter system across the country is not available for homeless same-sex couples.

### 6. Problems of Transphobia:

Transgender people are more likely to experience intolerance, discrimination, harassment, and the threat of violence due to their sexual orientation, than those that identify themselves as heterosexual. This is due to transphobia. Some of the factors that may reinforce transphobia on a larger scale are moral, religious, and political beliefs of a dominant group.

### 7. Psychological Distress:

TG people face considerable levels of stigmatization, discrimination and harassment in their daily lives. The majorities of Transgender people learn to cope with this, particularly when they have the support of family and friends, and participate with Transgender organizations and social networks. However, a significant number of Transgender people, most particularly younger Transgender people, had to cope with stigmatization, discrimination and harassment without support.

### 8. Victims of hate Crimes, Violence and Legal Injustice:

Transgender people are regularly targeted as victims of hate crimes and violence. They experience stigma and discrimination across their life spans, and are targets of sexual and physical assault, harassment and hate crimes. As per census 2011, there are around 4.9 lakh third gender in the country who faces social discrimination and harassment. TG communities have also an important stake in legal injustice issues.

## A RANGE OF MEASURES FOR PROTECTION AND WELFARE OF THE TRANSGENDER PERSONS IN INDIA

Transgender persons have faced several issues of discrimination, historically, like exclusion from their families, absence of dignified livelihoods, and inadequate access to health, shelter, welfare, and employment.

The Central government has enacted and issued several welfare acts and rules to address these issues for the provision of identity, education, shelter, livelihood, skill development, and protection of rights against the community, which are mentioned below:

### THE TRANSGENDER PERSONS (PROTECTION OF RIGHTS) ACT 2019

The Transgender Persons (Protection of Rights) Act 2019 seeks to mitigate the stigma, discrimination, and abuse against this marginalized section and bring them into the mainstream of society. It will lead to greater inclusiveness and will make Transgender persons productive members of society.

- **Non-discrimination** against a Transgender person in educational institutions, employment, healthcare services etc.
- **Recognition of identity** of Transgender persons and confer upon them the right to self-perceived gender identity.
- Provision of the **Right of Residence** with parents and immediate family members.
- Provision for the **formulation of welfare schemes** and programmes for education, social security, and health of Transgender persons.
- Provision for **National Council for Transgender Persons** to advise, monitor, and evaluate measures for the protection of their rights.

The Act is designed to make all the stakeholders responsive and accountable for upholding the principles underlying the same. It also brings greater accountability on the part of the Central Government and State Governments/Union Territories Administrations for issues concerning Transgender persons.

#### • NATIONAL COUNCIL FOR TRANSGENDER PERSONS:

In exercise of the powers conferred by Section 16 of the Transgender Persons (Protection of Rights) Act, 2019, the Central Government constituted a National Council for Transgender Persons on 21<sup>st</sup> August 2020. The Union Minister of Social Justice & Empowerment is the Chairperson (ex-officio) and the Union Minister of State for Social Justice & Empowerment is the Vice-Chairperson (ex-officio) of the council.

#### The National Council performs the following functions:

- advises the Central Government on the formulation of policies, programmes, legislation and projects with respect to transgender persons;
- monitors and evaluates the impact of policies and programmes designed for achieving equality and full participation of transgender persons;

Transgender people in India face a variety of issues. This discrimination not only denies TG people equal access to key social goods, such as employment, health care, education and housing, but it also marginalizes them in society and makes them one of the vulnerable groups.

- reviews and coordinates the activities of all the departments of Government and other Governmental and non-Governmental Organisations which are dealing with matters relating to transgender persons;

- redresses the grievances of transgender persons.

- **SMILE (Support for Marginalized Individuals for Livelihood and Enterprise)**



Sources : SMILE Portal

The Ministry of Social Justice and Empowerment launched an umbrella scheme “SMILE - Support for Marginalised Individuals for Livelihood and Enterprise” on **February 12, 2022**. This umbrella scheme would cover several comprehensive measures including welfare measures for the transgender community and for persons who are engaged in the act of begging with a focus extensively on rehabilitation, provision of medical facilities, counselling, education, skill development, economic linkages etc. with the support of State Governments/UTs/Local Urban Bodies, Voluntary Organizations, Community Based Organizations (CBOs)/Institutions and others.

The Ministry of Social Justice and Empowerment has allocated **Rs. 365 crores** for the scheme from 2021-22 to 2025-26.

#### • NATIONAL PORTAL FOR TRANSGENDER PERSONS:



Source: SMILE Portal

## Transgender Persons In India and Government Welfare Measures

The Ministry of Social Justice and Empowerment launched National Portal for Transgender Persons on November 25, 2020. Any Transgender applicant can obtain a certificate of identity and identity card without any physical interface with the office of issue. The person who has been issued a certificate of identity is entitled to change the first name on the birth certificate and all other official documents relating to the identity of such person.<sup>1</sup>

The Portal provides the facility for transgender persons to apply for a certificate and an identity card from across the country without physical interface through a seamless end-to-end mechanism. The Transgender certificate and identity card are nationally recognised and are provided by the Ministry of Social Justice & Empowerment. The certificate is a mandatory document to avail of the welfare measures being provided under the SMILE scheme. The number of certificates and identity cards issued on the portal is as mentioned in table 1.1 (data as on 23.06.2022)

Number of certificate issued	7144
Number of Identity Card Issued	7159
Number of state/UT Participated	37

**Table 1.1** Number of certificates and identity cards issued on the portal

### • NATIONAL EDUCATION POLICY 2020

The National Education Policy of India 2020 (NEP 2020), approved by the Union Cabinet of India on **July 29, 2020**, outlines the vision of new education system of India. The Policy aims at **universalization of education** from pre-school to secondary a level with 100 % Gross Enrolment Ratio (GER) in school education by 2030.

NEP 2020 identifies transgender children as Socio-Economically Disadvantaged Groups (SEDGs) and provides for equitable quality education, inter-alia, for all such students. This includes provisions for assisting transgender children in gaining access to education, and support for community-based interventions that address local context-specific barriers to transgender children's access to and participation in education, thereby aiming to eliminate any remaining disparity in access to education (including vocational education) for children from any gender or other SEDGs.



Sources: Twitter

<sup>1</sup>. Ministry of Social Justice and Empowerment - Government of India ([dosje.gov.in](http://dosje.gov.in))

'**Gender-Inclusion Fund**' will be constituted under the new policy to build the nation's capacity to provide equitable quality education for all girls as well as transgender students. The fund will be available to States to implement priorities determined by the Central government critical for assisting female and transgender children in gaining access to education (such as the provisions of sanitation and toilets, bicycles, conditional cash transfers, etc.); funds will also enable States to support and scale effective community-based interventions that address local context-specific barriers to female and transgender children's access to and participation in education.



Sources: Twitter

### Samagra Shiksha Abhiyan

The Samagra Shiksha scheme is an integrated scheme for school education covering the entire gamut from pre-school to class XII. The scheme was upgraded on August 04, 2021 to align it with the Sustainable Development Goal for Education and the new **National Education Policy (NEP)** launched in 2020.

### Scholarship Schemes under SMILE

The Ministry of Social Justice & Empowerment is providing scholarship studies in India to Transgender students studying in classes IX and above<sup>5</sup> thereby reducing incidences of drop-out and aiding the transition from the elementary to the secondary stage for transgender students through an automated online system using a single login credential.

### • NISHTHA (National Initiative for School Heads' and Teachers' Holistic Advancement):

National Council of Educational Research and Training (NCERT) has been training teachers, teacher educators and school heads on gender sensitization with an all-inclusive approach. The said concerns are addressed in different textual and training materials/manuals/modules. Under **NISHTHA**, a nation-wide integrated teacher training programme for teachers under Samagra Shiksha, **teachers are trained for relevance of Gender Dimensions in Teaching and Learning Process** which helps teachers to use and adopt learning activities that foster gender sensitive classroom environment.<sup>2</sup>

## EMPOWERMENT THROUGH SKILL DEVELOPMENT TRAINING & LIVELIHOOD

### • Skill India Mission

Under Skill India Mission, the Ministry of Skill Development and Entrepreneurship (MSDE)<sup>3</sup> has been

<sup>2</sup>. NISHTHA ([ncert.gov.in](http://ncert.gov.in))

<sup>3</sup>. Microsoft Word - ru 51 final ([pqars.nic.in](http://pqars.nic.in))

implementing Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan (JSS) Scheme and National Apprenticeship Promotion Scheme (NAPS), for providing short term Skill Development training and Craftsman Training Scheme (CTS), for long term training, to the youth belonging to all sections of the society including transgender persons across India. To know the State-wise details of transgender persons imparted training under PMKVY, JSS, NAPS and CTS.<sup>4</sup>

- **Skill Training through PM-DAKSH (Pradhan Mantri - Dakshta Aur Kushalta Sampann Hitgrahi)**

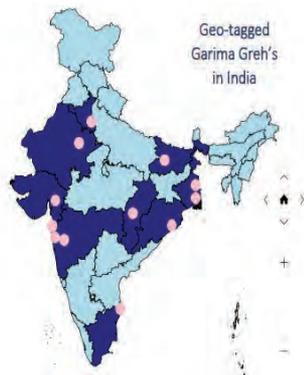
The Ministry of Social Justice and Empowerment is imparting skill development training to the Transgender beneficiaries of the SMILE Scheme through PM-DAKSH - a skill development scheme of the Ministry. Short-Term Training Programmes; Up-Skilling/Reskilling; Entrepreneurship Development Programmes, and Long-Term Training Programmes are conducted for transgenders under the scheme. The Skill Development training & livelihood programme under SMILE scheme aims to provide training for transgender persons to get market-oriented skills for getting a livelihood.

- **Skill Training through various Sector Skill Councils**

The Ministry of Social Justice and Empowerment, through the National Backward Classes Finance and Development (NBCFDC), has sanctioned skill development training programmes for transgender persons through Sector Skill Councils/Training partners in six States in various job roles through which training programmes amounting to over 87 lakh have been sanctioned with total 330 trainees for job roles such as beauty therapist, make-up artists, customer care executive etc. Ministry has initiated 12 pilot 'Garima Grehs'<sup>5</sup> and provided financial assistance to community-based organizations (CBOs) for setting up of these shelter homes.

- **Garima Grehs: Shelter Homes for Transgender persons**

Section 12(3) of the Transgender Act 2019 says that whether any parent or a member of his immediate family is unable to take care of a transgender, the competent court shall by an order direct such person to be placed in the rehabilitation centre. Besides that, it will provide **support for the capacity-building/skill development of transgender persons at the shelter home.**<sup>6</sup>



Sources : <https://transgender.dosje.gov.in/GarimaGreh/About>

## HEALTHCARE & MEDICAL SUPPORT FOR TRANSGENDER PERSONS

- **Composite Medical Health under SMILE**

Composite Medical Health is a component under the SMILE scheme. The objective of the scheme is to provide health insurance coverage to all transgender persons living in India to **improve their health condition through proper treatment including sex re-assignment surgeries as well as medical support.**<sup>7</sup>

The scope of the scheme is as follows:

- Health insurance in the form of **Ayushman Bharat TG Plus** shall be available for transgender persons inclusive of gender reaffirmation surgery in the health benefit package under **Ayushman Bharat Yojana (ABY)**. **Each transgender person shall receive an insurance cover of Rs. 5 Lakh per year under the scheme.**
- The Comprehensive Package would cover all aspects of transition related healthcare for transgender persons. **It shall also (not exhaustive) provide coverage for hormone therapy, sex re-assignment surgery inclusive of post-operation formalities which can be redeemed at all private and government healthcare facilities.**

## ASSISTANCE TO TRANSGENDER PERSONS DURING COVID-19

### Financial Assistance:

During COVID-19, the **Ministry of Social Justice & Empowerment through National Backward Class Finance and Development Corporation (NBCFDC)** has given **Rs.1,500 to each transgender person**, through Direct Benefit Transfer (DBT). NBCFDC has additionally provided assistance for ration supplies to transgender persons on the recommendation of the respective district administration.<sup>8</sup>



Source: Twitter

The **Ministry of Social Justice & Empowerment** issued directions to all States/UTs for **ensuring that existing COVID vaccination centres are transgender friendly** and no discrimination is shown towards transgender persons who come for their vaccination. The Centres were also requested to conduct awareness drives especially for reaching out to the transgender community in different vernaculars to ensure that they are informed and aware of the vaccination process. A request had also been made to the states to organize separate mobile vaccination centers or booths for vaccination of Transgender persons such as those taken up in the states of Haryana & Assam.

<sup>4</sup> Home | Ministry of Skill Development and Entrepreneurship | Government Of India ([msde.gov.in](https://msde.gov.in))

<sup>5</sup> [doc20223522601.pdf](https://doc20223522601.pdf) ([pib.gov.in](https://pib.gov.in))

<sup>6</sup> [GUIDELINES FOR GARIMA GREH](https://GUIDELINES%20FOR%20GARIMA%20GREH%20(dosje.gov.in)) ([dosje.gov.in](https://dosje.gov.in))

<sup>7</sup> <https://transgender.dosje.gov.in/Applicant/Registration/DisplayForm4>

<sup>8</sup> [AI229.pdf](https://AI229.pdf)



# Men as Allies for Gender Equity and Women Empowerment - He for She!

For gender equality to be achieved, men must also be educated on perspectives, experiences and challenges women face and then engaged as their crucial allies working hand in hand to transform the world into a place where men and women can thrive equally.



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## 1. INTRODUCTION

**M**en, the critical set of stakeholders is generally unheeding in the buzz around Women Economic Empowerment. The concept of men as allies has become focal point of gender equality initiatives, gaining around corporates and societal lexicon. Incorporating men into gender and development interventions is a critical and integral part of gender mainstreaming. Everyone is on board for initiatives on women empowerment, but the initiatives are largely myopic in their approaches. Gender Equality Strategy 2022-2025 of UNDP stresses on our responsibility to fully engage men and boys across a wide range of initiatives. Gender as an interdisciplinary concept refers to both women and men, the relations between them, and the institutions that govern these relationships. Caring for planet is too often framed as a feminist attitude and rejected by machista (male chauvinist) and patriarchal value system. A caring economy is dynamic economy where everyone gives and receives care on basis of their capacities and needs and it ensures that everyone has time to care as well as time free from care. Non-recognition of the role of men in women empowerment can pose a significant barrier to economic well-being. For gender equality to be achieved, men must also be educated on perspectives, experiences and challenges women face and then engaged as their crucial allies working hand in hand to transform the world into a place where men and women can thrive equally. The halt in progress towards gender parity is a catastrophe for the future of our economies. In World Development Report 2012, the goal of women economic empowerment has been branded as 'smart economics' not just for women, but for economic growth and development at large.

## 2. AN EMERGING CRISIS OF GENDER GAP IN WORKFORCE

In 2022, the global gender gap has been closed by 68.1%. At the current rate of progress, it will take 132 years to reach full gender parity. This represents a slight four-year improvement as compared to the 2021 estimate (136 years to parity). North America is the most advanced region in terms of closing the gender gap.

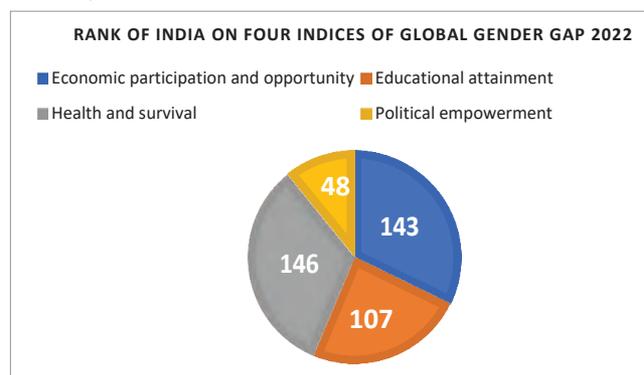
### 2.1 Global Gender Gap Index 2022 rankings

Global gender gap scores across the four main components (subindexes) of the index: Economic Participation and Opportunity, Educational Attainment, Health and Survival, and Political Empowerment for 146 countries.

Position	Country	Score (0-1)
1	Iceland	0.908
27	United States	0.769
102	China	0.682
116	Japan	0.650
135	India	0.629

Source: Global Gender Gap Index 2022

**Figure 1:** Rank of India on indices of Global Gender Gap 2022 (Among 146 countries)



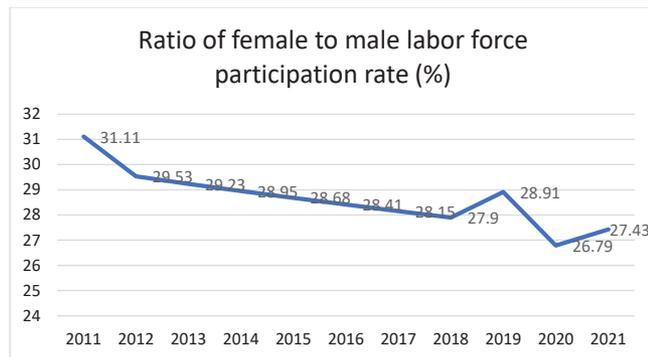
Source: Global Gender Gap Index 2022

### 2.2 Emerging crisis and role of female labour force participation in India

Gender global index 2022 pointed to a sustained stalling of gender parity alongside the continued knock-on effects of the pandemic and broader disruptions to the labour market. Employment losses due to the COVID-19 pandemic have

been significantly worse for women than for men, unlike other recessions in recent history which have tended to affect male workers relatively more than female workers. Lockdowns more strongly affected service-sector jobs such as in retail, hospitality, and food service that are predominantly held by women. A US study suggests that during the first COVID-19 wave in June 2020, 12.7% of mothers versus only 2.8% of fathers were not working due to virus-related childcare issues. Female labour force participation rate is not promising in India.

**Figure 2:** Ratio of female to male labour force participation in India (ILO Estimate)



*Source: World Bank data*

According to a McKinsey Global Institute Report on Power of Parity 2015, bridging the gender gap in the workplace could lead to an addition of 60 percent in annual GDP for India by 2025. MGI considered a full-potential scenario where women participate in the economy identically to men, and found that it would add up to \$28 trillion, or 26 percent, to annual global GDP in 2025 compared with a business-as-usual scenario. The report also showed that about 70 percent of the potential economic impact of advancing gender equality in India in the best-in-region scenario comes from raising the rate of female labour-force participation. The reduction of women's labour-force participation has important consequences for other dimensions of employment which affect how women access opportunities in the economic domain, as well as other spheres of life. An agenda for women's economic empowerment in India needs to start with mapping where the opportunities lie.

### 3. RESHAPING ATTITUDES ABOUT WOMEN AT WORKPLACE AND IN SOCIETY

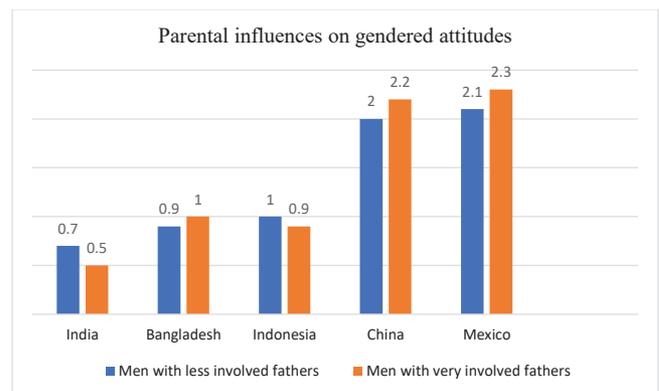
Men and boys play important roles in the movement for gender equality and have a responsibility to shoulder. Engaging men and boys for women empowerment can break down barriers, open new paths and foster new kinds of relationships. Men as community, political or religious leaders often control access to a large variety of resources such as health and educational services, but also transportation and finances. As heads of states and government ministers, as leaders of religious and faith-based institutions, as judges, as heads of armies and other agencies of force, as village heads, or indeed as husbands and fathers, men often wield enormous power over many aspects of women's lives. Therefore, the role of men's attitudes and behaviours should not be ignored in the concept of gender equity.

### 3.1 Engaging men and boys in prioritizing care services

The family is the institution where gender interactions are likely to be more intense, ranging from marriage and child-rearing decisions to consumption, time allocation to work and human capital investment. The importance of engaging men at the household, community and policy levels interventions on women's economic empowerment is gaining increasing recognition.

**Men and women who grew up seeing gender equality in their households as children hold more equitable attitudes:** A study of 29 countries by International Men and Gender Equality Survey (IMAGES) found that adult sons whose mothers were employed outside of the home when they were boys spend more time in caregiving for their own family.

**Figure 3:** Parental influences on attitudes of gender (Gender attitude scale score: 0-3. Higher is more equitable.)



*Source: IMAGES*

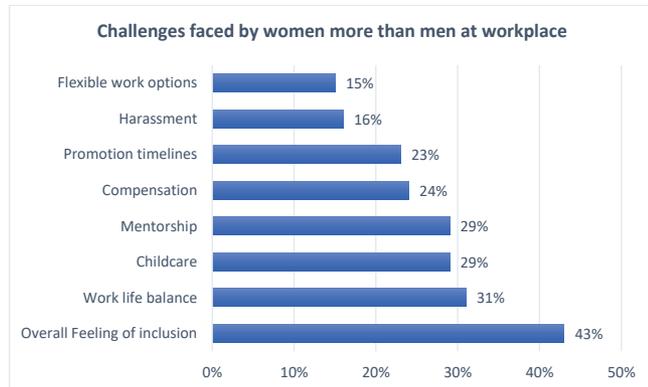
Another ripple effect of associating men to the gender equality agenda is that such investments help reduce harmful practices of masculinity, such as those driving gender-based violence, and they will also encourage men and boys to take equal responsibility for unpaid care work and household chores. As per key findings of World Development Report 2012, most men are willing to intervene if they witness violence against a woman, and men who do not support violence against women, are not violent generally, and are aware of laws prohibiting violence against women are more likely to intervene. Men need to be engaged not only to prevent violence and forceful limits on women's agency, but also to be allies in creating a more gender equitable world. Programs and policies that target men in conjunction with those that target women can expedite the steady transition towards more gender equal societies worldwide. International Centre for Research on Women has spearheaded several programs that engage men and boys, including Parivartan, Yaari-Dosti, GEMS (Gender Equity Movements in School), and PAnKH.

### 3.2 Engaging Men to Advance Women at Workplace

When male leaders show that advocating for and sponsoring women is important, the culture and dynamics shift. Studies show that a combination of personal and professional experiences can profoundly affect men's thinking about gender diversity in the workplace. Research on men as allies

conducted by the National Center for Women & Information Technology found that men described various motivations for becoming advocates, relationships with their wives, daughters, and mothers, having had female bosses, mentors, or colleagues, attending workshops on gender bias, and witnessing bias in action. The report of Cambridge University found the following major challenges are faced by women at workplace which needs to be addressed with men as allies:

**Figure 4:** Challenges faced by women more than men at their workplaces



*Source: Report on Men as allies by Bentley University*

Meaningful engagement with men and boys is increasingly recognized as critical to gender equity, not only for women's empowerment, but also for transforming the social and gender norms that reinforce patriarchy, inequality, and harm both women and men. The primary challenge embedded in this work is how to engage men and boys effectively without instrumentalizing them as a pathway to women's empowerment on the one hand, or marginalizing women and girls in gender equity work on the other.

## 4. HOLISTIC APPROACH OF EDUCATION TO ALL FOR GENDER EQUITY

Gender education starts with building gender awareness. Gender education means recognizing the negative impacts of gender stereotypes and addressing the inequalities stemming from them. Gender education assists children in building a genuine civic equality where women and men live in relationships built on cooperation and mutual respect. No one is valued less or more just because one is a girl or a boy. The outcome of gender education for girls is greater self-confidence, assertiveness, independence and engagement in the public sphere. The outcome for boys is overcoming fear of failure, learning to be less aggressive, becoming more sociable and involved in personal relationships and engaging more in the private sphere.

### 4.1 Gender education and knowledge regarding violence and legislations

The primary goal of some interventions seeking to engage men has been to decrease gender-based violence. Health education sessions on gender-based violence and various legislations related to it should be carried out in school and college settings. Growing children should have knowledge of

appropriate legislations related to violence. A sample survey among adolescents (16-19 years) of Government in urban area of Tirupati showed that 47.9% of the sample surveyed have not heard about POCSO Act, 2012.

**Table 2:** Knowledge regarding legislations related to violence (Sample size 263)

	Yes	No
Have you heard about criminal law (amendment) Nirbhaya Act, 2013?	80.6%	19.4%
Have you heard about Protection of Children From Sexual Offences Act (POCSO Act) 2012?	52.1%	47.9%

*Source: Indian Journal of Community Medicine and public health*

While focusing on men as perpetrators of violence, it is also important to consider how men are currently preventing violence against women in their communities. Proper gender and moral education beginning at school level will play an important role in reshaping attitude of boys and men in society.

### 4.2 Knowledge of Intimate Partner Violence (IPV)

The prevalence of healthseeking attitude towards IPV in India is very low. Intimate partner violence (IPV) is any type of behaviour involving the premeditated use of physical, emotional, or sexual force between two people in an intimate relationship. IPV is increasingly being recognized as an important part of the development agenda by WHO. IPV tends to be higher in low-income countries, being 65.64% in Central Sub-Saharan Africa and 41.73% in South Asia, compared to 27.85% and 21.32% in Central Europe and North America, respectively. IPV varies with macroeconomic conditions, in particular, male and female unemployment rates in developing countries. World bank research found that a 1 percent increase in the male unemployment rate is associated with an increase in the incidence of physical violence against women by 0.50 percentage points while a one percent increase in female unemployment rates is associated with a reduction in the incidence of violence by 0.52 percentage points.

### 4.3 Alarming increase in false allegations against men and boys and educating girls

There are concerns over some women who abuse the legal system set up to protect women, for nefarious purposes. The country has seen a rising menace of false rape cases filed by several women with the motive of malicious extortion. The Delhi High Court has expressed worry that there is an "alarming increase" of false

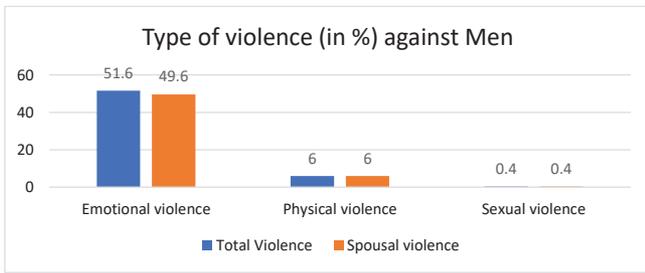
For gender equality to be achieved, men must also be educated on perspectives, experiences and challenges women face and then engaged as their crucial allies working hand in hand to transform the world into a place where men and women can thrive equally.

cases of rape being registered only to arm-twist the accused and make them succumb to the demands of the complainant. Vishnu Tiwari was jailed in 2001 and convicted of rape and under the SC/ST Act in 2003. The Allahabad HC acquitted him in 2021 after deeming that the charges were false. Man spent 20 years in jail under false rape charges under SC/ST Act. While acquitting the accused facing charges of rape, the Allahabad High Court found him to be a victim of mutual rivalry. The alarming increase in false allegations of sexual assaults on men will be a stumbling block in mainstreaming men and boys in gender equality. It is crucial to adopt proper system of gender and moral education for girls along with boys to nourish young minds in constructive building of beautiful world to dwell.

**4.4 Violence against Men: A lesser explored phenomenon**

Men are also the victims of violence. Necessary amendments in favour of men experiencing domestic violence should also be incorporated. Victims educated up to middle class and living in a nuclear family setup were significantly at higher risk than others for violence.

**Figure 5:** Type of Violence among male and perpetrator of violence



**Source:** Indian Journal of Community Medicine and public health

According to sample survey of gender-based violence against men in Haryana published by Indian Journal of Community Medicine (by JS Malik & A Nadda), the following are the factors for violence against men by women:

**Table 3:** Various factors for violence against Men (Sample size:1000)

Factors	Status (Values in %, Sample size:1000)	
1 Income status	Less than 1000	More than 1000
	60.8	46.5
2 Male education status	Studies up to middle class (VIII)	Above middle class
	63.1	45.4
3 Alcoholic status	Alcohol	Not alcoholic
	91.3	51.5
4 Type of family	Nuclear	Joint
	60	47

**Source:** Indian Journal of Community Medicine

**5. MOBILIZING MEN FOR GENDER EQUITY AND WOMEN ECONOMIC EMPOWERMENT**

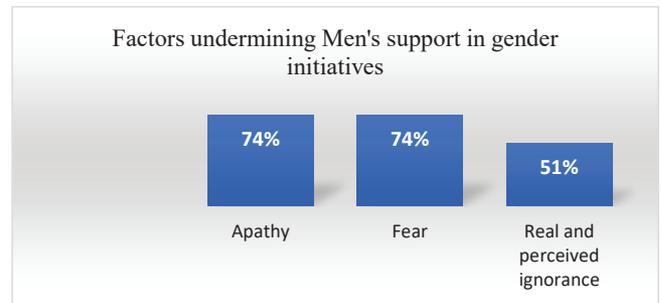
Interventions could be made earlier in the lifecycle of girls through school outreach campaigns to promote girls in leadership roles, raise the economic aspirations of both girls

and their family members, and boost educational choices by girls that could lead to professional and technical job opportunities.

**5.1 Strategies to engage men in economic empowerment of women at workplace**

A male ally understands and values gender diversity and is actively engaged in eliminating inequities. He will advocate for women even when there are no women in the room. They navigate economic downturns better and at a greater rate. According to Catalyst and NCWIT research, there are many factors discouraging men from acting as allies. These include apathy, fear, lack of leadership support, lack of time, and a belief that the problem is too daunting.

**Figure 6:** Forces undermining Men’s support for gender initiatives (as in % of interviewees)



**Source:** Report on Men as allies by Bentley University

Fortune 500 companies with gender-balance consistently outperform those that do not.

**Figure 7:** Step-by-step process to establish men as allies’ program in an organization:



**Source:** Bentley University report on Men as allies and author compilation

**5.2 Mainstreaming men in gender equity at different levels**

**1. At Individual level:**

**Start young and adapt through life transitions:** Adolescent boys are still forming their social norms, and

thus are ripe for reflection on harmful, inequitable gender norms and for forming more positive ones.

**Gender-synchronized approach.** Programs should engage with *all* genders in a process of gender transformation providing men and women with safe spaces where they feel they can discuss gender norms.

**Promoting positive masculinities.** Positive messaging that promotes men as agents of change instead of only “shaming and blaming” them can encourage and inspire men, rather than castigate them for men’s bad behaviours and for the negative effects of patriarchy.

## 2. At Community level:

**Use male role models and advocates:** Peer male mentors, celebrities, community leaders, and other role models can advocate for gender equality changing overall gender norms that lead to inequitable outcomes for women.

**Unpack gender norms among male facilitators and role models:** Programming should recruit and train facilitators and role models that are open to fully embracing gender equity.

**Collaboration with community influencers.** It is important to engage with men within communities who are perceived as thought leaders and key influencers in creating, shaping, and upholding community norms, including those related to gender.

## 3. At Institutional level:

**Acknowledge institutional hierarchies:** Programs that seek to transform gender norms around masculinity at the institutional level should identify and target the individual men who hold power within these institutions and work to shift their gender norms and create programs that focus on gender norm transformation within society and workplace.

**Engage male leaders to create more gender equitable workplace policies.** Men in leadership roles within companies should craft policies and procedures that promote more equitable employment or entrepreneurship environments, such as through equal pay for equal work, parental/family leave, flexible hours, and anti-sexual harassment policies.

## 4. At Regulatory level:

**Male engagement in gender equality policies:** Policy-based male engagement programming should seek to strengthen the visibility and agency of women in decision making bodies along with female policymakers.

**Compare the effectiveness of different platforms for male engagement.** Research shows that male engagement approaches are most effective when they are context-specific and leverage existing institutions and platforms.

Government, NGOs and private sector entities could jointly promote corporate social responsibility led projects to build education and awareness in communities, not just of women but of men too. In some communities, private-

sector and government stakeholders worked together to launch targeted TV, radio and social media campaigns to reshape attitudes that prevent women from working outside the home or undermine the role of women in other ways.

## CONCLUSION

Gender equality is an explicit goal of the 2030 Agenda for Sustainable Development which further states that all goals and targets depend on gender equality and women empowerment. Gender equality is one of six signature solutions within the UNDP Strategic Plan 2022-2025 to accelerate 2030 Agenda for Sustainable Development. Gender inequality also takes a pervasive toll on men. Unfair gender roles and damaging stereotypes and expectations construct and reproduce harming forms of masculinity. The expectation from men being the breadwinner may also take a negative toll on men’s capacity to strike a balance between work and family life, constraining their ability to enjoy and fully develop parenthood. Rigid and stereotypical gender norms can fuel risky behaviours resulting in violence, poor health, including preventive health, and lower life expectancy. Men in privileged position within diverse social, political and economic fora may echo messages of equality, catalysing impact and triggering truly transformative change towards gender equity and making it everyone’s responsibility. Women empowerment and gender equality will work when everyone plays to build an inclusive society. The global community now has a fundamental choice to either recycle failed austerity measures which will further deepen gender inequalities or enable a recovery which encourages men to build an inclusive community, smart economies and gleeful globe.

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# Digital Revolution: Activating Innovation for Women Empowerment

Women Empowerment is a comprehensive term and digital awareness and its effective utilization are its integral part. The digital revolution has enabled women to become socially and economically independent by ensuring their participation in all walks such as improving their network, having a better understanding of the world, and gaining easy access to knowledge and information. Though women empowerment is loudly advocated, the reality is, women do not stand in parity with men regarding access to the digital world. If this digital gender difference is not aptly addressed, women will find additional encumbrances at workplace and the potential to establish parity with men. The option to Work-from-home and applications designed to cater to the specific needs of women are some instances where innovation is aiding the goals of women's empowerment. In addition to stressing the importance of technology and innovation in bridging the prevailing gap in gender equality, this article highlights the need to create a gender-safe digital environment. It also briefly touches upon global efforts, government schemes and CSR initiatives to provide affordable smart devices to people in need.



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## INTRODUCTION

**V**T Bhattathiripad, a social reformer and dramatist from the State of Kerala wrote a famous play in 1929 titled "Adukkalayil Ninnu Arangathekku", which means the journey of women from kitchen to stage. Though we have progressed a lot with regard to our thought process, its implementation has not seen the total light even after nine decades. This is not an exception in case of digital literacy in India.

The digital revolution in India started when the Indian government launched the Digital India program in July 2015. The goal was to transform the country into a knowledge-based economy with strong digital capabilities. It sought to provide the nation's populace with accessible, affordable, utility-oriented technology. The method of electronic payments has also been revolutionized by the government. The pandemic's digital push caused India to experience the most real-time digital transactions in 2021, with 48.6 billion. This is 6.5 times larger than the population of developed countries viz US, Canada, France, and Germany combined and three times larger than China. The digital revolution is said to be the fourth industrial revolution, and it will result in a paradigm shift for India and its economy. Honourable Prime Minister, during his speech in Digital India week 2022, asserted, "India can

*proudly claim that it's not just a part of the industry revolution 4.0, but is actually leading it'.*

Even though the present digital revolution assures women the opportunity to become more socially and economically independent, whether women in India are really equipped to capitalize the same is a million-dollar question! Studies have revealed that digital awareness is still a distant dream for women, particularly those hailing from the country's rural areas. Digital access and usage of digital skills is essential to avail the online facilities, both at workplace and personal life. If women are not adapted to the use of technology, it will be yet another stumbling block in their workforce participation and will hamper their pursuits in achieving the goals of gender equality.

## GENDER DISPARITY IN DIGITAL ACCESS

People in emerging markets have a tonne of opportunities, thanks to technology. It is a known fact that in no state or Union Territory in India have women used the internet at a higher rate than men. We have realized the crucial role that internet connection and usage plays in business and social involvement. If the digital divide is not fully and swiftly addressed, it will further jeopardise availability of equal opportunities for women in India.

*"Code is going to continue to play a major role in defining our future. It's crucial that young women learn to code as early as possible to ensure that they have a voice and stake in what the world looks like"* - Karlie Kloss

UN Secretary-General Antonio Guterres, when addressing the UN General Assembly in 2018, commented that "*the technological revolution is being used to discriminate against women and reinforce our male-dominated culture*"<sup>1</sup>. Let's first examine the disparity in digital usage between men and women by gender.

- Globally, boys are 1.5 times more likely than girls to own a phone and 1.8 times more likely to own a Smartphone, according to Girl Effect. Compared to 46% of boys, only 27% of girls use their phones for the internet<sup>2</sup>.
- In India, women are 33% less likely than males to utilize mobile internet services and 15% less likely to acquire a mobile

<sup>1</sup> UN Secretary-General. 2018. "Address to the General Assembly."

<sup>2</sup> What we know about the gender digital divide for girls: A literature review by UNICEF

phone, according to the “India Inequality Report 2022: Digital Divide”. Women constitute only one-third of the internet users. According to the research, India ranks 105<sup>th</sup> out of 193 countries in the UN’s e-participation ranking (2022)<sup>3</sup>.

## THE GLOBAL GENDER GAP INDEX

India is in 135<sup>th</sup> position out of 146 countries in the Global Gender Gap Index 2022 rankings with a score of 0.629 (On a scale of 0 to 1, a score of 1 represents parity).

South Asia			
Country	Rank		Score
	Regional	Global	
Bangladesh	1	71	0.714
Nepal	2	96	0.692
Sri Lanka	3	110	0.670
Maldives	4	117	0.648
Bhutan	5	126	0.637
India	6	135	0.629
Iran, Islamic Republic	7	143	0.576
Pakistan	8	145	0.564
Afghanistan	9	146	0.435

Source: World Economic Forum’s Global Gender Gap Report, 2022

Work Participation and Leadership (Indicator-%)	
Women Membership in Boards	17.10
Firms with female majority ownership	2.80
Firms with female top managers	8.90
Share of workers in informal sector	88.80
Advancement of women to leadership roles	
Indicator 1-7(best)	3.55

Source: World Economic Forum’s Global Gender Gap Report, 2022

Digitalization may help women in several ways, including better networking opportunities, raising awareness about the rights available to women, and expanding their sense of the world. Digital literacy is nowadays an essential skill for a majority of formal employment and is directly linked with the potential to earn more and new economic opportunities. Hence, closing the gender gap in technology should be accorded the highest priority.

## CREATING A GENDER-SAFE DIGITAL ENVIRONMENT

The UN Human Rights Council (HRC) in 2012 stated that “*the same rights that people have offline must also be protected online, in particular freedom of expression*”<sup>4</sup>.

While eliminating the digital divide must be a top priority, we also need to take into account the risks that women and girls may face online. In 2018, UN Secretary-General’s panel on Digital Cooperation noted that women and girls were 27 times more likely to be harassed online than men<sup>5</sup>. In addition to causing lasting psychological impacts, this in turn, affects the participation of women in digital space.

According to a Web Foundation survey, 35% of teenage women and girls said their biggest fear with using the internet was the

<sup>3</sup> India Inequality report 2022: Digital Divide.

<sup>4</sup> <https://www.peacewomen.org/sites/default/files/Action%20Coalitions%20and%20WPS%20Policy%20Brief%205.pdf>

<sup>5</sup> Report of the Secretary-General Roadmap for Digital Cooperation, June 2020, para 50.

“Code is going to continue to play a major role in defining our future. It’s crucial that young women learn to code as early as possible to ensure that they have a voice and stake in what the world looks like”  
- Karlie Kloss

online sharing of personal, intimate photos and videos without their permission<sup>6</sup>. In some rural regions of northern India, women are entirely prohibited from using mobile phones, and other communities have laws designating internet use “immoral” for women.

- Since harassment and threats online have offline consequences, social media platforms may proactively address the issue of safety by using their “algorithm power.”
- Members of the general public should consider it their duty to report any instances of online abuse, and governments must improve the laws that hold offenders accountable.
- Girls must be educated on how to proceed with or whom to turn to for help when faced with online harassment.
- Parents, on the other hand, must also educate girls on how to stay safe online without curtailing their digital access when their girls face issues in a digital environment, particularly social media.
- Digital literacy for parents and family members can help them see the value of girls’ digital adoption rather than looking at the internet as a harmful space.

Digital literacy is described as “both the ability to use the Internet and digital technology effectively and the knowledge of how to do it safely, securely, with trusted information, and with secured data”<sup>7</sup>.

## COVID-19: ITS TOLL ON GENDER EQUALITY

As an adverse effect of COVID-19, the time it would necessitate to achieve gender equality has jumped from 99.5 years in 2020 to 132 years in 2022. This delays the progress that had been made thus far toward closing the gender gap<sup>8</sup>.

The reasons for this jump may include the burden of unpaid care borne chiefly by women. Since lockdown was accompanied by school closures, home-schooling became the norm and this increased the involvement of women in home-schooling of children.

As a result of the digital gender divide, women’s likelihood of finding new employment was lower than men’s<sup>9</sup>. Domestic abuse during the lockdown increased; as women had less access to phones and helplines. As vital public services like the police, judiciary, and social services continued to be disrupted, the decline in mental health was more faced by women than men. Yet a surprising light at the end of the tunnel emerged- the Work-from-home revolution.

## WORK-FROM-HOME - AN OPPORTUNITY FOR WOMEN TO GRAB

“We’ll see work going to people rather than people going to work. With flexible hours or selected work days, over 100 million

<sup>6</sup> Web Foundation, 2020.

<sup>7</sup> Tyers, A and Banyan Global, 2020.

<sup>8</sup> <https://innovation.eurasia.undp.org/boosting-gender-equality-through-innovation-and-digitalization/>

The UN Human Rights Council (HRC) in 2012 stated that “the same rights that people have offline must also be protected online, in particular freedom of expression.”

*Indian women with secondary degrees, could potentially find employment* – Keshav Muruges, group CEO of WNS<sup>10</sup>.

India’s female workforce participation rate was around 25% for 2021, the lowest among emerging economies. “*The need of the future is flexi work hours. We can use systems like flexible work places as opportunities for female labour force participation. India can achieve its goals faster if we make use of our women power*,” Honourable Prime Minister said in his speech during the National Labour Conference on 25<sup>th</sup> August 2022.

Whenever a woman considers taking time for herself, for her career growth, there is a preconceived feeling of guilt linked to the idea. Since they are frequently persuaded from a young age to believe that taking care of her family is the primary responsibility of a woman, they are unable to carve out time for themselves resulting in career breaks or over exertion to manage work and personal life. The option to Work-from-home and flexible work helps women overcome this significant career barrier. Corporates could come up with policies allowing women to work from anywhere without differentiating the pay of Work-from-home and Work-from-office employees, setting up robust communication facilities with digital support, managing periodic virtual meetings and digital reporting by employees.

Indian women, who have often sacrificed their career ambitions for their husbands’ careers or other commitments at home, have much to gain from this shift. Added flexibility could certainly improve women’s participation in the workforce. However, this could increase the pressure to do well at home simultaneously. For Work-from-home to be truly helpful to women, the attitude that women must work and run the home single-handedly has to change.

## GLOBAL COMPANY PRACTICES ON WFH

When the country was facing COVID-19 restrictions, and the Government imposed lockdowns, technology was essential for the survival of businesses. Companies, particularly those in the IT & ITES sectors, have quickly adopted themselves by providing their employees Work-from-home facilities and a hybrid mode of working during the lockdown. Once they are used to the Work-from-home mode, many Companies are continuing the Work-from-home model to their employees. Following are some initiatives taken by companies to make sure that their employees are motivated when they are away from their regular work routine<sup>11</sup>:

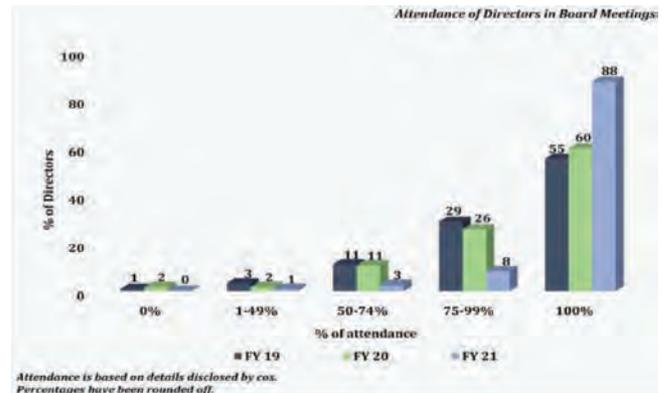
- Gitlab- Virtual coffee breaks through video calls for employees to socialize.

<sup>9</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8523930/#:~:text=Unequal%20impacts%20of%20the%20pandemic&text=First%2C%20the%20lockdown%20disrupted%20formal,widespread%20for%20women%20than%20men>

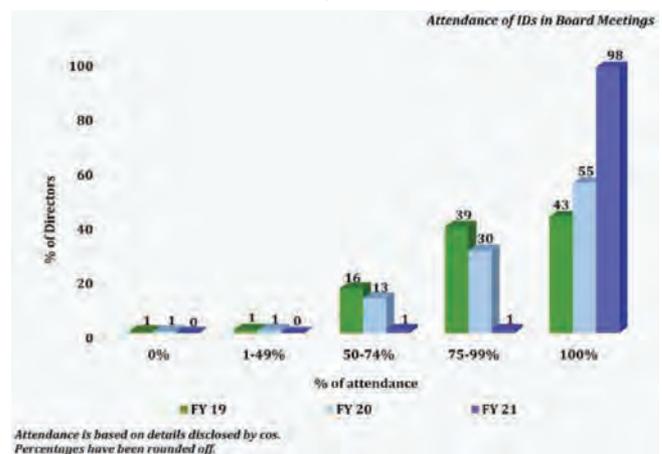
<sup>10</sup> <https://economictimes.indiatimes.com/jobs/work-from-home-revolution-is-a-surprise-boon-for-indias-women/articleshow/79401373.cms>

<sup>11</sup> ILO/SCOPE Study report on Impact of WFH on Women Executives and Managers in PSEs in India.

- Steyer Content- Happy hour every Thursday to talk about the books they are reading, have informal contests, etc.
- Bluewolf’s Going Social program.
- Culture Amp- Access to professional coaches to guide on professional/personal goals.
- Learning platform of Infosys.
- Ministry of Corporate Affairs (MCA) vide its notification in June 2021, omitted the provision which restricted conducting Meetings of the Board through video conferencing and allowed conducting of General Meeting of the shareholders through video conferencing in a phased manner. The Directors’ attendance in the Board Meetings has shown a significant improvement on account of virtual meetings.



**Source:** Excellence enablers survey on Corporate Governance in Maharatna and Navratna Companies.



**Source:** Excellence enablers survey on Corporate Governance in Maharatna and Navratna Companies.

## INDIAN APPS FOR WOMEN’S SAFETY

It is to be accepted that not all organizations or industries can provide Work-from-home facility to every female employee. To ensure that women feel secure leaving their homes, several safety and security applications on cell phones have been put in place. For instance, modern technology makes it simpler for women to travel by booking cabs quickly with the option to share the details of their trip for security.

We have safety apps that do not require unlocking the phone, punching in the number and speaking to our kin. Just shaking the phone a couple of times will do the need of sending emergency

alerts. Regarding education, we have E-Patashala of the Ministry of Human Resource Development, Shiksha Setu, launched by the Government of Haryana, and the list goes on. Some of the Indian apps developed with the need to cater to women’s safety, among other requirements with their key features are listed below:

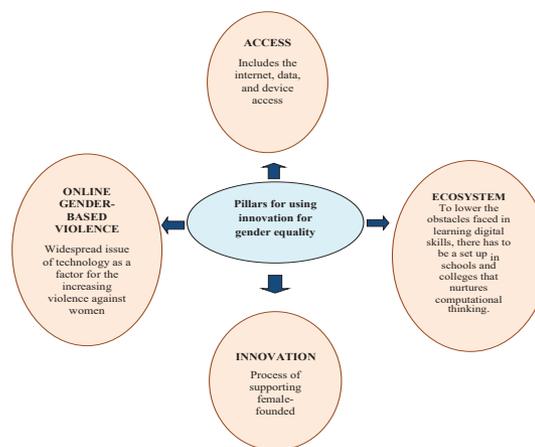
Name of the Application	Key Features
112 India	A security app launched by the Central Government of India to offer women in trouble to call an emergency number, to give an SOS alert with a single tap.
Himmat	Safety program recommended by Delhi police to respond quickly during a crisis. Uses SOS alert and live audio and video transmitted to Delhi police.
Kavalan- SOS App	Kavalan (police in Tamil) is developed by Tamil Nādu police for the police to assist in emergencies such as eve teasing, kidnapping, etc.
Abhayam app	Launched by the Andhra Pradesh Government for the safety of women travelling by auto and taxi.
Indian Police at Your Call App of National Informatics Centre (NIC)	To find the nearest police station, display the routes along with significant landmarks, contact number of the police station.
My Safetipin	Helps determine the safest path, access to neighbouring hospitals, gives alert to loved ones when choosing the incorrect path.
Sheroes	A social women’s networking app to share videos and posts of their passion, discover Work-from-home opportunities, to resell products, get legal advice, beauty tips, make new friends and find or share recipes with them.
bSafe	Features like voice activation, live streaming, location tracking ensures women’s safety.
Smart 24*7	Allows the users to send emergency alerts to relatives and friends, simultaneously receiving support from the customer service centre, neighbouring police and ambulance services.
Maya Period Tracker	Tracks the menstrual cycle, predicts fertility, understands women’s bodies based on past notes and is useful for keeping a diary with notes of symptoms and moods, gives insights about women’s health from the data, provides timely alerts of periods and helps manage overall health.
BabyGoGo Mom App	Offers parenting advice, and answers to baby-related queries backed by research and evidence.

“The digital divide has become the new face of gender inequality”- Dr. Sima Sami Bahous, Executive Director at UN Women.

**Efforts across the globe:**

“The digital divide has become the new face of gender inequality”- Dr. Sima Sami Bahous, Executive Director at UN Women.

The year 2023 has been designated as a year of action for innovation and technology for gender equality by the UN General Assembly. The forum’s strategy for fostering gender equality worldwide using technology and innovation was highlighted by Caitlin Kraft-Buchman, the founder and CEO of Women@TheTable: “The blueprint has four pillars; access, ecosystem, innovation and online gender-based violence.”



*Source: Conceptualised by the author based on Caitlin Kraft-Buchman’s four pillars*

Girl Up, an initiative of the UN Foundation, aims to inspire the next generation to pursue careers in engineering, digital transformation, or digital consultancy. HCL has partnered with Girl Up and they are taking initiatives to employ more women software engineers<sup>12</sup>.

**CSR CONTRIBUTIONS TO ACHIEVE DIGITAL GENDER EQUALITY**

Less access to devices, data, networks, and digital education are some of the significant obstacles to women being fully included in the digital world. As women have lower levels of income and are less financially independent, compared to men, they are more price sensitive when it comes to paying the cost of data. This issue can be witnessed more in rural areas where there is a significant gap in infrastructure and network facilities. State governments have started giving laptops to students in Class XI, XII and colleges free of cost. To succeed in achieving digital gender

<sup>12</sup> Activating Technology and Innovation for Gender Equality| UN Women @ Davos 2023.

## Digital Revolution: Activating Innovation for Women Empowerment

equality, funds should flow not only from government initiatives but also from Corporates for providing affordable devices and internet connectivity in schools located in rural areas.

Schedule VII of The Companies Act, 2013 provides a list of activities that Companies may include in their CSR initiatives.

Items from Schedule VII of the Act	Suggestive activities to promote gender equality and digital literacy
Promoting education, including special education and employment enhancing vocation skills especially among children, women, and livelihood enhancement projects.	<ul style="list-style-type: none"> <li>Imparting women the knowledge on digital technologies, available government schemes, market linkages and platforms to sell their products online.</li> <li>Provide access to devices, data and skills necessary.</li> </ul>
Promoting gender equality, empowering women	<ul style="list-style-type: none"> <li>Training women entrepreneurs to participate in the digital economy.</li> </ul>

Source: The Companies Act, 2013

Here are some examples which many Companies may imbibe:

**Women Empowerment through technology of NASSCOM Foundation:** They have trained women agri-entrepreneurs in the state of Maharashtra. 99% of the women entrepreneurs who were trained by them are now using technology to boost their businesses<sup>13</sup>.

**Digital Sakhi Project of L&T Finance Holdings Limited:** The project is in accordance with the Government of India's goal of building a digital India, where digital payment methods have been the primary focus of financial literacy initiatives. Each of these women, known as "Sakhi," is provided with a mobile tablet. The Digital Sakhi project, which began in 2017 and has now produced a cadre of 960 Digital Sakhis, has assisted in the upskilling of 5,500 women business owners in rural India. More than 8.60 lakh individuals were given access to empowerment through Digital Sakhis in the villages of Maharashtra, Madhya Pradesh, Tamil Nadu, Odisha, and West Bengal in just FY 2022<sup>14</sup>.

**SafalSakhi Tablet of Hindustan Zinc Ltd:** The Company distributed mobile tablets to rural women in Rajasthan, Uttarakhand. With the help of this project, Self Help Groups are now able to maintain a bank account online, use digital software for accounting<sup>15</sup>.

**Larsen and Toubro Infotech Limited** provided computer education to children in underprivileged communities, set up science technology labs, laptops to support digital education. Similarly, **Cognizant Technology Solutions Private Limited** donated tablets and laptops to Government schools in the State of Telangana. **MPS Limited** partnered with Computer Shiksha with the dream of bridging the digital divide in India<sup>16</sup>.

<sup>13</sup> <https://indiacr.in/csr-200-women-agri-preneurs-empowered-with-digital-skills/>

<sup>14</sup> <https://www.ltfs.com/content/dam/Int-financial-services/home-page/media-center/documents/press-release/2022/Digital-Sakhi-Launch-in-Kerala.pdf>

<sup>15</sup> <https://udaipurtimes.com/business-udaipur/hindustan-zinc-empowers-rural-women-digitally-with-safal/cid1278058.htm>

<sup>16</sup> [https://csrbox.org/India\\_CSR\\_Project\\_MPS-Limited-Computer-Education-to-Underprivileged-Students-Haryana-15573](https://csrbox.org/India_CSR_Project_MPS-Limited-Computer-Education-to-Underprivileged-Students-Haryana-15573)

### Suggestions:

1. Push towards greater accessibility and usage of internet and affordable smart devices which encourage more women to participate in the digital economy.
2. Conduct digital literacy camps highlighting its uses and necessity in today's world.
3. Establishing a responsive grievance redressal mechanism, and helplines to handle complaints related to cyber bullying, cyber stalking, etc.
4. Increasing awareness about the laws protecting women from cyber harassments.
5. Providing a safe space to share and seek sensitive information. Online platforms can offer counselling and psychological support to survivors of sexual and gender-based violence.
6. Building digital training and making it a part of school curricula from primary education so that when they enter the employment world, their digital skills would have developed over a period of time.
7. Gender budgeting prioritising the access to phones for vulnerable women, particularly in rural areas.
8. Creating digital platforms to sell products made by women, and thereby encouraging entrepreneurial traits in women.
9. Establishing women-led platforms to gather women entrepreneurs, women founders of start-ups, non-profit institutions from across the country, enabling them to discuss innovations, financing, training and mentorship to encourage other women around the world.
10. Encouraging venture capital funds to invest in women's online start-ups.
11. Creating a drive, particularly for women in the mofussil areas on how to use the electronic platforms available in BFSI sector.

### CONCLUSION

It is rare to see good opportunities to come with a gift-wrapped box and knock on your door. Digital access makes this possible. That is why technology and innovation can function as catalysts in women's economic empowerment. In a world where everything is becoming technology-driven, a male-dominated tech-field misses out on the women's perspective. The time has come to end the vicious cycle of digital inequality and work together to create an open, secure, and more equitable digital future for generations to come. For this, women must have access to internet connectivity and digital training necessary to help reap the opportunities that technology has to offer. Any development to be fully impactful must have a holistic view and inclusive approach. In the words of Malala Yousafzai, "Every girl deserves to take part in creating the technology that will change our world, and change who runs it". Considering girls' voices and including women when developing new software or product will, on one hand, ensure that women's needs are met and, on the other hand, will, boost their confidence in doing so. As the governments in the centre and states give emphasis on Women empowerment, it may be noted that giving them the tech-autonomy is the key to achieve the objective of empowerment. 

# An Exploratory Research Study on The Implementation of 3 Gender Equality Laws In the Corporate Sector In India

India ranked 143<sup>rd</sup> out of 153 countries in the Gender Gap Report of 2022. Employment rates in India are 27 percent for women and 79.1 percent for men, showing that gender equality is still a pipeline dream for India's corporate sector. In fact, women only account for 18 percent of India's labour income.



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## INTRODUCTION

India ranked 143<sup>rd</sup> out of 153 countries in the Gender Gap Report of 2022.<sup>1</sup> Employment rates in India are 27 percent for women and 79.1 percent for men, showing that gender equality is still a pipeline dream for India's corporate sector.<sup>2</sup> In fact, women only account for 18 percent of India's labour income.<sup>3</sup>

There are several laws in place to promote women's participation in the workforce. This includes Article 14 of the Indian Constitution that confers the right against gender-based discrimination on all Indian citizens. Yet gender inequality in the corporate sector persists. At Pacta, we undertook a research study under the aegis of UN Women to assess the implementation of three recent laws that promote gender equality in India's corporate sector.

The study focused on three aspects of gender representation in the corporate sector:

### Part A- Women on Boards

- Compliance with the one woman director mandate (required under Section 149 of the Companies Act, 2013 read with Rule 17 of the Securities Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

- Type of board positions of women: promoter-directors, executive directors or independent directors
- The number of women directors appointed/resigned during the period of 2015-16 to 2020-21
- Ratio of number of women directors to the total number of directors on the board

### Part B- PoSH Compliance

- PoSH Internal Committee's composition
- Number of complaints filed and disposed between 2015-16 to 2020-21

### Part C- BRSR Compliance

- Board meeting frequency to assess BRSR compliance
- Involvement of women directors in BRSR
- Compliance with disclosures requirements for women employees.

We used a mixed method approach, combining qualitative and quantitative analyses. For the quantitative component, our sample size was 301 companies for 6 years from 2015-16 to 2020-21, selected through a random sampling of the NSE 1000 companies. Banking Companies, Non-Banking Financial Companies and PSU's were eliminated from our sample. We also divided the companies into Tier A, B and C based on the market capitalization. We scraped data from the annual reports of these companies and combined certain data from the PRIME database.

For the qualitative component, we conducted semi-structured interviews with 73 stakeholders: Directors of the NSE 1000 companies- 49 (38 women and 11 men), Chief of Compliance or Human Resource Officers (8 men and 7 women).

## MAJOR FINDINGS AND RECOMMENDATIONS

### Part A- Women on boards

The corporate sector complies with the Sec 149 of the Companies Act (2013) read with Regulation 17, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (2015); 100% of the sampled companies across tiers A, B and C\* have at least one woman on their boards.\*Tier A (n=86), Tier B (n= 107), and Tier C (n = 108).

<sup>1</sup> World Economic Forum, 'Global Gender Gap Report 2022' (July 2022). <[https://www3.weforum.org/docs/WEF\\_GGGR\\_2022.pdf](https://www3.weforum.org/docs/WEF_GGGR_2022.pdf)> accessed 6<sup>th</sup> Feb 2023.

<sup>2</sup> International Labour Organization, 'Which countries have the highest gender gap in the workplace?' (n.d.) < [https://www.ilo.org/global/about-the-ilo/multimedia/maps-and-charts/enhanced/WCMS\\_556528/lang-en/index.htm](https://www.ilo.org/global/about-the-ilo/multimedia/maps-and-charts/enhanced/WCMS_556528/lang-en/index.htm)> accessed 6<sup>th</sup> Feb 2023.

<sup>3</sup> Lucas Chancel and others, 'World Inequality Report 2022' (n.d.). <[https://wir2022.wid.world/www-site/uploads/2022/03/0098-21\\_WIL\\_RIM\\_RAPPORT\\_A4.pdf](https://wir2022.wid.world/www-site/uploads/2022/03/0098-21_WIL_RIM_RAPPORT_A4.pdf)> accessed 6<sup>th</sup> Feb 2023. The full study can be accessed here: <https://www.pacta.in/Un-Women-Final.pdf>

**1. Gender Representation on Board**

The quantitative analysis showed year-on-year growth in the share of women on boards whereas there was a downward trend for men on boards from 2015-16 to 2020-21. In terms of absolute growth, women on boards increased by 57% while it was just 5% growth for men on boards. Consequently, gender representation on boards has changed in recent years.

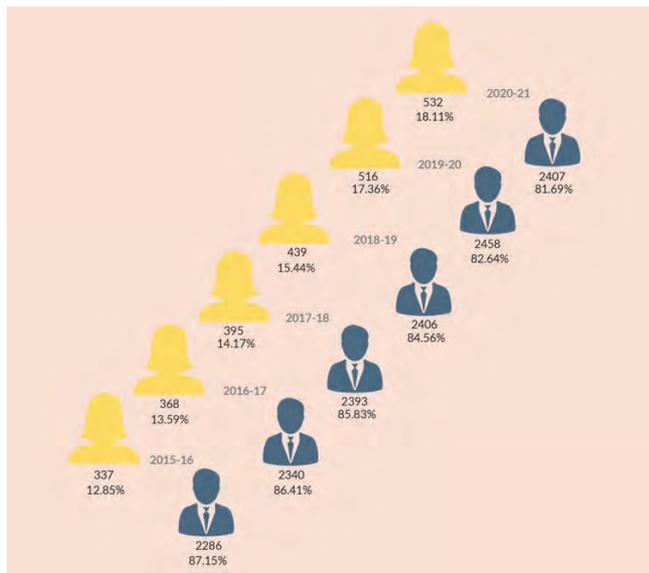


Figure 1: Board positions held by Women and Men in Sampled Companies (n=301).

However, despite an increase in women directors from 337 in 2015-16 to 532 in 2020-21, they are outnumbered by men directors. There are approximately two women directors for every nine men directors.

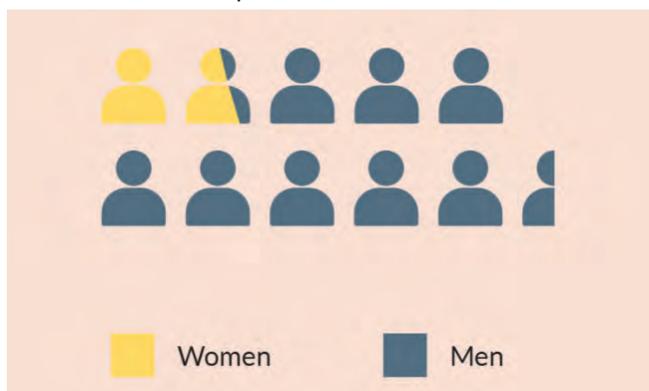


Figure 2: Ratio of Women and Men on Boards in India

**2. Type of Board Positions Held by Women**

Board decision making depends on the type of board positions held. Generally, women become Independent directors in a non-executive capacity. The SEBI Regulation in 2018-19 led to further increase in independent directors. But throughout the period of our study between 2015-16 to 2020-21, the number of women executive and promoter directors remained relatively stagnant. In 2020-

21, there were 111 independent women directors while 53 and 18 women were executive and promoter directors respectively.

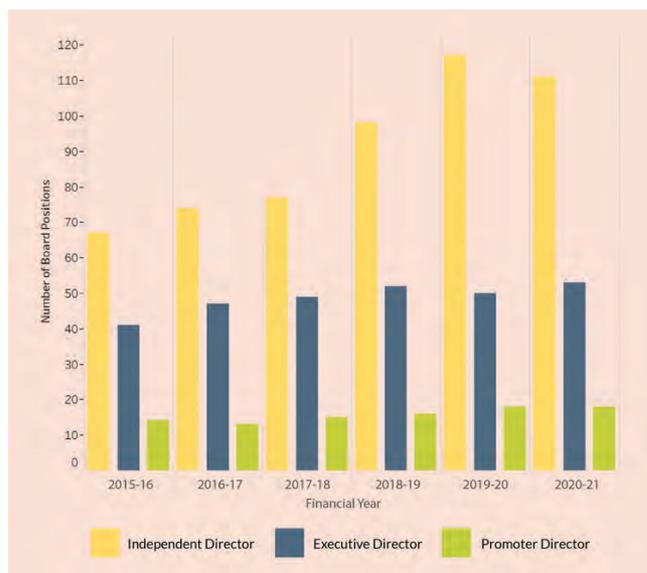


Figure 3: Types of Board Positions Held by Women

**3. Hiring and Cessation.**

The appointment of women on board in the sampled companies saw a steady increase from 2015-16 to 2019-20 and then a fall in 2020-21. The number of women on boards appointed each year outnumbered the number of women retiring and resigning from boards throughout the period. For every woman leaving the board, about 1.5 women have joined on an average. The rate of replacement remains the same throughout our study period.

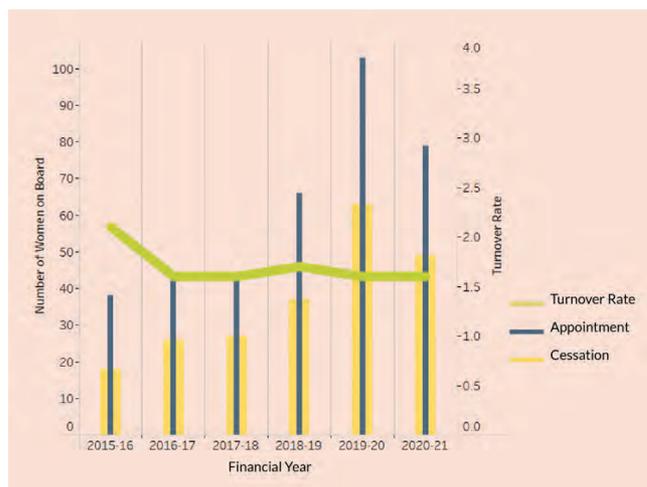


Figure 4: Hiring, Cessation and Turnover Rates of Women on Boards.

**4. Women's representation in Board Committees**

The representation of women on Board Committees is increasing steadily and the ratio of the number of men to women in different committees is declining. However, men still outnumber women across all Board Committees.



**Figure 5: Ratio of Men to Women on Board Committees**  
(Audit=Audit Committee, CSR=Corporate Social Responsibility Committee, NRC=Nomination and Remuneration Committee, SRC=Stakeholder Relationship Committee)

The qualitative interviews showed that the allocation of women directors to committees can be attributed to personal qualifications, the nature of requirements, and the culture of the board. Although 78 % of our respondent directors said that gender does not play a role in determining selection to the Board Committees, the limited pool of women directors on Boards gets reflected in the Board Committees as well.

**5. Participation of Women in Decision Making.**

The participation of women directors compared to men directors was measured using their attendance at board meetings. There is little to no difference in participation at Board meetings across gender on average.



**Figure 6: Weighted Average of Board Meeting Attendance by Women and Men on Boards for FY 2020-21.**

Women directors were found to be comfortable to voice opinions in board and committee meetings. Hence, it can be said that women are on par with men in terms of decision-making. Responses from qualitative interviews indicated indifference to gender based-roles and expectations,

“Actually, when you enter a boardroom, you leave your gender at the door. You should if you don’t.”

The interviews also emphasized the importance of pro-women initiatives taken by women on boards including better opportunity, gender inclusivity, pro-women CSR initiatives, etc.

**6. Experience of Gender Discrimination on Boards**

42% of respondents expressed they felt discriminated against based on their gender.

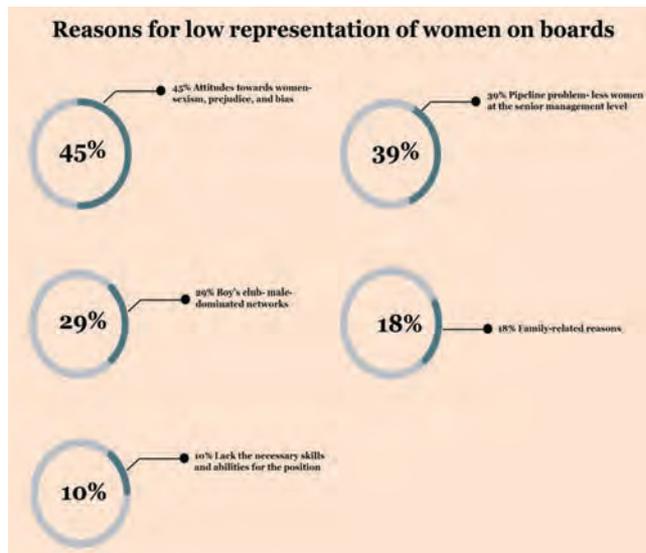
“If you’re facing some issues or challenges, what do you do? Who do you go to? If you are vocal about your challenges, you’re branded a fussy woman. There is an inherent problem here – we don’t have any platform for women directors to come out and discuss challenges they face in their roles. “

If they favoured pro-women initiatives, they get labelled as activists,

“... Somebody would have the urge to say even before I say my name, ‘she is an activist’”.

Most of our interviewees are at the top of the corporate ladder after navigating many hurdles. It is expected that women who are in the early stages of their career will face much more workplace discrimination.

**8. Reasons for Low Representation of Women on Boards**



**Figure 7: Reasons for low representation of women on boards**

In order to improve the gender balance on Boards we make the following recommendations:

**Recommendations**

Transparent Hiring Practices and Reliance on Expertise, Not Networks for Hiring	Candidates must be selected based on skill and expertise through public announcement of vacancies. This allows merit-based appointments and encourages women to apply.
	Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 requires independent directors to be registered with the Indian Institute of

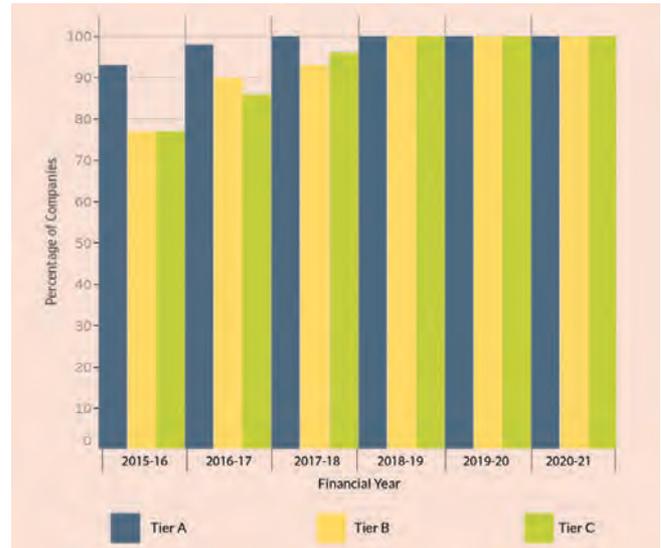
	Corporate Affairs independent directors' data bank prior to their appointment. But this databank is rarely considered while hiring directors. Gatekeepers can refer to this database instead of solely relying on their network.
Explicit Corporate Policy for Improving Gender Parity on Board	Corporates must improve gender parity on boards through an explicit policy that goes beyond the minimum compliance and regular commitment tracking. The government should encourage such corporate policies through incentives. Section 149 (10), (11) of the Companies Act, 2013 read with Regulation 25 (2) SEBI (Listing Obligations and Disclosure Requirements) states that the independent director's term should not exceed 10 years and the period of calculation would effectively begin only from the year 2014 irrespective of how long they held the position prior to 2014. Hence in 2024, many independent directors shall be retiring. <sup>4</sup> We recommend that this is the perfect opportunity to bridge the gender gap on Boards.
Networking Opportunities for Women	The corporate sector must have networking opportunities specifically tailored for women to help them upskill and increase their visibility.
Sensitisation of Men Board Members	Initiatives such as 'Mentor My Board' and 'Women on Corporate Boards Mentorship' and sensitization programmes for men directors/gatekeepers will help to gradually change attitudes and overcome conscious and unconscious bias.  Sensitisation programs will also create a network of allies that support and drive gender diversity on boards.
Childcare, Eldercare, and Transport Services to Ease Domestic Burden on Women	Stronger government and corporate policy for childcare, elder care, and transportation services, will alleviate domestic burden on women and improve their workforce participation and retention. Further, gender-neutral paternity leave policies, so men employees take leave for childcare, will help lessen the domestic burden on women.
Increase in Quota to Bring Critical Mass of Women on Boards	Broadening the quota's scope to apply to executives, unlisted companies and other corporate entities can also help to increase women's representation on boards.

**Part B - POSH Compliance**

**1. Compliance with the PoSH Act**

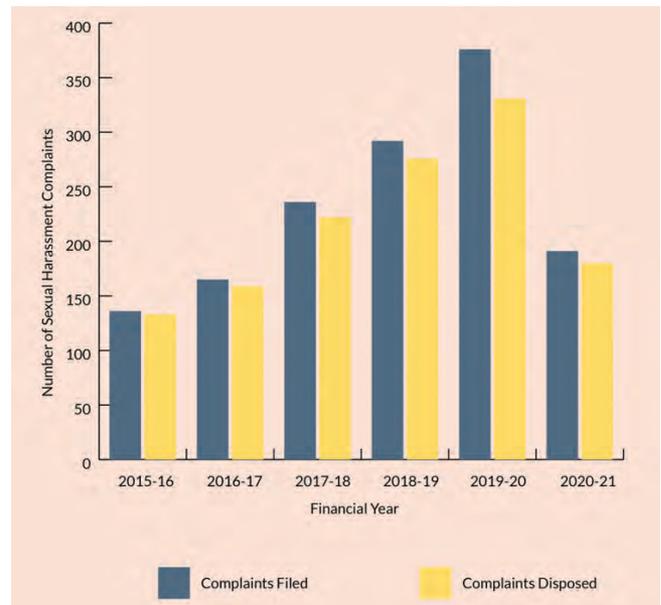
Companies having 10 or more employees are required to constitute an Internal Committee. In 2018, the Companies (Account) Rules ,2014 Companies must report their compliance with the constitution of Internal Committees on their board report. 100% of the Companies surveyed

were in compliance with the requirement of an Internal Committee from the FY 2018-19 onwards.



**Figure 8:** Percentage of Committees which made disclosure regarding formation of Internal Committees

Section 11 (4) of the PoSH Act, states that the Internal Committee must complete the inquiry within 90 days of filing of the complaint. The figure below represents the number of cases filed and disposed in the same year: it indicates substantial compliance with the statutory timeline.



**Figure 9:** Number of Complaints filed and disposed in Sampled Companies (n=301)

**2. Low number of Complaints ≠ Safe Working Spaces for Women**

The number of complaints filed by the companies increased from 135 to 376 between 2015-16 to 2019-20.

<sup>4</sup>. Devjina Sengupta, 'India Inc on the prowl to replace 2k board members' Mint (29<sup>th</sup> Jan 2023). <<https://www.livemint.com/industry/human-resource/india-inc-on-the-prowl-to-replace-2k-independent-board-members-11675005518571.html>> accessed 6<sup>th</sup> Feb 2023.

However, post that the number of complaints reduced by almost half in 2020-21 (191 complaints). On an average, Tier A companies receive only 2.5 complaints every year (except in 2019-20 when the average number of complaints was 3.06) and Tier B & C companies receive 1 complaint per year. In fact, 84% of the surveyed companies (overall) reported nil sexual harassment complaints. Though the number of POSH complaints are low, it does not correspond to safe workplaces.

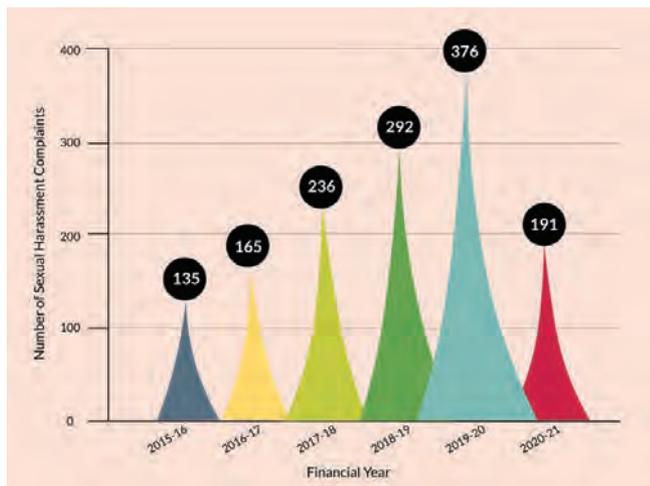


Figure 10: Number of Sexual Harassment Complaints Reported

### 3. Reasons for Low Numbers of PoSH Complaints

We interviewed 15 Chief Compliance Officers for PoSH and HR managers from the top 1000 Indian companies.



Figure 11: Reasons for low number of complaints under PoSH law

What our respondents think:

“... problem with PoSH [complaints] is that if one person [in the workplace] knows, everyone knows.”

“It’s a male dominated plant. We have woman employees, but they are less in number. Everyone respects them... senior employees treat them like their daughters.”

“They will have 1,000 offices, warehouses, factories, storerooms, marketing offices, where that one person who’s the boss is running his own system there. What is the probability of one girl stepping up and saying my manager in this office is doing this? Most of them in India are so scared about losing their jobs....”

“The general attitude is to treat the complaint as fake, or because of ulterior motives, but this is not true.

### 4. Limited Involvement of Board Members in Sexual Harassment Complaints

Under Section 134 (3) of the Companies Act, 2013, (post 2018 Amendment) the report presented by the Board of Directors before the Annual General Meeting of the Company should also include details of the PoSH cases. Qualitative interviews with 15 Chief of Compliance Officers found that although 93%, Companies present this report before the Board, only 64.2% of the Board of Directors further engaged with the report’s findings. One respondent mentioned that

“If there were no women in the room, the PoSH data would be quickly brushed over....”

Though compliance rates are high, women continue to face sexual harassment at the workplace. The following recommendations would enable a meaningful implementation of the law:

### Recommendations

For Government	
Building Governmental Capacity	There is no information on how/if district officers process PoSH reports filed by companies. Building government capacity is crucial. For instance, a PoSH department in each state — with human, financial, and infrastructural resources — to track compliance and progress.
E-filing for Transparent Reporting Systems	E-filing of annual PoSH reports on a single window platform will help to ease confusion regarding the competent authority for filing the returns.
Accountability and Information Dissemination	Aggregate data on compliance by companies should be made publicly available for greater corporate transparency and accountability.
External Expert to Form Part of Quorum	Mandating that the external expert should be part of the quorum will also help to ensure that no Internal Committee proceedings are conducted without the presence of an impartial expert. This might provide a source of comfort to the complainant and fully leverage the expertise of the expert.
For Corporates	
Need for Deep Rooted Changes in Perceptions and Attitudes	Though the law has resulted in predominantly compliant companies, it is not clear whether women feel comfortable to come forward with complaints. Weaving in PoSH related provisions in companies code of conduct, whistle blower policies, and equal opportunity policies will ensure that sexual harassment compliance goes beyond tokenism and is not seen in isolation. Sexual harassment complaint investigations must be sensitively conducted without trivialising the complainant’s experience, and following a trauma-informed approach.

**Part C - BRSR Reporting**

**1. Compliance with Reporting Mandates**

India introduced gender disaggregated reporting for the top 100 companies in 2013-Business Responsibility Reporting (“BRR”). The SEBI (Listing Obligations and Disclosure Requirements) Regulations (2015) codified this reporting requirement. From 2016, the top 500 companies were required to comply with BRR requirements. In 2021, the Government notified a revised reporting mechanism called Business Responsibility and Sustainability Reporting (“BRSR”). It was voluntary for the NSE 1000 companies for FY 2021-22 and mandatory for them from FY 2022-23.

Although 60% of our respondents stated that their companies have a mechanism in place to ensure BRSR compliance, 53% of the respondents said their companies were unwilling to release the BRSR report voluntarily. So mandating disclosure is imperative to gathering this critical information. Data from BRSR reporting would be available from 2022-23 onwards.

**2. Board Involvement in Business Responsibility Report Preparation**

BRSR Compliance is more driven by board oversight in India than higher management. While 27% of respondents said BRSR process is driven by higher management with some board level insight, 47% of the respondents said BRSR compliance is entirely driven by Board members.

However, when you observe the gender of directors responsible for BRR reporting, just over one percent are women- Out of the 295 companies we studied only 29 had women in charge overseeing BRR requirements. The rest of the 166 companies had men in this role.

While women directors once appointed have been able to participate in corporate affairs and face little discriminatory action, gender still works against those who must traverse this journey to the top.

**Recommendations**

Awareness & Training Programmes	Awareness programmes should be conducted by the Ministry of Corporate Affairs and Training programmes should be conducted by Companies to highlight the significance of sex-disaggregated data, and ensure BRSR compliance in letter and spirit.
Strengthen Board Involvement with BRSR	Board agenda should include perusing the sex-disaggregated data from BRSR report to pro-actively drive policies addressing gender disparity within the company.
Processing and Aggregating Data for Informed Policy Decisions	BRSR will provide a rich information pertaining to the workforce and gendered patterns therein. The Ministry of Corporate Affairs must release aggregated data so that researchers can study gender practices in employment, career progression, remuneration, retention after maternity, and social security provisions. This will enable formulation of data backed policy.

**CONCLUSION**

It is well known that a quota system catalyzes the presence and participation of women. This holds true for affirmative action in the political and corporate context in India and abroad. Our research based on data pertaining to elite listed companies in India has shown that legal mandates are substantially complied with. However, this has still not created the critical mass necessary for a sustained and deep-rooted change in gender attitudes. For law and policy initiatives to achieve deep rooted change, it will benefit to design affirmative action to allow the creation of this critical mass. Our research has also proven that having women at the top translates into pro-women policies whose benefits percolate to the bottom of the pyramid.

While women directors once appointed have been able to participate in corporate affairs and face little discriminatory action, gender still works against those who must traverse this journey to the top. A unique opportunity to create this critical mass of women leaders is now before us - In 2014, the SEBI regulatory modification mandated that independent directors may hold office for a term of up to 5 consecutive years on the board of a company and shall be eligible for reappointment for another term of up to 4 consecutive years on passing a special resolution by the company. Thus, it is reported that thousands of independent directors would retire in 2024, and new directors would need to be appointed. If companies can commit to hiring women directors, this will quickly enhance the gender diversity of the boards, which will ultimately result in a positive trickle-down effect for women in India’s workforce.

(This article was written with support from Manasvini Ranganathan, Legal Associate at Pacta.)

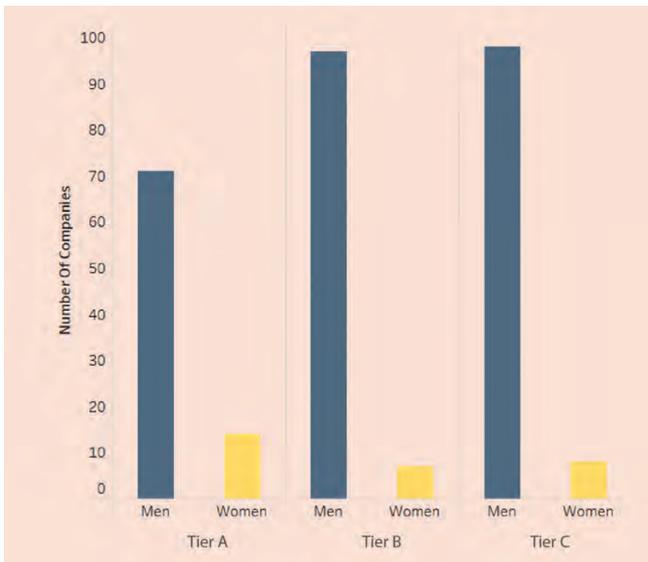


Figure 12: Director Responsible for BRR Disclosure Requirement (based on Gender).

Note: Information was not available for 1 company in Tier A, and 3 companies in Tier B, and 2 companies in Tier C.

Since mandatory BRSR disclosures are futuristic, we make the following recommendations to ensure that BRSR compliances translate into a source of actionable policy decisions at the company level and the MCA level.

# Time to “Walk the Talk” on Gender Equality for a Resilient India

There have been concerted efforts to ensure empowerment of women at the lower rung of the social strata. These initiatives are beyond the realms of gender equality. They espouse to motivate women to take up fresh challenges and inspire women to chase their dreams in a secure environment.



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*There is no chance for the welfare of the world unless the condition of women is improved. It is not possible for a bird to fly on only one wing.*  
- Swami Vivekananda

## INTRODUCTION

Come March 8 and we see symposiums, seminars, webinars, workshops and talks on celebrating it as the *Women’s Day*. While the spirit behind recognition and celebration of this day has definitely electrified and galvanised the efforts and initiatives at a Global level towards ‘Women empowerment and Gender Equality’, the fact remains that much needs to be done and many miles have to be crossed before we reach the base camp of this *Herculean Mount Everest climb*. If the almighty creator of this universe has indeed created all humans as equal, then why should we confine this celebration to a single chosen day? Ensuring equality of all Humans in all spheres of life has to be adopted and adapted as a way of life and ingrained into our culture itself.

It is important to quote Hon’ble Justice Bela Trivedi who while speaking on the occasion of the first ever International Day of Women Judges hosted by the Supreme Court made the following observations on the need to ensure gender equality which could lead to ensure *gender justice*.

*“A miniscule representation of women in the judiciary will nurture a belief that women do not belong to leadership, though the symbol of justice is a lady. It is said that the whole world is nothing but the cosmic dance of Lord Shiva, and one of the forms of Shiva is Ardh Narishwar, which is the lord who is half-woman. This form of Lord Shiva represents the wholeness*

*and completeness of human existence. In my opinion, the wholeness and completeness of justice also demands equal representation of Shiva and Shakti, that is men and women judges on the bench.”*

## BIRTH OF THE INDIAN CONSTITUTION: RECOGNITION OF WOMEN’S RIGHTS & GENDER EQUALITY

Our Constitution which came into force w.e.f 26<sup>th</sup> January 1950 secures for all its citizens “justice” – social, economic and political, “liberty” – of thoughts, expression, belief, faith and worship, “equality” – of status and of opportunity..... and dignity of the individual and the integrity of the nation’ with such wordings, the preamble of the Indian constitution ensures the basic human rights of all men as well as women.

While the term ‘*Gender Equality*’ has been buzzing nowadays, the Right to equality was recognized by the Constitution vide Article 14 which stipulates that *The status of women is equal to men in the eyes of law*

The Constitution of India also recognizes the principle of gender equality in its Preamble, Fundamental Rights, and under the Directive Principles of State Policy. One of the most significant provisions in the Indian Constitution is Article 15(3) which empowers the State to adopt measures of positive discrimination in favour of women. It is also notable that the National Commission for Women was set up in the year 1992 for dealing with complaints of women’s rights violation, to advise on the aspect of socio-economic development of women and to protect the legal rights of women, etc.

At the international level, India has ratified and endorsed various conventions, instruments, initiatives, and strategies that aim to secure equal rights for women, the most significant among them being the Convention on Elimination of All Forms of Discrimination Against Women (CEDAW) which was ratified by India in 1993. Gender Equality’ is the 5<sup>th</sup> goal among the 17 Sustainable Development Goals (SDGs) adopted by the United Nations.

## THE INDIAN CONSTITUTION AND GENDER EQUALITY

The Indian Constitution has guaranteed the following rights to women:

- Equality before law and equal protection of laws.
- Prohibition on discrimination.

\*Views of the author are strictly personal.

## Time to “Walk the Talk” on Gender Equality for a Resilient India

- Right to live with Dignity.
- **Right against exploitation:** Article 23 protects against human trafficking and bonded labour, which works as a shield for women's safety and ensures their right to work.
- **Right to livelihood** provides that the citizen, whether men or women, equally have the right to an adequate means to livelihood.
- **Equal pay for equal work:** Under Article 39 (d), the state shall direct its policy towards securing that there is equal pay for equal work for not only men but also women.
- **Right to health: Article 39 (e),** guarantees that the state shall direct its policy towards securing that the health and strength of workers, men as well as women and the tender age of children are not abused and none of them are not forced by economic necessity.
- **Just and human conditions of work and maternity relief:** Article 42 of the constitution directs that the state shall make provision for securing just and human conditions of work and for maternity relief.

### SPECIAL LAWS ENACTED TO PROTECT WOMEN AGAINST CRIMINAL ACTS & UPHOLD THEIR PERSONAL RIGHTS

The Central Govt and State Govts have also enacted special legislations to deal with *Immoral Trafficking, Dowry Prohibition, Indecent Representation, Protection of children from sexual offences, Protection from Domestic violence, Women's Health & Safety – Medical termination of Pregnancy Act: and Pre-Conception and Pre-Natal Diagnostic Techniques (Regulation) Act (PCPNDT) 1994, Prevention of Sexual harassment at Workplace, Benevolent labour enactments which provide Maternity benefits and protection of employment, Minimum Wages, Equal Pay* and many others.

### HAVE THE WOMEN PROTECTIVE LAWS YIELDED THE DESIRED RESULTS? WHAT IS THE STATE OF AFFAIRS AFTER MORE THAN 70 YEARS OF THE BIRTH OF THE CONSTITUTION? BOTTOM OF FORM

The Constitution was brought into force w.e.f 26<sup>th</sup> January 1950 and even after 70 years of its enactment, the condition and status of women remains a matter of concern. No doubt an eminent philosopher has remarked “*It is not the gender which is destroying our culture.... it is our interpretation of culture which has destroyed gender equality.*”

Some statistics in this regard are worth noting:

- As per Gender Inequality Report generated by the World Economic Forum 2022, India ranks amongst the last – at 135 of 146 countries in the Global Gender Gap Index which includes criteria such as economic participation and opportunities. Women account for paltry 18% of labour income (as reported by Business Line dated 16<sup>th</sup> August 2022).
- Unequal pay:** Women in India often earn less than men for doing the same work, and they are also underrepresented in higher-paying jobs. According to the World Inequality Report 2022, men in India earn 82% of the labour income while the share of women's earnings stands at a mere 18%.
- Lack of education:** Girls in India often do not get the same education as boys, which causes a big difference in literacy rates between men and women. In India, 187 million women are illiterate, making up a third of all illiterate people in the world. There is a 24-percentage point difference in literacy rates between men and women in India: about 75% of men are literate, while only 51% of women are literate.
- Violence against women:** Violence against women is a major problem in India. According to the National Crime Records Bureau, there were over 371 503 reported cases of violence against women in India in 2020. This includes cases of sexual assault, domestic violence, and other forms of abuse.
- Health care discrimination:** Health care discrimination is a serious issue that affects many women in India. Women may have difficulty accessing quality health care due to a number of factors, including poverty, lack of education, and lack of access to transportation. In addition, women in India are often more likely to experience discrimination and mistreatment when seeking medical treatment, which can further discourage them from seeking the care they need;
- The Prohibition of Child Marriage Act** remains a paper tiger as per data generated by the Institute for Competitiveness and Social Progress Imperative submitted to the EAC-PM. The National Commission for Protection of Child Rights (NCPCR) has recently moved the S.C against a High Court ruling of the Punjab & Haryana H.C which ruled that a Muslim minor girl who has attained the age or puberty (16 years) can marry . This is apparently in violation of the Prohibition of Child Marriage Act and the Protection of Children from Sexual Offences (POSCO) (reported by E.T dated 29<sup>th</sup> August 2022 & TOI dated 22<sup>nd</sup> Dec 2022) ;
- As per the *India Discrimination* Report generated by Oxfam India “Women having equivalent educational qualifications and work experience are being discriminated against in terms of salary and job opportunities in Labour market;

### ARE WE HOPING TO SEE A VIBRANT AND RESILIENT INDIA WHICH IS MOVING TOWARDS RESTORING THE EQUAL STATUS OF WOMEN?

There have been concerted efforts on part of the Central Govt to ensure empowerment of women at the lower rung of the social strata. These initiatives are beyond the realms of gender equality. They espouse to motivate women to take up fresh challenges and inspire women to chase their dreams in a secure environment. Some crucial initiatives in this regard which are finally showing positive results are as under:

- Beti Bachao Beti Padhao (BBBP)** This Scheme focuses on ensuring the protection, survival, and education of the girl child and preventing gender-biased sex selective elimination;

- (ii) **Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM):** - This scheme aims to provide shelters equipped with essential services to the urban homeless in a phased manner. The Mission covers the urban poor and the families of disadvantaged groups including women.
- (iii) **Sukanya Samridhi Yojna (SSY):**- It aims at the economic empowerment of women. Launched as a part of the ‘Beti Bachao Beti Padhao’ campaign, this Scheme is a small deposit scheme for a girl child in order to secure her future.
- (iv) **The Women Helpline Scheme** came into effect on April 1, 2015. The Scheme provides a 24-hour emergency response to all women who are affected by violence both in the public and private spheres.

While the Govt initiatives to support and upgrade the status of women are laudable, much needs to be done still. These schemes and the benefits therefrom need to be percolated downwards to reach the lower strata of the society, the rural and backward areas, and the responsibility for this lies on all of us as Indian citizens.

### INDIA'S GENDER BUDGET 2023-24: MOVING TOWARDS WOMEN-LED DEVELOPMENT

India's Finance Minister announced that the top-most priority of the Govt is inclusive development, which is also the first “*Saptarishis*” or the seven principles guiding her outlook the government recognises “the importance of Nari Shakti (women power) as the harbinger of our bright future and for women-led development during the *Amrit Kaal* (the 25-year-long lead-up to India@100).”

The success of the Deendayal Antyodaya Yojana National Rural Livelihood Mission that mobilised rural women into 81 lakh Self Help Groups (SHGs).

The budget provided financial assistance under the *Pradhan Mantri Kisan Samman Nidhi*, benefiting about three crore women farmers, who will now have access to INR 54,000 crore as a part of the scheme.

Besides, in a special gesture to women and commemorating *Azadi Ka Amrit Mahotsav* (to celebrate India's 75 years of Independence), a new one-time small savings scheme *The Mahila Samman Savings Certificate* has been launched, which will be made available for a period of two years up to March 2025.

### DIGITAL TECHNOLOGY: - THE MOST POTENT WEAPON FOR WOMEN EMPOWERMENT

The theme for International Women's Day, 8 March 2023 (IWD 2023) is, “DigitALL: Innovation and technology for gender equality”. This theme is aligned with the priority theme for the upcoming 67<sup>th</sup> Session of the Commission on the Status of Women (CSW-67), “*Innovation and technological change, and education in the digital age for achieving gender equality and the empowerment of all women and girls*”. The United Nations Observance of IWD recognises and celebrates the women and girls who are championing the advancement of transformative technology and digital education. IWD 2023 will explore the impact of the digital gender gap on widening economic and social inequalities.

**As the IWD website states:**

*“For IWD 2023 let's all fully #EmbraceEquity. Imagine a gender*

While the term ‘Gender Equality’ has been buzzing nowadays, the Right to equality was recognized by the Constitution vide Article 14 which stipulates that The status of women is equal to men in the eyes of law.

*equal world. A world free of bias, stereotypes, and discrimination. A world that's diverse, equitable, and inclusive. A world where difference is valued and celebrated. Together we can forge women's equality. Collectively we can all #EmbraceEquity.”*

### HOW CAN DIGITAL TECHNOLOGY HELP CREATE A GENDER EQUAL SOCIETY?

Digital competencies lead to greater participation by women in the community and political life. They also ensure their safety, both online and offline. As shown in several studies, the development of digital competencies increases women's confidence, independence, social prestige, and power. According to some studies, fostering digital competencies can help close the wage gap, as women who have them also have higher salaries. A recent report by UNESCO produced in collaboration reveals that Digital competencies help women engage in economic activities and obtain employment.

Digital payment and ID systems can help empower women in many different ways including Increased privacy, bargaining power, household welfare, and female labour force participation.

### INDIA'S DIGITAL GENDER GAP: RESTRICTED ACCESS TO DIGITALIZATION

According to *India Inequality Report 2022: Digital Divide* Indian women are 15 per cent less likely to own a mobile phone and 33 per cent less likely to use mobile internet services than men. The report analyses the primary data from Centre for Monitoring Indian Economy's (CMIE) household survey held from Jan 2018 to Dec 2021 as per which Rural India faces an even more pronounced digital divide, with men being about twice as likely as women to have used the internet (49% vs 25%).

Despite rapid advancements in internet access in India, particularly via mobile internet use, which has nearly doubled from 2018-2020, the digital divide between Indian men and women remains stark. The report analyses the primary data from Centre for Monitoring Indian Economy's (CMIE) household survey held from Jan 2018 to Dec 2021 as per which Rural India faces an even more pronounced digital divide, with men being about twice as likely as women to have used the internet (49% vs 25%).

The government of India has declared IT as one of the trust areas for the country's development and has recognised it as an “essential service.”

Using digital technologies can truly transform not only women's ability to earn money but their health and welfare. Remote delivery of healthcare is spreading. In India, NGO Swayam Shikshan Prayog's Arogya Sakhi programme uses a mobile application that assists women in becoming health entrepreneurs delivering antenatal and infancy care.

**WHAT NEEDS TO BE DONE ON A WAR FOOTING TO BRING IN GENDER EQUALITY IN INDIA?**

A McKinsey Global Institute recently points out that *improving women's status and initiating gender equality in India could add \$12 trillion to global growth. Increasing women's labour force participation by ten percentage points could add \$700 billion to India's GDP by 2025.* There is ample proof that valuing females is essential towards making a prosperous society and Nation and making communities more prosperous. The above statistics are reasons enough

to declare an all-out war against Gender Inequality. The methodology could be as under:

**By every responsible citizen of India:-** Before we deliberate on the role of the Govt. and corporates to empower women, *every citizen of India must start treating son(s) and daughter(s) equally and without any discrimination. To put it in plain words:* The objective should be to have the courage to raise your son like your daughter rather than raising your daughter like a son.

**By the Govt:-**

1	ENFORCEMENT and not merely ENACTMENT of the women protective laws to prevent Crimes and violence against women	<p>Stringent enforcement of women protective laws through special courts and prescribing strictly time bound summary proceedings with elimination of adjournments and cutting down on appeals to ensure speedier justice. Special provisions need to be made for providing free legal aid to women who come from financially backward strata. The best mechanism to make this work is to spread massive awareness about the Laws and the rights of women which are protected. Unless safety and security of Women is assured and ensured, we cannot expect increase in the percentage of working women. Stringent enforcement of women protective laws through special courts and prescribing strictly time bound summary proceedings with elimination of adjournments and cutting down on appeals to ensure speedier justice. Special provisions need to be made for providing free legal aid to women who come from financially backward strata. The best mechanism to make this work is to spread massive awareness about the Laws and the rights of women which are protected. Unless safety and security of Women is assured and ensured, we cannot expect increase in the percentage of working women.</p> <p>Well intentioned campaigns like “<i>Beti Bachao, Beti Padhao; need to be enforced with all dedication and commitment.</i>” The Govt should periodically bring out ‘Report Cards’ to inform the countrymen about the progress made Women Helpline Scheme The Women Helpline Scheme came into effect on April 1, 2015. The Scheme provides a 24-hour emergency response to all women who are affected by violence both in the public and private spheres. This will help prevent crimes against women.</p>
2	Amend the Companies Act, 2013 to require companies to contribute CSR funds for upliftment of women AS TOP PRIORITY	<p>The Companies Act, 2013 and the CSR Rules made thereunder may need amendments to provide that priority and preference should be given by corporates to make CSR contributions towards women upliftment and protection of their rights. Thus, it could be made mandatory to spend a minimum amount on this cause. The CSR Committee should be mandatorily headed by a woman director as Chairperson to ensure that women upliftment is a top priority of the CSR initiatives.</p>
3	Introduction of the Uniform Civil Code (UCC)	<p>UCC will create equal laws for both men and women in terms of personal rights. Article 44 of the Constitution lays down that the state shall endeavour to secure a UCC for the citizens throughout the territory of India. Article 44 is one of the Directive Principles of State Policy (DPSP Having a Uniform Civil Code allows children to understand the rules and respect the principle of equality in a better manner. This will serve manifold purposes:</p> <ul style="list-style-type: none"> <li>(i) Prohibition of marriage of girl child unless she is 21 years old. This will per force ensure that some minority communities which have the tradition of marrying off their daughters before 18 years are prohibited from doing so. This would in turn enable the girl to study and be self-dependent by taking up some employment or self-employment, instead of being dependent on her husband;</li> <li>(ii) Prohibition on having more than two children, so that a woman is not treated as a child bearing machine for increasing numbers of any particular community;</li> <li>(iii) Prohibition and severe punishment for Bigamy This will prevent exploitation of women and their enslavement for producing more children;</li> <li>(iv) Uniform law to provide of maintenance of separated wife, irrespective of any religious customs.</li> </ul>

**Measures which may be adopted by Companies to foster Gender Equality and Diversity**

1	Dedicated compliance function & Role of Company Secretary	<p>As the Conscience Keeper and Governance professional a Company Secretary has a paramount to discharge his responsibility towards Gender equality by ensuring that the Company complies with all Labour Laws which protect the interests of women employees/workers viz Maternity Benefits Act, Equal Remuneration Act, The Employees State Insurance Act, 1948, The Contract Labour (Regulation and Abolition) Act, 1976 and the Factories Act ensuring special transport, sanitation, creche and other facilities for women workers at Factories and Plants,</p> <p>Adequate training programs on topic of prevention of sexual harassment, safety measures etc must be worked out.</p> <p>As a part of the ESG training modules towards compliance with Sustainability initiatives the Company Secretary must make a serious effort to either organize or conduct training programs with respect to the company’s Policies regarding <i>Gender diversity, Equal opportunity and Human Rights, Inclusivity, Equal remuneration and Prevention of Sexual Harassment.</i></p>
2	Proactive and Conscious efforts to adopt best practices across top corporates in terms of Gender equality	<ul style="list-style-type: none"> <li>• Conscious efforts to hire women employees in the effort to attain gender equality in the workplace.</li> <li>• Benefits and provisions to help women employees focus on work without distractions.</li> <li>• Introducing new positions to be able to provide women in the workforce with jobs.</li> <li>• Pre and post maternity benefits policy that provides priority parking, ergonomic seating, and a unique travel allowance for the mother and child.</li> <li>• 26-week maternity leave with pay and benefits.</li> <li>• Safe and private breastfeeding rooms.</li> <li>• Extended aid to pregnant women at work through maternity counselling, leading to a drop in maternity resignations.</li> <li>• Pick and drop cabs for women driven by women.</li> <li>• 26 weeks maternity leave with pay for new moms and 12 weeks maternity leave with pay for women employees opting for childbirth through adoption.</li> <li>• Crèche facility to support their employees by offering a well-supervised child-care facility.</li> <li>• Extended health insurance to cover infertility treatment benefits.</li> </ul>
3	Special I.T training programs	Special I.T training programs should be conducted for women in non-managerial capacity and belonging to low-income groups (part of Labour force or doing routine or other skilled jobs) so that they have access to technology for self-improvement and growth.
4	Recognize and celebrate the achievements of women and ensure regular interface between the women employees and dedicated managements teams	Recognizing and celebrating the achievements of women in the workplace can be an effective way to promote gender equality and create a more inclusive workplace culture. The recognition can be in the form of awards, certificates, or public recognition and can help promote a sense of achievement and pride among employees.

**CONCLUSION**

Legislation alone cannot bring in gender parity. There must be a change in the mindset of countrymen, and this will take its own time. But then time is of essence and if India must keep pace with the Global development, then women need to be empowered. It won’t happen by holding seminars and webinars and discussions at forums or by writing thesis on the subject. It must happen and we as professionals have a paramount duty to make it happen.

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# Social Stock Exchange (SSE) – An Overview

Social Enterprises (SE) are commonly known as NGO who acts as a bridge between the government and the society. Government initiative, if not found to be sufficient, SEs play a significant role in assigning various issues to the government. NGOs play an important role in community development by assisting communities in developing their social, capital, and human resources; enhancing knowledge and skills; encouraging people to take part in activities; and acting as a link between communities and systems.



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## INTRODUCTION

**S**ocial Enterprises (SE) are commonly known as NGO who acts as a bridge between the government and the society. Government initiative, if not found to be sufficient, SEs play a significant role in assigning various issues to the government. NGOs play an important role in community development by assisting communities in developing their social, capital, and human resources; enhancing knowledge and skills; encouraging people to take part in activities; and acting as a link between communities and systems. Some of the major functions of NGOs are:

- Human rights and child rights
- Poverty eradication
- Animal Rights
- Prevent Social Injustice
- Conservation of Environment
- Aged people care routine
- Empowerment of women
- Disease Control and others
- Health and Nutrition plans
- Conservation of Wildlife
- Hygiene and Sanitation conditions

While NGOs are generally considered as SEs, there are many business enterprises, as well, who do not function only with profit motive but their activities have placed a greater positive impact on the society. SEBI has classified these enterprises as

FPSE (For Profit Social Enterprise) and the hard-core social organisations as NPO (Not for Profit Organisation)

First-ever exercise by the CBI, in 2015, to map registered NGOs had disclosed that India had at least 31 lakhs NGOs which was more than double the number of schools in the country and 250 times the number of government hospitals. However, since 2016 when NGOs were called for registering themselves in NGO DARPAN Portal, only around 1.60 Lakhs NGOs have got their registration till date. The numbers clearly indicate that such an important segment comprising such a huge number of entities were functioning fully in an unorganised and unstructured manner.

There is no denying the fact that, like any other unorganised segment, SEs also do have their own challenges and concern especially for raising their needed fund due to their limited network. That causes a big challenge for the NGOs to make their strategic planning, as well. On the other hand, many dubious entities take the advantage of the absence of regulations and loopholes. Both the sources and utilisation of funds are controlled & managed against the public interest and the national interest, as well. In fact, during the 5 years period from 2017 to 2021, the FCRA registration of 6,677 NGOs were cancelled by the Government for violation of various provisions of the Foreign Contribution (Regulation) Act, 2010.

Due to the presence of such entities and their unethical activities, the noble segment who are contributing to the socio-economic development of the country was losing their due credibility. Under such a situation, structured legal framework for the SEs was much needed and the establishment of Social Stock Exchanges (SSEs) and the Regulatory Framework made by SEBI is a milestone for a better structured, regulated environment for the Social Enterprises (SEs). In the changing scenario, all the SEs will get a level playing ground to enhance their credibility by performing diligently, effectively, efficiently with a high degree of governance and compliance management, transparency and accountability.

## ROLE OF SOCIAL STOCK EXCHANGES (SSES)

The role of SSEs is almost similar to that of any other Stock Exchanges where securities issued by corporates are listed. Same as the Stock Exchanges provide a platform for raising the capital for business community, SSEs are going to provide a platform to all the SEs for raising their needed capital. Accordingly, in exercise of the power conferred upon the Central Government, a notification was published in the Official Gazette of India on 16/07/2022 wherein

## Social Stock Exchange (SSE) – An Overview

“Zero Coupon Zero Principal instrument” (ZCZP), a new instrument is recognised and introduced as Security. ZCZP shall be issued by a NPO and shall be registered with SSE(s) in accordance with the regulations made by the Securities and Exchange Board of India (SEBI).

Thus, the role of a SSEs may be mainly categorised as :-

1. Mobilization of funds for SEs
2. Promoting Capital Formation for SEs
3. Safety & Security of the fund raised and utilised.
4. Nation-wide presence of all the SEs w.r.t. capital formation
5. Funds for Development Purpose

Since the SSEs are intended to provide platform for the SEs to raise their needed capital and also to ensure that the sources of fund and the utilisation thereof shall be limited and confined to genuine social purposes, the objective of SSEs shall be to promote, monitor and regulate the particular segment.

### REGULATORY FRAMEWORK

The Central Government in the notification published on 16/07/2022 made it mandatory that only listed NPOs will be allowed to raise funds through ZCZP and the security shall be registered in the SSE segment of a Stock Exchange in accordance with regulations made by SEBI.

Accordingly, a new chapter (Chapter IX–A), comprising Regulations 91A to 91F is already introduced by SEBI by amending the SEBI (LODR) Regulations 2015 and lays down the framework for SSEs effective from 25<sup>th</sup> July, 2022. On the same day SEBI has also notified the amendment of the SEBI (ICDR) Regulations (Third Amendment) 2022 and a separate chapter (Chapter X-A) is introduced exclusively for the purpose of Social Stock Exchanges. The said regulations mainly deal with the eligibility criteria of SEs to be listed, avenues available for SEs to raise fund, procedure for issuing securities for raising funds, Disclosure and Reporting of information and other obligations as may be discharged by SEs.

In order to enable the SSEs to monitor and regulate the particular segment in a transparent, efficient and effective manner, SEBI has laid down various reporting obligations on the part of the SEs. Some of the reports are to be furnished by the SEs periodically and some other are to be furnished on the occurrence of some specified events.

### KEY FEATURES OF SEBI REGULATIONS

#### SEBI (ICDR) (THIRD AMENDMENT) REGULATIONS, 2022

- As everybody knows that listing / registration in a stock exchange is done only for those security(ies) that is(are) issued by a company for raising capital. The amended SEBI (ICDR) Regulation has a very unique feature that the registration of a SE itself can be done irrespective of the fact whether the SE is seeking to raise fund by issuing ZCZP or not.

- As clarified earlier that Social Enterprises are divided into two categories i.e. Not for Profit Organisation (NPO) and For Profit Social Enterprise (FPSE). All the SEs, in terms of Regulation 292E of SEBI (ICDR) Regulation 2015, has to establish “**primacy of its social intent**”, irrespective of the category in which category the SE belongs to.

Further, ICDR Regulation has categorically mentioned that an enterprise can be identified as a SE provided the primacy of social intent can be established by satisfying all the 3 conditions as below:-

- A. the Social Enterprise shall be indulged in at least one of the 16 specified activities and / or engaged in any other area as may be identified by the SEBI or Government of India from time to time;
- B. the Social Enterprise shall target underserved or less privileged population segments or regions recording lower performance in the development priorities of central or state governments;
- C. the Social Enterprise shall have at least 67% of its activities, qualifying as eligible activities to the target population, to be established through one or more of the following:
  - (i) at least 67% of the immediately preceding 3-year average of revenues comes from providing eligible activities to members of the target population;
  - (ii) at least 67% of the immediately preceding 3-year average of expenditure has been incurred for providing eligible activities to members of the target population;
  - (iii) members of the target population to whom the eligible activities have been provided constitute at least 67% of the immediately preceding 3-year average of the total customer base and/or total number of beneficiaries.

However, a SSE may specify the eligibility requirements for registration of a Not for Profit Organization, in addition to the minimum requirements specified as above.

- Presently ICDR Regulation has identified Zero Coupon Zero Principal instruments as security to be issued by NPOs for raising the fund and the issue of the said security is presently restricted for FPSEs. Further, NPOs may raise funds through Mutual Fund schemes as specified by SEBI and any other means as may be specified by SEBI from time to time.
- As companies are allowed to raise their capital either through public issue or private placement, SEs are also allowed to raise their required fund in line with the capital market and both public issue and private placement of ZCZP are allowed for NPOs.

SSEs are going to provide a platform to all the SEs for raising their needed capital.



# Social Stock Exchange

- SEs may issue Zero Coupon Zero Principal Instruments only for a specific project or activity to be completed within a duration which shall be specified in the fund raising document.
- ICDR Regulation has specified the conditions to be fulfilled by a SE for issuing ZCZP which includes 3 major conditions:-
  1. Zero Coupon Zero Principal Instruments shall be issued in dematerialized form only
  2. The minimum issue size shall be Rs. 1.00 Crore
  3. The minimum application size shall be Rs. 2.00 Lakhs.

Though SEs play a pivotal role for the socio-economic development of the country but due to lack of legal framework, many unscrupulous entities also exist in the eco-system to carry on their activities. Instead of the social welfare outlook, their objectives appears to be detrimental to the public interest and to the interest of the nation, at large. While the legal framework is drawn for the SEs to perform in a much bigger and better way, it was imperative to keep proper check and balance in order to eliminate the risks of misusing and manipulating the system. SEBI has, for such probable reason, also made necessary amendments in the SEBI (Listing Obligation &

Disclosure Requirement) Regulations 2015 enabling the SSEs to monitor and regulate the segment effectively and efficiently. Simultaneously with the amendments made in the ICDR Regulation, for the growth and development of SEs, SEBI has introduced three dimensional compliance and governance mechanism in the amended SEBI (LODR) Regulations, i.e. a) disclosure requirements, b) evaluation & assessment mechanism and c) governance mechanism.

## A. DISCLOSURE REQUIREMENTS

1. All registered NPOs, whether its securities are listed or not, shall disclose to the SSEs within 60 days from the end of the financial on such matters as may be specified by SEBI. (Reg.:- 91C)
2. Disclosure shall be made by SEs, whose designated securities are listed, on any event that may have a material impact on the planned achievement of outputs or outcomes of the SE, as soon as possible but not later than 7 days from the occurrence of the event. (Reg.:- 91D).
3. The SE has to updates on a regular basis, along with relevant explanations, in respect of the disclosures as mentioned in (2) above till the time the concerned event remains material. (Reg.:- 91D)

## Social Stock Exchange (SSE) – An Overview

4. SEs, which is either registered with or has raised funds through a Social Stock Exchange or a Stock Exchanges, to submit an annual impact report in the format specified by the Board from time to time. (Reg.- 91E)
5. A listed NPO shall submit to the SSEs the following statements in respect of utilisation of the funds raised, on a quarterly basis:-
  - (a) Category-wise amount of monies raised;
  - (b) Category-wise amount of monies utilised;
  - (c) Balance amount remaining unutilised.

Further, the quarterly Statements shall be given till the time the issue proceeds have been fully utilised or the purpose for which they were raised, has been achieved. (Reg:- 91F)

It may be observed that Regulation 91C and 91F have specifically mentioned that the disclosure / reporting obligations lie with NPOs only and FPSE are not required to make such disclosures. Further, Regulation 91D is applicable for those SEs whose “**securities are listed**” which means that FPSEs are also required to comply with the requirement provided any of its securities are listed in any of the platforms of any stock exchange. Further, in order to be identified as a SE, a FPSE registered with any SSE has to submit Annual Impact Report as per the regulation 91E.

Since FPSEs carry dual objective of doing business and creating a positive impact on the society but no special instrument is prescribed for them in the social segment, FPSE may raise their required fund through the conventional sources i.e. by issuing equity shares, debentures etc. Accordingly, all such instruments to be listed with the respective segment(s) of stock exchange(s) and in terms of Regulation 91B FPSEs “shall comply with the disclosure requirements contained in these regulations with respect to issuers whose specified securities are listed on the Main Board or the SME Exchange or the Innovators Growth Platform, as the case may be.”

### B. EVALUATION & ASSESSMENT

Presently SEBI has mandated for a Social Audit in relation to the Annual Impact Report as specified in Regulation 91E (2). Such audit is aimed to evaluate, assess and ensure the correctness and authenticity of social impact of a SE. Similarly the quarterly financial statements to be submitted by NPOs will help the regulators to evaluate and assess the efficiency of the fund management and the intent and seriousness of the NPOs about the project and its implementation.

### C. MANAGEMENT STRUCTURE

Regulation 91E provides that SEs shall authorise **one or more of its Key Managerial Personnel for the purpose of determining materiality of an event or information** which will be approved by the Management Committee and the same shall be reported under the said regulation. Further, the new concept of Social Audit is also put in place for the first time for NPOs unlike the CSR Audit which is applicable only in respect of utilisation of CSR fund of the corporates. Such a social audit will definitely work for the performance evaluation of all the SEs who have raised fund by issuing ZCZP, be it by public issue or through private placement.

The legal framework of SEBI has introduced the system of inducting and involving professionals in the management structure of the SEs. SEBI, by doing so, has not only expressed their expectation that the SEs should be professionally managed to function effectively and efficiently but the same would also encourage the SEs to grow better and bigger with the help of professional expertise and support.

## CONCLUSION

The Government and the Regulator(s) have already played their role in regularising, formalising and regulating the unstructured sector of SEs. Now, the success of the initiative taken by the Government and the Regulator(s) will depend on the successful implementation of the policies and legal framework made by them. Resistant to the changes is a very common human behaviour. There is every possibility that the SEs may have many doubts, confusions and they may require many more clarifications before they fully adapt themselves to the new environment, as was witnessed during the time when the country was in the transformation mode of the capital market i.e. from floor-based trading system to computerised on-line trading platform.

Here comes the role of professionals to become proactive and act diligently for the awareness of; and to educate the SEs to realise, understand, believe and become confident that functioning within the newly set legal parameters will actually for their benefit. The new system will help them performing freely to contribute to the society in a much better and bigger way than they have been doing over the past decades. The biggest benefits are the opportunity of pan-India presence and equal level playing field for all the NPOs. Though presently, the registration of SEs are made optional but in future, later or sooner, the registration of SEs may be made compulsory for all the SEs. The regulations may be amended to make it mandatory that every NPO can raise their needed fund only by issuing the ZCZP or any other securities, as may be prescribed by SEBI from time to time. Millions of SEs are existing and operative in the country but, only approximately 1.60 Lakhs units have shown their interest to put themselves in the formal, registered trajectory.

NPOs are not under statutory obligation, unlike corporates, to appoint a Merchant Banker to prepare the draft issue document for issue of securities i.e. ZCZP at present. Further the SEs, under the new regulatory regime, would need to manage their functions professionally to adhere to the compliance and reporting obligations. It can, therefore, be easily understood that a regular support from competent governance professionals, who would not only give the support for compliance management but also extend the expertise for governance management, would be at the demand for the success of SEs in the new regulated environment. So, it is the right time that Practising Company Secretaries shall tighten their belt and get ready to extend their expertise as governance professional to the SEs in a win-win situation. The profession will grow along with the growth of the SEs and the cumulative impact of the same will contribute to the socio-economic development, which in turn will contribute to the growth of the nation. Once the same is done the motto of the government, as specified in the NGO DARPAN Portal, will be fulfilled:- “**SABKA SAATH, SABKA VIKAS, SABKA VISHWAS, SABKA PRAYAS**”.



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# RESEARCH PAPER

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Contributions may be sent on topics like Secretarial Practice, Auditing Standards, Company Law, Mercantile Law, Industrial Law, Labour Relations, Business Administration, Accounting, CG & CSR, Legal Discipline, and Digital Transformation & Artificial Intelligence or on any other subject and topic of professional interest.

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- The article/research papers should be original and exclusive for Chartered Secretary.
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The length of the research paper should ordinarily be between 2,500 - 4,000 words. The research paper should be forwarded in MS Word format.

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

Regards,  
Team ICSI

# 2

## RESEARCH CORNER



- CORPORATE BOND MARKET TRENDS AND CHALLENGES: THE ROLE OF A CORPORATE BOND MARKET IN AN ECONOMY

# Corporate Bond Market Trends and Challenges: The Role of a Corporate Bond Market in an Economy

This study demonstrates the developments and risks that are growing in the corporate bond market, as well as the usage of rating-based investments, corporate bond holders, credit rating systems, and historical trends in rating changes. In order to give vibrancy and depth, the entire market microstructure of the corporate debt market in India still has to grow. However, the proportional growth and relative importance of the two types of debt financing for corporate investment indicate that the corporate bond markets have started to become important. The quantity of outstanding bank loans to the business sector currently equals about one-third of the total amount of outstanding corporate bonds. Over the years, there have been changes in the investor base and the appearance of new investment vehicles, which have coincided with an increase in corporate bond offerings and a change in the nature of the stock of corporate bonds that are still outstanding. It is crucial to comprehend the systemic consequences of these changes and the corresponding financial market laws when analysing the dynamics and potential future course of the corporate bond market.



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## INTRODUCTION

**E**quity and debt are two important sources of financing for corporations in any economy. It accommodates investors with varying risk preferences and needs. When a company is unable to finance its activities purely through stock, it must rely on debt financing to support its activities and growth (Allen, 2021). Loans and bonds are the two most prevalent types of company debt. A corporation borrows an agreed-upon quantity of money from a bank or other financial institution at an agreed-upon interest rate until the loan is returned in full. In this regard, business loans and consumer loans behave fundamentally similarly. Notably, loans cannot be traded publicly on financial exchanges. Bonds can be viewed as a promise to return a specific sum of money on a specified date, which is offered to investors. After issuance by a corporation, bonds can be exchanged freely on financial markets. The date of repayment is referred to as the maturity date, and until then, the corporation will make periodical interest payments to the bondholder.

Debt investors are often long-term investors in a company, whereas equity investors have a shorter investment horizon. This debt is financed by bank loans and the issue of bonds.

A liquid bond market enables a business to raise capital at a lower cost than through a bank syndicated loan (Mishkin, 2007).

According to the International Capital Markets Association (ICMA, 2013), robust corporate debt markets provide large economic advantages and are vital for all stakeholders, including corporations, investors, economies, and governments.

According to Eichengreen (2004), the delayed growth of Asian bond markets is a multifaceted issue. He discovers that bond market capitalization is typically positively correlated with factors such as greater country size, better institutions, less volatile currency rates, and more competitive banking sectors. Strong fiscal balances, however, have not aided the expansion of the government bond markets in Asian economies. He demonstrates empirically that the structural traits, macroeconomic, and financial policies of Asian countries adequately explain the disparity in bond market development between Asia and the rest of the globe.

It is argued that a well-developed corporate bond market has a significant positive impact on an economy. In the absence of a sufficiently large corporate bond market free of

excessive regulation, the banking system takes on an excessive amount of corporate lending, typically with the approval of a government pursuing credit-allocation preferences. In such a setting, the over-sized banking system becomes fertile ground for crony capitalism, resulting in lax lending standards and lowered investment standards among businesses. Eventually, the resultant excessive borrowing leads to an excess of productive capacity, which in turn reduces the return on invested capital, forcing a significant number of loans to default. (Hakansson, 1999)

As the financial system in the majority of emerging economies is centred on banks, the impact on the banking sector is an important part of the growth of bond markets. A common concern is that bond markets could divert business away from banks. This may create some concerns among bank supervisors. In contrast, corporate bond issuance can assist central banks in achieving steady economic growth if it makes businesses less susceptible to banking system flaws. Banks also play a significant role in the development of the private sector bond market, as they are frequently among the market's most significant issuers, holders, dealers, advisers, underwriters, guarantors, trustees, custodians, and registrars. In fact, banks derive more income from these activities and then from lending. For this reason, it is essential to have robust banks in order to have a healthy bond market. And a bond market might enhance the health of banks by enhancing market discipline (Hawkins, 2002). One distinguishing feature of the record-breaking economic development that came to an end when the Covid-19 pandemic spread relentlessly over the world was steady growth in high-yield corporate debt. More than 56% of the \$7.7 trillion in outstanding US corporate bonds have a BBB or lower rating, an increase of more than 200% over the previous ten years. Over the same time frame, US leveraged loans doubled to \$1.2 trillion, with a sizable portion of them being "covenant lite." (Skolnik, Emilio Domingo, and Richard Lichtenstein, 2020)

Since the Great Recession of 2009, the rise in corporate debt levels has become a subject of debate among many analysts. In the fourth quarter of 2021, the debt of nonfinancial enterprises around the world reached 88 trillion dollars, surpassing the size of the global GDP for the first time. Companies in emerging markets had about 31 percent of total debt, a share that has been rapidly rising from about 9 percent in 2008 to over 40 percent in 2021.<sup>1</sup>

The issue of corporate bond market liquidity is controversial and complex. The reasons for the declining market quality have been attributed to macroeconomic factors, regulatory initiatives, and technological advancements.

### THREE IMPORTANT CORPORATE BOND MARKET FOUNDATIONS

#### 1. Transparency

Transparency in the bond market, which enables bonds to be priced for all available information, is what drives efficiency. In the bond market, transparency refers to the

sharing of information with all market players regarding pre- and post-trade issues, such as order interests, price, and volume after a deal is executed.

#### 2. Liquidity

Bond market liquidity is influenced by the number of bonds provided by issuers on an ongoing basis in the primary market as well as the movement of bonds in the secondary market with engaged investor participation. A higher level of investor engagement lowers the cost of finding buyers and sellers as well as eases liquidity issues, which results in a reduced bond discount.

#### 3. Intermediaries

In order to facilitate market making, intermediaries maintain inventory and quote prices on both the purchase and sell sides. Any inefficiencies in this procedure will automatically be reflected in the price of bonds, which will negatively affect the issuers' borrowing costs.

### TRENDS IN CORPORATE BOND ISSUANCE BY NON-FINANCIAL COMPANIES

Early in 2019, with a return to more expansionary monetary policy, nonfinancial firms borrowed an additional USD 2.1 trillion in corporate bonds. This is similar to the amount borrowed in 2016, the previous record-setting year, and indicates a strong reversal of the decline in corporate bond issuance in 2018. The global outstanding stock of non-financial corporate bonds reached a new all-time high of USD 13.5 trillion at the end of 2019, as a result of the record borrowing throughout 2019 and the enormous buildup of corporate bond debt since 2008. (Çelik, 2020).

The first two weeks of 2023 saw a strong recovery in the global bond markets, giving investors hope that the decline in fixed-income prices from the previous year has ended. A rising belief that inflation has peaked on both sides of the Atlantic is driving bonds to their best January performance in more than three decades.<sup>2</sup>

Early in March 2020, the COVID-19 pandemic-related worries caused corporate bond spreads in the US to start climbing dramatically. Investment grade bond spreads had risen by 3.5 percentage points by the third week of March 2020 compared to the start of the year, while high yield bond spreads had increased by as much as 6.5 percentage points. The spreads narrowed following the US Federal Reserve's announcement of comprehensive policy actions on March 23, 2020. By the end of January 2021, spreads for investment grade and high yield corporate bonds had returned to their pre-pandemic levels, although sectoral discrepancies continued. The bond market has established as the go-to option for debt financing for businesses with access to both the bond market and syndicated loan issuance.<sup>3</sup>

<sup>2</sup> <https://www.ft.com/content/da3d4b6d-f454-475c-b886-a93585813bc6>

<sup>3</sup> RBI Chairman's speech dated February 24, 2021 on "India's Corporate Bond Market: Bonds that build a nation" at the CRISIL 6<sup>th</sup> Bond Market Seminar. [https://www.sebi.gov.in/media/speeches/feb-2021/chairman-s-speech-dated-february-24-2021-on-india-s-corporate-bond-market-bonds-that-build-a-nation-at-the-crisil-6th-bond-market-seminar\\_49251.html](https://www.sebi.gov.in/media/speeches/feb-2021/chairman-s-speech-dated-february-24-2021-on-india-s-corporate-bond-market-bonds-that-build-a-nation-at-the-crisil-6th-bond-market-seminar_49251.html)

<sup>1</sup> IMF(2022) World Economic Outlook <https://www.imf.org/~/media/Files/Publications/WEO/2022/April/English/text.aspx>

Table - 1

Total debt of nonfinancial corporations in the world's leading emerging and developed economies between 2006 and 2021 (in trillion U.S. dollars)

Year	United States	Euro area	Japan	United Kingdom	China	India*	Brazil	Russia
2006	8.97	10.24	4.59	2.68	2.91	0	0.39	0.44
2007	10.10	12.75	4.83	2.92	3.47	0.51	0.46	0.72
2008	10.66	12.88	6.06	2.35	4.38	0.52	0.48	0.81
2009	10.15	13.44	5.74	2.44	5.95	0.61	0.69	0.83
2010	10.02	12.79	6.29	2.33	7.33	0.82	0.84	0.86
2011	10.27	13.04	6.58	2.33	9.03	0.81	0.91	0.97
2012	10.78	13.54	5.90	2.55	11	0.91	0.98	1.24
2013	11.24	14.01	4.85	2.56	13.44	0.92	0.97	1.45
2014	11.97	13.02	4.27	2.32	15.09	0.97	0.97	1.07
2015	12.78	12.49	4.26	2.20	16.81	1.02	0.75	0.98
2016	13.45	12.37	4.44	1.83	17.11	1.30	0.91	1.18
2017	14.39	14.24	4.69	2.16	19.96	1.39	0.90	1.32
2018	15.32	13.86	4.95	1.98	19.89	1.40	0.83	1.20
2019	16.26	13.98	5.20	2.11	21.23	1.47	0.88	1.35
2020	17.76	15.88	6.07	2.32	24.85	1.56	0.80	1.32
2021	18.57	15.41	5.56	2.24	27.47	1.62	0.85	1.39

Source: Credit to the non-financial sector Bank for International Settlements <https://www.bis.org/>

The debt of nonfinancial firms in China grew faster than in any other major economy over the past decade, from 4.38 trillion U.S. dollars in 2008 to 27.47 trillion U.S. dollars in 2021. In consequence, Chinese corporate debt now surpasses U.S. corporate debt, which peaked at 18.57 trillion U.S. dollars in 2021. India has demonstrated that the value of its entire debt is in a state of uninterrupted rise.

Table - 2

Debt of nonfinancial corporations worldwide  
quarterly 2008-2022

Quarter & Year	Values in trillion U.S. dollars	Quarter & Year	Values in trillion U.S. dollars	Quarter & Year	Values in trillion U.S. dollars	Quarter & Year	Values in trillion U.S. dollars
Q1 '08	46.31	Q1 '12	54.96	Q1 '16	64.09	Q1 '20	75.56
Q2 '08	47.08	Q2 '12	54.50	Q2 '16	64.26	Q2 '20	78.65
Q3 '08	45.53	Q3 '12	56.62	Q3 '16	65.09	Q3 '20	84.40
Q4 '08	45.25	Q4 '12	57.09	Q4 '16	62.96	Q4 '20	81.48
Q1 '09	44.43	Q1 '13	56.97	Q1 '17	65.40	Q1 '21	84.94
Q2 '09	46.63	Q2 '13	57.63	Q2 '17	67.36	Q2 '21	86.71
Q3 '09	48.08	Q3 '13	59.40	Q3 '17	69.32	Q3 '21	86.64
Q4 '09	47.87	Q4 '13	59.99	Q4 '17	71	Q4 '21	87.65
Q1 '10	47.29	Q1 '14	61.12	Q1 '18	73.62	Q1 '22	89.31
Q2 '10	46.46	Q2 '14	62.48	Q2 '18	71.74	Q2 '22	87.38
Q3 '10	49.54	Q3 '14	61.01	Q3 '18	71.14		
Q4 '10	50.01	Q4 '14	60.09	Q4 '18	71.47		
Q1 '11	51.81	Q1 '15	59.87	Q1 '19	73.21		
Q2 '11	53.35	Q2 '15	61.42	Q2 '19	73.95		
Q3 '11	52.54	Q3 '15	61.16	Q3 '19	73.42		
Q4 '11	53.08	Q4 '15	61.41	Q4 '19	75.33		

Source: Credit to the non-financial sector Bank for International Settlements <https://www.bis.org/>

The global debt of nonfinancial firms has increased dramatically over the past decade, from 46.63 trillion U.S. dollars in the second quarter of 2009 to 87.38 trillion U.S. dollars in the second quarter of 2022. In 2021, Chinese firms had the greatest corporate debt, at 27.5 trillion USD.

Table - 3

**Global nonfinancial corporation debt as a percentage of GDP from 2008 to 2021, by economy type**

Year	Advanced Economies (%)	Emerging Economies (%)
2008	88.60	59.90
2009	89.30	69.20
2010	86.40	69.50
2011	86.90	70.40
2012	87.60	75.50
2013	86.60	81.90
2014	87.70	87.40
2015	89.60	94.50
2016	91	94.70
2017	91.30	93.50
2018	91.60	91.30
2019	91.90	92.20
2020	100.70	103.40

2021	97.30	99
2022*	96.3	110.2
2023*	96.3	114.4
2024*	97.1	118.7
2025*	96.3	123.2
2026*	97.1	127.9
2027*	97.9	132.7
2028*	98.6	137.7
2029*	99.4	142.9

\*Estimated growth values in terms of percent (Estimated value is calculated by the authors)

Source: Bank for International Settlements <https://www.bis.org/> <https://www.statista.com/statistics/1075444/nonfinancial-corporation-debt-share-gdp-worldwide-economy-type/>

Since 2008, the proportion of nonfinancial corporations' debt to GDP in developing economies has increased significantly, from 60 percent in 2008 to 99 percent in 2021. Over the same time period, the ratio of corporate debt to GDP in developed economies increased from 88.6 percent in 2008 to 97.3 percent in 2021, indicating that nonfinancial corporations' debt in emerging economies is now greater than in advanced economies. Nonfinancial corporation debt as a percentage of GDP is projected to increase at a significantly higher rate in emerging economies than in advanced economies. Advanced economies where it is anticipated to increase at a constant rate.

Emerging market and developing economies (EMDEs) are bearing the brunt of global spillovers despite the fact that they are bystanders. Capital outflows and substantial currency depreciations have raised external funding costs, increased debt levels, and put at risk their sluggish and incomplete recoveries.<sup>4</sup>

Table - 4

**Ratios of nonfinancial corporation debt to surplus and financial corporation debt to equity for the major advanced economies from 2000 to 2020**

Year	Nonfinancial corporate debt to surplus ratio in major advanced economies 2000-2020					Financial corporations' debt to equity ratio in major advanced economies 2000-2020				
	Germany	France	United Kingdom	Japan	United States	Germany	France	United Kingdom	Japan	United States
2000	3.60	4.77	5.32	8.53	8.10	4.7	2.83	6.21	18.04	2.59
2001	3.44	4.94	5.96	8.47	8.49	5.23	3.03	6.93	17.7	2.79
2002	3.41	4.86	6.64	8.39	8.20	6.78	3.34	8.76	19.24	3.18
2003	3.45	4.67	5.93	7.68	7.72	6	3.13	8.31	13.35	2.93
2004	3.24	4.63	6.05	7.05	7.38	6.06	3.09	8.45	12.04	2.85
2005	3.14	4.90	6.27	6.79	7.23	5.37	2.96	8.37	7.89	2.8
2006	2.97	4.97	5.93	6.84	7.08	5.08	2.85	7.9	8.05	2.62
2007	2.93	4.92	6.34	6.52	7.72	5.15	3.47	8.84	9.77	2.7
2008	3.14	5.13	6.83	6.53	8.01	7.23	4.73	11.78	13.1	3.45
2009	3.56	5.92	6.69	7.51	8.28	6.21	4.07	8.5	11.12	2.85
2010	3.10	5.95	6.08	6.60	7.46	5.71	4.27	7.63	11.89	2.67
2011	2.97	6.24	6.93	7.21	7.31	5.99	5.33	8.49	12.18	2.8
2012	3.14	6.27	6.61	6.71	7.21	5.3	4.91	7.57	10.55	2.5
2013	3.22	6.30	6.06	6.41	7.24	4.71	4.54	6.7	10.09	2.3
2014	3.02	6.98	6.54	6.54	7.41	4.34	4.69	6.35	9.11	2.22

<sup>4</sup> RBI annual report 2021-22 <https://rbidocs.rbi.org.in/rdocs/AnnualReport/PDFs/ORBIAR2021226AD1119FF6674A13865C988DF70B4E1A.PDF>

2015	3.06	6.63	6.13	6.15	7.72	4.05	4.49	6.03	10.03	2.26
2016	3.06	6.65	6.59	6.25	8.38	4.04	4.33	6.33	9.3	2.16
2017	3.35	6.62	6.50	5.80	8.59	3.92	4.26	5.9	9.07	2
2018	3.52	6.58	5.67	6.13	8.30	4.05	4.91	6.16	9.52	2.14
2019	3.85	6.24	5.17	6.39	9.65	3.62	4.73	5.89	10.84	1.9
2020	4.20	7.73	5.54	7.58		3.8	5.4	6.5	9.5	2

Source : OECD <https://www.oecd.org>

Compilation from the reports by the authors

In 2020, Japan had the highest debt-to-equity ratio for financial businesses among the main industrialised nations, reaching 9.5%. The United States had the lowest debt to equity ratio at barely two percent, while the United Kingdom had the second highest at 6.5%.

The debt to equity ratio indicates whether a company finances its operations with debt or equity. It is determined by dividing the total outstanding debt of all financial institutions by the market value of their shares. For example, a ratio of 2.5 indicates that outstanding debt is 2.5 times the market value of banking sector stock.

## INDIA'S CORPORATE BOND MARKET

Development of a vibrant market for long-term debt is crucial for meeting the financing requirements of private business, and especially so in the context of the physical infrastructure needs of a rapidly modernising economy. The Indian corporate bond market is still expanding, but not at a satisfactory rate. In June 2017, the corporate debt to GDP ratio in India was a pitiful 17%, compared to 123% in the US and 19% in China. This illustrates the intricate interaction between numerous supply and demand side components across time. First, the pool of investors is limited. Retail investors only account for 3% of the outstanding issuances of corporate bonds, with institutional investors making up the majority of the market. Prudent investing standards for mutual funds and insurance firms limit demand for corporate bonds even among institutional investors, including those that buy and retain securities. (Bulletin, 2019).

The sources of debt and its composition over time are shown by examining the debt portfolios of non-financial companies in India. Although banks accounted for over 45% of these companies' total debt during the past ten years, the share of debt raised through market-based instruments such bonds,

debentures, and commercial paper (CPs) has gradually increased. (Bulletin, 2019)

**Table - 5**  
**Resource Mobilisation through public issue of Corporate Bonds**

Period	No. of Issues	Changes No. of Issues (%)	Amount (Rs crore)	Changes Amount of Mobilisation (%)
2010-11	6	-	2,495	-
2011-12	14	133%	26,984	982%
2012-13	21	50%	17,242	-36%
2013-14	24	14%	28,735	67%
2014-15	24	0%	9,413	-67%
2015-16	21	-13%	34,112	262%
2016-17	14	-33%	29,093	-15%
2017-18	8	-43%	5,173	-82%
2018-19	25	213%	36,679	609%
2019-20	34	36%	14,984	-59%
2020-21	18	-47%	10,588	-29%
2021-22\$	21	17%	9,588	-9%
Average	19		18,757	

Source : SEBI Handbook of Statistics, 2021 \$ current year values

The resource mobilisation through the public issuance of corporate bonds is depicted in table -5. The year with the largest number of issues (34) was 2019-20, whereas the year with the highest amount mobilised (36,679 Crores) was 2018-19. The change in mobilisation for 2019-2020 is -59%, but the number of topics increases from 25 to 34. In 2020-21 and 2021-22, the mobilisation of funds through bond issue is less than the 12-year average. The issue of 25 bonds raised the most money through the issuance of bonds at Rs.36,679 crores. The 2019-2020 fiscal year has issued 34 issues, but only raised Rs. 14,984 crores.

**Table - 6**  
**Resource Mobilisation through Private Placement of Corporate Debt**

Period	Only BSE		Only NSE		Both NSE and BSE		Total	
	No of issues*	Amount (₹ crore)	No of issues*	Amount (₹ crore)	No of issues*	Amount (₹ crore)	No of issues*	Amount (₹ crore)
2010-11	591	52,591	774	153,370	39	12,825	1,404	218,785
2011-12	783	56,974	1,152	189,803	18	14,505	1,953 (39 %)	261,283 (19 %)
2012-13	1,094	72,474	1,295	206,187	100	82,801	2,489 (27 %)	361,462 (38 %)
2013-14	997	78,805	837	140,713	90	56,536	1,924 (-23 %)	276,054 (-24 %)

2014-15	1,386	117,949	1,094	169,726	131	116,461	2,611 (36 %)	404,137 (46 %)
2015-16	1,619	152,281	1,198	206,676	158	99,116	2,975 (14 %)	458,073 (13 %)
2016-17	2,177	254,213	1,023	219,721	177	166,782	3,377 (14 %)	640,716 (40 %)
2017-18	1,812	234,615	721	170,835	173	193,698	2,706 (-20 %)	599,147 (-6 %)
2018-19	1,703	247,451	479	177,593	176	185,274	2,358 (-13 %)	610,318 (2 %)
2019-20	1,272	254,976	363	203,066	152	216,660	1,787 (-24 %)	674,703 (11 %)
2020-21	1,415	275,558	415	222,124	165	274,158	1,995 (12 %)	771,840 (14 %)
2021-22\$	734	168,089	221	133,550	64	133,965	1,019 (-49 %)	435,603 (-44 %)

Source : SEBI Handbook of Statistics, 2021. Figures in brackets is shown the value changes in percent \$ as on December 31, 2021

The resource mobilisation through private placement of corporate debt is depicted in Table 6. The maximum number of issues (3,377) was recorded in 2016-2017, while the highest amount of money mobilised through the issuance of debt through private placement was recorded in 2020-21 (Rs.7,71,840 Crores). During the 2010-2011 financial year, Rs 2,18,785 Crores were mobilised through private placements.

**Table - 7**  
**Ratings Assigned to Corporate Debt Securities (Maturity ≥ 1 year)**

Period	Investment Grade								Non-Investment Grade		Total	
	Highest Safety (AAA)		High Safety (AA)		Adequate Safety (A)		Moderate Safety (BBB)		No.	Amount (₹ crore)	No.	Amount (₹ crore)
	No.	Amount (₹ crore)	No.	Amount (₹ crore)	No.	Amount (₹ crore)	No.	Amount (₹ crore)				
2010-11	244	511,583	267	182,584	249	90,445	579	69,283	1,843	42,704	3,182	896,599
2011-12	256	536,245	380	238,381	267	88,534	710	53,401	2,793	56,239	4,406	972,799
2012-13	204	798,560	449	246,970	313	86,799	648	47,193	2,558	54,090	4,172	1,233,613
2013-14	169	758,737	303	201,516	187	79,790	422	81,244	1,351	38,475	2,432	1,159,763
2014-15	201	714,360	354	253,555	246	52,227	292	28,655	703	30,711	1,796	1,079,508
2015-16	178	1,031,140	309	193,074	214	40,889	151	6,180	100	8,886	952	1,280,168
2016-17	244	1,308,971	418	309,641	252	61,125	173	10,268	117	12,714	1,204	1,702,720
2017-18	280	1,596,761	538	408,841	322	104,834	216	16,271	88	10,929	1,444	2,137,637
2018-19	279	2,080,536	400	324,989	349	104,666	241	20,879	57	12,738	1,326	2,543,807
2019-20	315	1,895,047	310	196,019	278	40,357	202	32,700	46	10,510	1,151	2,175,083
2020-21	265	2,382,411	457	333,029	326	51,444	211	46,005	60	12,729	1,319	2,825,617
2021-22\$	179	1,081,247	212	210,004	170	27,470	157	25,865	41	5,914	759	1,350,500
Avg.	235	1224633	366	258217	264	69048	334	36495	813	24720	2012	1613151

Source : Various Credit Rating Agencies; SEBI Handbook of Statistics 2021

Note: Average figure shown as rounded off with nearest digits \$ as on December 31, 2021

The credit ratings given to corporate debt securities issued with a maturity of more than a year are shown in table 7 above. The non-investment grade has significantly declined since 2014–15. This indicates that the allocated credit rating is crucial for raising financing and listing on stock exchanges. There are 235 and 366 securities, respectively, that have been rated as having the highest safety. It is helpful to comprehend the significance of grading.

Due to a small market and investors' limited appetite for bonds with high risk-return combinations, there may be a higher

concentration of high-rated bonds in the corporate debt market. Additionally, it has been noted that high-rated bonds have a substantially reduced spread when compared to non-investment grade bonds.

Investment-grade bonds' average term over the past five years has increased from 9.4 years in the early 2000s to 12.4 years as of the date of issuance. Investment-grade bonds had an average maturity of roughly 13 years in 2019. The combination of longer maturities and poor credit quality has increased bond markets' sensitivity to



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changes in monetary policy because longer maturities are linked to higher price sensitivity to changes in interest rates.<sup>5</sup>

## CONCLUSION

The whole market microstructure of the corporate debt market in India still has to develop in order to provide vibrancy and depth. The issuing of bonds by infrastructure and financial services companies continues to dominate both the primary and secondary parts of the market, with manufacturing companies' stake being extremely small. Indian banks have always dominated the economy. The proportional increase and share of the two sources for debt funding of corporate investment, however, show that corporate bond markets have begun to play a significant role. Presently, the amount of outstanding bank lending to the commercial sector is roughly one-third that of outstanding corporate bonds.

Changes in the investor base and the appearance of new investment vehicles have coincided with the rise in corporate bond offerings and the changing nature of the outstanding stock of corporate bonds during the past few decades. Understanding the systemic effects of these changes and the associated financial market laws is crucial when analysing the dynamics and potential future course of the corporate bond market.<sup>6</sup> As much as 98% of the entire amount raised is typically raised through the issuance of corporate debt, which remains mainly confidential. The

duration, ratings, type of issuance, changes in the yield on the 10-year G-sec, and the general perception of risk in the market all have an impact on the coupon rates on different types of bonds in the private placement market.<sup>7</sup>

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<sup>6</sup>. *ibid*

# Payment to Directors in respect of professional services rendered by them-Some Perspectives on the Law

Professionally one is often confronted with the Question whether the services of a director can be used by a company of which he is associated in that capacity for rendering professional services and in that process could he be remunerated for such support by way of professional fees.



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## INTRODUCTION

The above question assumes significance, while considering the fact that Section 197(4) of the Companies Act, 2013, (hereinafter “The Act”) contemplates that a company can avail of professional services from a director and make payment for such services.

The Sub-section goes on further to clarify that the services so rendered by the Director have to be necessarily professional in nature and the Nomination and Remuneration Committee (NRC) of the Board where such a Committee is constituted in applicable cases or the Board, shall need to formulate an opinion to the effect that the person discharging such services does possess the required qualifications for the practice of the profession.

The Act also considers that payments of the above genre could be made to the directors of the company including any managing, whole time director or manager of the company and that it shall be determined, in accordance with and subject to the provisions of sub-section (4) of Section 197, either by the articles of the company or by a resolution or if the articles deem it necessary, by a special resolution of the members passed in general meeting.

It follows from the above, that the previous approval of the members is not necessary for such payments and it would be in order if the payment as approved by the Board, is subject to approval of members either by ordinary resolution or special resolution as necessary depending upon the provisions in the Articles.

## WHETHER REMUNERATION PAID FOR PROFESSIONAL SERVICES SHALL FORM A PART OF THE REMUNERATION RECEIVED IN THE CAPACITY OF DIRECTORS

Considering the fact that the provisions in the Act where it comes to the remuneration of the directors are pretty much self-regulatory in that there are self-built limits within the framework of the Act, as regards payments to different categories of directors such as Managing/Whole-time Directors, Manager and non-executive directors, it is essential to understand whether the remuneration paid to the directors where they render professional services would still form a part of the overall remuneration payable to them as per ceilings imposed by the Act.

An inference can be drawn from Section 197(4) that in cases where the managing or whole-time director renders professional services to the company in any other capacity, the amount paid to him for such services shall be includible in the computation of his managerial remuneration vis-a-vis the respective limits carved out in Section 197(1) unless the remuneration is for services rendered which are of a professional nature.

The clarity on this is provided by the proviso under Section 197(4) which clearly stipulates that where any director is paid for professional services the amount shall not form a part of his remuneration received in the capacity of a director.

Section 197(4), it has to be pointed out, leaves a lot to be desired in terms of the quality of drafting. Whereas the sub-section includes the Manager along with directors and assumes that he too could render professional services other than as Manager, the proviso under the sub-section only speaks about payment of fees for professional assignments done by such directors-the expression Manager is conspicuous by its absence in the subsection.

### Section 197(4) is similar to Section 309 in the previous Act

It is important to note that under the 1956 Act also it was possible to remunerate directors for professional services extended by them. The major difference between the old law and the present dispensation is that whereas under Section 309 the opinion of the Central Govt. had to be obtained for deciding the question whether the services rendered by the director were of a professional nature or not, the opinion on the above will now have to be provided by the NRC or by the Board in its absence.

It is pertinent to note that under the present Act, the Central Govt. has ceremoniously and consciously exited itself from the matter of granting approval to managerial remuneration where such payments are in excess of the ceilings prescribed in the Act read conjointly with Schedule V of the Act and its involvement is restricted only to granting approval to the appointment of managerial personnel who do not satisfy the conditions prescribed in Part I of Schedule V to the Act.

Remuneration paid to director for services rendered other than in the capacity of director has been held not to be part of the Director's remuneration under Section 309 of the Act which corresponds to Section 197 of the Act in the following cases:

- a) *Cf. Ramabehn A Thandwala v Jyoti Ltd (1957) (27 Com Cases 105)*
- b) *R.Gac Electrodes Ltd v UOI (1982) 52 Com Cases 288 (Ker.)*
- c) *Sudarsanam (A.R.) v Madras Purasawalkam Hindu Janopakara Saswadha Nidhi Ltd (1985) (57 Com Cases 776 (Mad.))* and in a host of other cases.

The legal position on the above under the present Act is the same in that Section 197(4) itself contains an express acknowledgement that remuneration paid to director other than for services extended as a director would not be subject to limits carved out under Section 197 and would not form a part of his remuneration.

Thus it is possible for the company to engage its managing director for a professional assignment and remunerate him suitably for the assignment in which event the remuneration so paid will not be part of his remuneration received in the capacity of managing director. It was held in *Nelberg v Woking Shipping Co. Ltd (1958) 2 Lloyd's Rep 560* that a director cannot claim anything extra even on the ground that he has performed substantial extra services unless they qualify as professional services.

### WHAT CONSTITUTES "PROFESSIONAL SERVICES" BY DIRECTOR

It is important to confront the question as to what constitutes "professional services" since the Act does not contain any specific definition for the same.

It is a settled legal principle that in the absence of a definition, the legislature must be taken to have used that word in its ordinary, dictionary meaning. (*Union of India v Delhi Cloth & General Mills Ltd (AIR 1963 SC 791)*)

The term "Profession" has been defined:

*"to refer to an occupation or calling which requires learned and special preparation in the acquirement of scientific knowledge and skill". (P.Ramanathan Aiyar's Concise Law Dictionary (7<sup>th</sup> Edition).*

In the context of Article 19(6) of the Constitution, it was noted that a profession or occupation is carried on for the purpose of earning a livelihood and profit motive and a profit motive does not underlie such carrying of profession or occupation. (*L.M. Chitale v Commissioner of Labour (AIR 1964 Mad. 131)*).

The following have been held to involve the exercise of a profession:

- a) A Journalist (*CIR v Maxse (1919) (12 TC 41 (CA))*)
- b) A man of letters writing several Articles, the Editor of a Magazine and not its Publisher (*CIR v Maxse (Ibid)*)
- c) An Engineer (*Section v The Attorney General (12 TC 166)*).
- d) A film actor (*Davies (Inspector of Taxes v Braithwait (1931) (18 TC 198)*).

In addition, an architect, a solicitor, a stock-broker, a Chartered Accountant and an Advocate, an Auctioneer have also been considered as persons carrying on a profession.

From the above discussion, it is clear that the Statute does envisage that even the Managing director or Executive director of a company could be entrusted to discharge professional duties in addition to discharging their executive responsibilities bestowed on them by the shareholders and by the Board. For carrying out such professional assignments they would act in a capacity other than as directors and be remunerated for this purpose separately.

This position is paradoxical given that a managing director is supposed to devote his time fully for performing his duties and the law also acknowledges him as the principal employee of the company.

The remuneration paid to the Managing director for professional services as provided in Section 197(4) will however, be reckoned for computing the limits on remuneration, save and except for remuneration if any, paid for services rendered in a professional capacity as stated in the proviso under Section 197(4).

### ENGAGEMENT OF DIRECTORS FOR PROFESSIONAL SERVICES TANTAMOUNT TO THEIR HOLDING OF OFFICE OR PLACE OF PROFIT IN THE COMPANY

When the services of a director are availed of by a company in a professional capacity, the director is serving the company in a capacity other than as director and the remuneration that he is entitled to is also for services extended in a capacity other than as director.

The Explanation under Section 188(1) states that the expression "Office or place of profit" means any office or place-

#### Quote

*(i) where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled to as director, by way of salary, fee, commission, perquisites, any rent-free accommodation or otherwise."*

#### Unquote

We are not concerned with the second limb of the above Explanation which speaks about a place or office which is held by an individual other than a director.

The purpose of an Explanation in a Statute is, generally speaking, intended to explain the meaning of certain phrases and expressions in the statutory provision. An Explanation is also intended to clarify any obscurity or vagueness in the main enactment.

This being so, the Explanation under Section 188 has the effect of clarifying that where a director receives from the company any remuneration over and above what he is entitled to as director for rendering some services which are of a professional nature, he is most definitely holding an office or place of office in the company.

Therefore, if the payment made for such services is not in the ordinary course of business and also not on arm's length basis, the approval of the board has to be obtained under Section 188 as it gives rise to a related party transaction. Further if the threshold limits laid down for such payment under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are exceeded, approval of the shareholders under Section 188 will also be needed for the related party transaction, in addition to seeking their approval under Section 197(4).

**CAN AN INDEPENDENT DIRECTOR BE ALLOWED TO EXTEND PROFESSIONAL SERVICES AND REMUNERATED FOR THE SAME**

This brings us to another issue which needs articulation considering the ramifications it gives rise to under the Act- Whether it is in order for a company to engage its independent directors for doing a professional assignment for the company and to remunerate him for such services.

**ATTRIBUTES OF INDEPENDENCE TO BE SATISFIED BY INDEPENDENT DIRECTOR**

An Independent Director has been defined in Section 149(6), *inter alia*, to mean in relation to a company a director other than a managing director or a whole-time director or a nominee director.

Apart from the above, he is expected to be a man of integrity and possess relevant expertise and experience.

He cannot be related to the promoters or directors in the company or its holding, subsidiary or associate company.

**Independent Director not to have any pecuniary relationship with the company other than by way of remuneration as a director**

It is imperative that, considering that the independent director is expected to play an objective and dispassionate role in the company and avoid any form of situations which brings within its wake, a conflict of interest between him or his relatives and the company or its holding, subsidiary or associate company or their promoter or directors. Hence the Act prevents him from having any pecuniary relationship in the last two preceding financial years or in the current financial year with the company other than remuneration received as independent director.

**What is “Pecuniary relationship”**

Before proceeding further on the issue, we need to appreciate the meaning of the term “pecuniary relationship”. Typically,

given that the expression is generic and commonly applied in day to day parlance, the term does not have a precise definition and hence we have to fall back on the meaning provided to the term also in the legal lexicon.

The term “pecuniary” refers to “anything which is monetary; Something which relates to money; consisting of money”(P. Ramanathan Aiyar’s Concise Law Dictionary (Seventh Edition) (At page 1971).

Hence any relationship which is built on the foundation of money is a pecuniary relationship.

**Section 149(6)(c) does not visualize for the independent director any pecuniary relationship other than by way of remuneration as a director**

Section 149 (6) (c) and the subsequent clauses thereunder identify different categories of pecuniary relationships which the independent director is not expected to share with the company so as to protect his independence.

Precisely clause (c) of Section 149(6) states the following:

**Quote**

*“who has or had [no pecuniary relationship other than remuneration as such director or having transaction not exceeding ten percent of his total income or such amount as may be prescribed] (Emphasis supplied) with the company, its holding, subsidiary or associate company, or their promoters or directors during the two immediately preceding financial years or in the current financial year”.*

**Unquote**

It may be noted that the line which is reproduced above which is shown within a parenthesis represents an amendment made to the above clause by the Companies (Amendment) Act, 2017 with effect from 7.5.2018.

As the remaining portion of Section 149(6) is not relevant for the purpose of our discussion the same is neither being reproduced nor articulated.

A plain reading of the above clause makes the following clear:

- a) An independent director shall not have any pecuniary relationship other than as such director or
- b) have any transaction with the company not exceeding ten percent of his total income or such amount as may be prescribed.

The first limb in the above clause makes it obvious that the independent director shall not have any pecuniary relationship with the company or its holding, subsidiary or associate company or its promoters or directors in the last two preceding financial year or during the current financial year.

It follows from the above that if the Independent director is given an assignment by the company where he is expected to demonstrate his professional skills and would be remunerated separately for the same, that would lead to the creation of a pecuniary relationship between the company and the director resulting in the receipt of remuneration by the independent



director which would be over and above the remuneration he is entitled to as independent director.

As an independent director is expected to play an unbiased and neutral role in the company, the very idea of engaging him in a professional capacity would be anathema to his independence and would vitiate his status as an independent director. The amount of remuneration he would be paid in a professional capacity is immaterial. The moment he gets paid for professional services there is loss of independence in his status.

The other limb in the clause above deters the independent director from having any transaction which has a value proposition leading to receipt of income which is higher than ten percent of his total income or such other amount as may be prescribed.

Thus if the independent director is not affected by the first limb in clause (c) above, he can hold on to his independent status as long as the value of the transaction does not exceed the threshold stated above.

It is pertinent to note that the use of “or” in the above clause in Section 149(6) makes the clauses mutually exclusive.

### **SIGNIFICANCE OF THE USE OF THE EXPRESSION “OR” IN A STATUTORY PROVISION**

It is found that most Statutes are replete with the use of the conjunctions “or” and “and”. In ordinary usage “and” is conjunctive and “or” is disjunctive –that which separates words, phrases and clauses in a sentence. Disjunctive means

servicing or tending to disjoin, distinguishing. Where a statutory provision is clear and unambiguous, the word “or” cannot be read as “and” by applying the principle of reading down the Statute. (*Union of India v Ind-Swift Laboratories Ltd (2011)12 SCC 787 at page 795*).

However, if the literal reading of the words produces an unintelligible or absurd result, “and” may be read as “or” or for “and” provided that the intention of the legislature is otherwise quite clear. (*A.G v Beauchamp(1920)(1 KB 620)*).

Applying the above rules of interpretation contextually, it can be said that in Section 149(6)(c) there is nothing ambiguous which warrants the substitution of the word “or” therein by “and”.

It is clear that the independence of a director shall be lost if he falls within the vortex of either of the limbs referred to above in Section 149(6)(c).

The conclusion which perhaps can be irrefutably drawn from the above is that an independent director shall not be made use of by the company in a professional capacity as it would give rise to the creation of a pecuniary relationship which is beyond the contemplation of the Statute.

### **CONCLUSION**

The law on the subject is bereft of qualitative drafting and it is necessary to either make the law simpler through enabling amendments or alternatively suitable clarifications may be issued on the subject to clear the cobwebs of doubt that exist across the fraternity on the subject. 

# 3

## LEGAL WORLD



- STATE OF U.P. & ANR v. UPTRON EMPLOYEES' UNION CMD-I & ORS [SC]
- SHAPOORJI PALLONJI & CO.P VT.LTD v. KORBA WEST POWER COMPANY LTD & ORS [NCLAT]
- GARISH OBEROI & ORS V. HOTEL AND RESTAURANT ASSOCIATION OF WESTERN INDIA & ANR [NCLAT]
- MUKESH KUMAR GUPTA v. REGISTRAR OF COMPANIES [NCLAT]
- THYAGARAJA v. THE CHURCH OF SOUTH INDIA TRUST& ORS [NCLAT]
- THE ESI CORPORATION v. M/S RADHIKA THEATRE [SC]
- KARNAVATI VENNERS PVT LTD v. NEW INDIA ASSURANCE CO. LTD.[SC]
- GAS AUTHORITY OF INDIA LTD v. INDIAN PETROCHEMICAL CORPORATION & ORS [SC]
- GODREJ SARA LEE LTD v. EXCISE AND TAXATION OFFICER-CUM -ASSESSING AUTHORITY & ORS [SC]



## Corporate Laws

### Landmark Judgement

**LMJ 03:03:2023**

**STATE OF U.P. & ANR v. UPTRON EMPLOYEES' UNION CMD-I & ORS [SC]**

**Civil Appeal No. 6217 of 1999 with batch of appeals**

**B.P.Singh & Altamas Kabir, JJ. [Decided on 26/04/2006]**

**SICA read with Companies Act, 1956 - Government company- becoming sick-BIFR ordered payment of wages to employees- whether correct-Held, No.**

**Equivalent citations: (2007) 135 Comp Cas 180; (2006)72 CLA 385.**

#### Brief facts:

The State of Uttar Pradesh is the appellant in these appeals Civil Appeal No. 6176/1999 has been preferred against the order of the Board of Industrial and Financial Reconstruction (hereinafter referred to as the "BIFR") dated 28.8.1998 whereby it directed the State of Uttar Pradesh to make on account payment to the workers towards their wages for the period June, 1998 onwards on humanitarian grounds. Civil Appeal Nos. 6171-6172/1999 has been preferred against the order of the High Court of Delhi whereby the writ petition preferred by the State of Uttar Pradesh against the order of BIFR dated 27.8.1997, as affirmed by the Appellate Authority vide its order dated 6.5.1998, was rejected. Civil Appeal No. 6217/1999 has been preferred against the interim order of the High Court of Judicature at Allahabad, Bench at Lucknow dated 23.12.1998 directing the State of Uttar Pradesh to pay salary to the workers of M/s. UPTRON, as directed by the BIFR till the State Government takes final decision in the matter relating to revival/rehabilitation proposal made by it.

In all the appeals before the Court the submission urged on behalf of the State of Uttar Pradesh was that the BIFR had no jurisdiction in a proceeding under SICA to make a direction to the State Government to pay the wages due to the workers of a sick company. It has also been the stand of State of Uttar Pradesh that M/s. UPTRON India Ltd. is a subsidiary of U.P. Electronics Corporation Limited, which is a company wholly owned and controlled by the State of Uttar Pradesh. In any event, it was submitted that there was no provision in the SICA which authorises the BIFR to pass an order directing the State of Uttar Pradesh to pay the salaries/wages of the

employees of a sick company in regard to which an inquiry is pending before the BIFR.

**Decision:** Allowed.

#### Reason:

We have carefully gone through the pleadings, the annexures filed by both sides and the orders passed by the BIFR and the judgments cited by the counsel appearing on either side.

Learned counsel for the contesting respondent drew our attention to a recent judgment of this Court in A.K. Bindal v. Union of India in support of her contention. We have perused the said judgment. In our opinion, since the employees of government companies are not government servants, they have absolutely no legal right to claim that the Government should pay their salary or that the additional expenditure incurred on account of revision of their pay scales should met by the Government. Being employees of the companies, it is the responsibility of the companies to pay them salary and if the company is sustaining losses continuously over a period and does not have financial capacity to revise or enhance the pay scale, the petitioners, in our view, cannot claim any legal right to ask for a direction to the Central Government to meet the additional expenditure which may be incurred on account of revision of pay scales.

We may observe that in both cases the earlier decision of this Court in *Heavy Engineering Mazdoor Union v. State of Bihar and Ors.*, [1969] 1 SCC, 765 was noticed and applied. Counsel for the respondents have placed reliance on *Workmen of Rohtas Industries v. Rohtas Industries and Ors.*, [1995] Supp 4 SCC, 5. In that case this Court passed an order directing the State Government and the Central Government to contribute a sum Rs. 30 crores each with a view to work the industry which has closed down, having regard to its potential.

It would, thus, appear that the order passed in the matter of Rohtas Industries (supra) was passed in the peculiar facts of the case and no principle had been laid down that in such a case it is the duty or obligation of the State Government or the Central Government to provide funds for payment of dues of workers.

It would, thus, appear that this Court did not lay down any principle of law of universal application and passed appropriate orders only in the compelling circumstances noticed by it. We are, therefore, satisfied that in respect of a sick industrial company, even if it be a subsidiary of a government company, there is no legal obligation cast upon the State Government to pay the wages due to the workmen. The rights of workmen are governed by the relevant provisions of the Companies Act where their claim has been accorded priority. Moreover, in any view of the matter we find nothing in SICA which authorises the BIFR to pass an interim order directing the State Government in such circumstances to pay the wages due to the employees of the sick industrial company. We, therefore, allow all these appeals and set aside the impugned orders.

**LW 16:03:2023****SHAPOORJI PALLONJI & CO.P VT.LTD v. KORBA WEST POWER COMPANY LTD & ORS [NCLAT]****Company Appeal (AT) (Insolvency) No. 816 of 2019****Anant Bijay Singh & Shreesha Merla. [Decided on 23/02/2023]****Insolvency and Bankruptcy Code,2016- approval of resolution plan- creditors claim, pending under arbitration proceedings, were rejected by RP- whether correct- Held, proceedings may continue.****Brief facts:**

Challenge in this Appeal was to the Impugned Order passed by the NCLT, whereunder the Adjudicating Authority has allowed IA 236/2019 filed by the Resolution Professional of the Corporate Debtor “M/s. Korba West Power Company Limited” seeking approval of the resolution plan. In the resolution plan, the claim made by the appellant was rejected.

**Decision:** Disposed of.**Reason:**

The CIRP was initiated by the Corporate Debtors themselves by invoking Section 10 of the Code and that there were three Arbitration Proceedings pending between the Appellant and the ‘Corporate Debtor’ prior to the initiation of the CIRP. It is the case of the Appellant only because the Arbitration Proceedings were pending, the RP though did not have any Adjudicatory Powers, rejected their claims. It is the case of the RP that there is no provision in the Code to give any communication in writing regarding the rejection and that the Appellant has never challenged the rejection of the Claim.

In this factual matrix, the main point which arises for consideration in this Appeal is whether the Appellant/‘Operational Creditor’ can be allowed to pursue the Arbitration Proceedings in the light of the ratio laid down by the Hon’ble Apex Court in ‘Fourth Dimension Solutions’ (Supra).

In the aforementioned Judgement , whereunder in the light of the factual position that the name of the Appellant was mentioned in the list of the ‘Operational Creditors’, and the claims pertaining to the ‘Operational Creditors’ have been disputed and the Proceedings are pending before the Arbitration Authorities, the Hon’ble Apex Court had disposed of the Appeal with a liberty to the parties to pursue all contentions available to them in the Proceedings at the relevant period of time.

The ratio of this Judgement is applicable to the facts of this case, keeping in view that the CIRP Proceedings were invoked under Section 10 of the Code, that the name of the Appellant was mentioned in the list of Operational Creditors, that the RP had posted on the website that the ‘Claims’ of the Operational Creditors are ‘under verification, and that admittedly Pre-Arbitration Proceedings were pending prior to the invocation

of the Section 10 Proceedings, and there was no ‘Contingent Liability’ or any other provision made in the Resolution Plan, subject of course, to the result of the Arbitration Proceedings.

For all the foregoing reasons, we are of the considered view that there is no illegality in the Order of the approval of the Resolution Plan by the Adjudicating Authority and we do not see any reason to set aside the Resolution Plan per se except for observing that the RP ought not to have made a Contingent Provision with respect to the Appellant herein having regard to the specific facts of this case, which would be subject to the result of the Arbitration Proceedings.

Having observed so, liberty is being given to the Appellant herein to pursue all contentions available to them in the pending Arbitration Proceedings and the same be decided in the said proceedings on its own merits in accordance with law. This Appeal is disposed of with the aforementioned observations. No Order as to costs. It is to be noted that keeping in view the peculiar facts of the attendant case on hand, this order is being passed.

**LW 17:03:2023****GARISH OBEROI & ORS v. Hotel And Restaurant Association of Western India & Anr [NCLAT]****Company Appeal (AT) No. 162 of 2022 with connected appeals****Rakesh Kumar Jain & Alok Srivastava. [Decided on 21/02/2023]****Companies Act,2013- oppression and mismanagement- sections 241-242- whether the petition is maintainable-Held, Yes.****Brief facts:**

The two appeals have been filed under section 421 of the Companies Act, 2013 (in short «Companies Act”) by the respective Appellants assailing the order dated 30.8.2022 (hereinafter called “Impugned Order”) passed by the National Company Law Tribunal, New Delhi (in short “NCLT”).Both the above- mentioned appeals are being disposed of through this judgment. The appellants are the sitting managerial persons.

**Decision:** Dismissed.**Reason:**

The three issues that arise for consideration in the instant appeals are as follows:-

- (i) Whether petitioners in the original CP No. 473/241-242/2018 were entitled to maintain the said Company Petition under sections 241-242 of the Companies Act and whether the waiver granted to them under section 244 to prefer such a petition is correct;
- (ii) Whether the alleged acts of oppression and mismanagement as claimed by the petitioners in original CP No. 473/241-242/2018 actually amount to oppression

and mismanagement as claimed by the petitioners in original company petition and as are required for a section 241-242 petition; and

- (iii) Whether the AoA regarding election of President of FHRAI have been followed properly in letter and spirit in the election of President of FHRAI for the year 2018-19, as was required by law?

On the first issue: A perusal of the Impugned Order, wherein the issue of grant of waiver has been dealt by the NCLT shows that the NCLT has considered the matter of Casino Hotels, where the proposed action of the Executive Committee to amend clauses IV(1)(a) and (b) of Appendix-A of the AoA of FHRAI was under challenge, and in which the Eastern Region members had opposed the stand of Northern and Western Regions members. The NCLT has found that the issue which was raised in the Casino Hotels case has found reflection in the process of election of President of FHRAI for the year 2018-19. Looking to the facts and circumstances pleaded by the Respondent HRAEI, we are of the view that the acts of oppression and mis- management have continued in one form or the other right from the filing of the Casino Hotels petition, and therefore, in the interest of corporate democracy and to ensure proper functioning of FHRAI in accordance with the AoA and to examine the alleged acts of oppression and mismanagement, we are of the view that it is a case whether exceptional circumstances demand grant of waiver under section 244 of the Companies Act to enable the petitioners of CP 473/241- 242/2018 to raise their grievances which could then be adjudicated upon. We thus hold that the Impugned Order is correct on this account.

On the second issue: The issue in the company petition in the Casino Hotels case regarding proposed amendment to the AoA was being opposed by members of Eastern Region against the proposal of the members of Northern and Western Regions. Thus while, overtly, there may not appear to be any direct relation between the matter in consideration in the Casino Hotels case and the issue in instant petition CP No. 473/341-242/2018, it is clear that there is certainly an under-current of feeling against the Eastern Region members, and Mr. Sudesh Kumar Poddar among the Western and Northern Regions members which arose from the time of the Casino Hotels case. We are inclined to think so because while Mr. Sudesh Kumar Poddar is fully qualified to contest for the post of President, FHRAI, and that the Eastern Region Executive Committee members have decided to put forward his name as the sole candidate for the post of President of FHRAI, the members of Executive Committee from Northern and Western Regions are insistent on accepting any other member as President except Mr. Sudesh Kumar Poddar, which is a stand that does not have any legal or rational basis.

Thus, this act of the Western and Northern Region members in EC is definitely an act of oppression and mis- management and when seen in conjunction with the earlier incident where members of Western and Northern Region were bent upon amending the AoA to increase the number of terms of membership in the Executive committee, it is clear that those members, who either stood to benefit from such an

amendment or who were supporting it would be peeved or unhappy with the stand taken by Mr. Sudesh Kumar Poddar. We, therefore, are of the view that the procedure being adopted in the election of the President of FHRAI for the year 2018-19 as interpreted by the sitting President Mr. Garish Oberoi is clearly an act of oppression and mismanagement, which if not checked at nascent stage right in the beginning, can result in further oppression of FHRAI's members and mismanagement of the affairs of the company to the detriment of the functioning of the company FHRAI and against the legitimate interests of its members. The intent of sections 241-242 is to protect the company's members from acts of oppression and mis- management and to also protect and preserve the interest of the company, and in that light we are of the clear view that in the present case, the acts as stated in CP 473/241-242/PB/218, clearly constitute acts of <oppression and mismanagement>.

On the third issue: We note that the members of the Executive Committee are elected at every Annual General Meeting as provided in Appendix 'A' of AoA and the incoming Executive Committee is deemed to have taken office from the date its office bearers are elected. Further, the previous Executive Committee as well retiring office bearers continue to hold office until the new office bearers are elected by the incoming Executive Committee. Therefore, it is clear that once the new Executive Committee members were elected in the Annual General Meeting held on 30.10.2018, they were to have taken office. Also, the other office bearers which would certainly include the President also continued to hold office until the new office bearers are elected by the incoming Executive Committee. By not completing the process of election of President for the year 2018-19, and presiding over the Executive Committee as sitting President and also electing the office bearers including the .Vice Presidents and others, Mr. Garish Oberoi not only exhibited a blatant and high-handed oppressive behaviour nefariously assisted by some other members who were acting like a 'clique', he also disregarded provisions of the AoA and acted in an oppressive manner.

Thus, a detailed perusal of the minutes of the Executive Committee meeting dated 30.10.2018, particularly in item No. 5 and Item No. 7 make it abundantly clear that the members of the Western and Northern regions in the Executive Committee had formed a clique and were relentlessly pursuing their iniquitous, perverse and flagrant design to block the appointment of Sudesh Kumar Poddar as President of FHRAI as preferred candidate of the Eastern Region. Such acts of Executive Committee members, mainly by the above stated members of the Northern and Western regions, are clearly acts of oppression of members of the Eastern region and that the outgoing President Mr. Garish Oberoi was clearly an active party in perpetuating such illegal acts. Moreover, the FHRAI which was not being allowed to elect a President for the term 2018-19 and would affect the smooth management of FHRAI's affairs. Thus, these acts would also constitute acts leading to mismanagement of the affairs of the company, which would be covered under sections 241-242 and which are not merely directorial complaints.

**LW 18:03:2023****MUKESH KUMAR GUPTA v. REGISTRAR OF COMPANIES [NCLAT]****Company Appeal (AT) No. 164 of 2021****Anant Bijay Singh & Kanthi Narahari. [Decided on 20/02/2023]****Companies Act,2013- section 248- removal of name from the register-whether correct- Held, No.****Brief facts:**

The present Appeal under Section 421 of the Companies Act, 2013, has been filed by the Appellant being aggrieved and dissatisfied by the order passed by the National Company Law Tribunal (New Delhi Bench, Court-II) whereby and whereunder appeal filed by the Appellant Company for restoration of the name of the Company in the Register maintained by the Registrar of Companies (RoC), NCT of Delhi and Haryana was dismissed by the Tribunal.

**Decision: Allowed.****Reason:**

After hearing the parties and going through the pleadings made on behalf of the parties, we observed that the Audited Financial Statements for the Financial Years from 2014-15 to 2015-16 shows that the Appellant Company is having substantial movable as well as immovable assets and the Company was/is in operation when the name was struck off. Therefore, it cannot be said that the Appellant Company is not carrying on any business or operations. Hence, we are of the view that the order passed by the National Company Law Tribunal (New Delhi Bench, Court-II) as well as Registrar of Companies, NCT of Delhi & Haryana is not sustainable in law.

In view of the aforementioned, we set aside the impugned order passed by the National Company Law Tribunal (New Delhi Bench, Court-II). The name of the Appellant Company be restored to the Register of Companies subject to the following compliances.

- i) Appellant Company shall pay costs of Rs. 2,00,000/- (Rupees Two Lakhs) to the Registrar of Companies, NCT of Delhi & Haryana within eight (8) weeks from the passing of this Judgment.
- ii) After restoration of the Company's name in the Register maintained by the Registrar of Companies, the Company shall file all their Annual Returns and Balances Sheets. The Company shall also pay requisite charges/fee as well as late fee/charges as applicable.
- iii) In spite of present orders, Registrar of Companies will be free to take any other steps punitive or otherwise under the Companies Act, 2013 for non-filing/late filing of statutory returns/documents against the Company and Directors. The instant Appeal is allowed to the above extent.

**LW 19:03:2023**

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**THYAGARAJA v. THE CHURCH OF SOUTH INDIA TRUST& ORS [NCLAT]****TA No.15/2021 (Company Appeal (AT) No.235 of 2020/TR)****M. Venugopal & Shreesha Merla. [Decided on 16/02/2023]****Companies Act,2013- section 241-242 – oppression and mismanagement- company petition dismissed by NCLT- whether correct- Held, Yes.****Brief facts:**

Aggrieved by impugned order passed by the National Company Law Tribunal in CA171/2019 in C.P.02/2016, the Appellant preferred this TA No. 15/2021 (Comp. App. (AT) No. 235/2020/TR) Appeal, challenging the dismissal of the Company Petition by the NCLT.

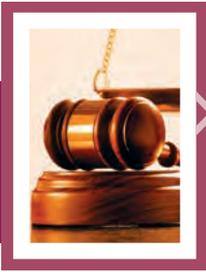
**Decision: Dismissed.****Reason:**

In the instant case, apart from not being a party to the main Petition, the Appellant herein is, admittedly, only a Member of the Church and he has not filed any documentary evidence to substantiate that any of the requirements under Section 2(55) of the Companies Act, 2013, is met. Admittedly, there is a four layered Election Process to become a Member of the Company. The persons acting as Member of CSITA are in fact first elected by various Parishes falling under more than 20 Dioceses and these Parishes Member elect people to the Diocesan Council and also to the Synod Council who in turn elect the process of the Company. In this four layered process, it is not in dispute that the Appellant herein has not passed through the layers to become the Member. This Tribunal is of the earnest view that merely because a person is a Member of Church, he does not have the locus standi to file a Petition under Sections 241 & 242 of the Companies Act, 2013, against a Section 8 Company of which, he is admittedly, not a Member.

At the cost of repetition, as the Petitioner in CA/171/2019 and in CP/02/2016, does not satisfy any of the requirements stipulated under Section 2(55) of the Companies Act, 2013, he cannot seek any exemption under Section 244 of the Companies Act, 2013. This Tribunal does not find any illegality, in the Order of NCLT, in holding that the Company Petition is not maintainable, which even otherwise was preferred by one John S Dorai.

To reiterate, the Appellant before us is not even a party to the main Company Petition, and is seeking expunge of some observations made by the NCLT. A brief perusal of the paragraphs in the Impugned Order, shows that the said paragraphs are by and large the submissions of the parties and there were no strictures or conclusion, arrived at by

the Tribunal (NCLT), which require expunging. For all the aforementioned reasons, this Tribunal, does not find any illegality or infirmity, in the well-considered and reasoned order of the Tribunal (NCLT).



## Labour Laws

**LW 20:03:2023**

**THE ESI CORPORATION v. M/S RADHIKA THEATRE [SC]**

**Civil Appeal No. 312 of 2023 (@ SLP(C) No. 12520 of 2022)**

**M.R. Shah & C.T. Ravikumar,JI. [Decided on 20/01/2023]**

**Employees State Insurance Act, 1948- amendment of Act in 1989- employees coverage widened- demand notices issued after the amendment- whether tenable-Held, Yes.**

### **Brief facts:**

The respondent herein was running a Cinema Theatre since 1981. It paid ESI contributions up to September, 1989. However, thereafter, as its employees were less than 20 in number, it did not pay the contributions. Therefore, the appellant – corporation issued demand notices. The respondent herein challenged the demand notices before the EI Court contending, inter alia, that prior to the insertion of Sub-section (6) of Section 1 of the ESI Act, 1948 w.e.f. 20.10.1989, it employed less than 20 persons and therefore, it was not liable to be covered under the provisions of the ESI Act. The EI Court dismissed the case. The order passed by the EI Court confirming the demand notices was the subject matter of appeal before the High Court.

By the impugned judgment and order the High Court has allowed the appeal preferred by the respondent herein taking the view that amendment to Section 1 of the ESI Act by which Sub-section (6) of Section 1 came to be inserted w.e.f. 20.10.1989, the same shall not be applicable retrospectively and the same shall not be made applicable to an establishment, established prior to 20.10.1989/31.03.1989. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court, the ESI Corporation has preferred the present appeal.

**Decision:** Allowed.

### **Reason:**

Having heard learned counsel appearing on behalf of the appellant – corporation and having gone through the

impugned judgment and order passed by the High Court, the short question which is posed for consideration of this Court is whether with respect to the demand notices post 20.10.1989 a factory or an establishment, established prior to 20.10.1989 shall be governed by the ESI Act notwithstanding that the number of persons employed therein at any time falls below the limit specified by or under the ESI Act?

An incidental question which is also posed for consideration of this Court is whether the demand notices for the period after 20.10.1989 i.e., from the date by which Sub-section (6) of Section 1 of the ESI Act came to be inserted can it be said that the amended Section 1 of the ESI Act can be said to have been applied retrospectively?

After analysing the scope of the ESI Act, in the light of the judgements rendered in ESI Corpn. v. Francis De Costa [1993 Supp (4) SCC 100, Buckingham and Carnatic Co. Ltd. v. Venkatiah AIR 1964 SC 1272 and Bombay Anand Bhavan Restaurant v. ESI Corpn., (2009) 9 SCC 61 the Court held as under:

Prior to insertion of Sub-section (6) of Section 1 of the ESI Act, only those establishments/factories engaging more than 20 employees were governed by the ESI Act. However, thereafter, Sub-section (6) of Section 1 of the ESI Act has been inserted on 20.10.1989, and after 20.10.1989 there is a radical change and under the amended provision a factory or establishment to which ESI Act applies would be governed by the ESI Act notwithstanding that the number of persons employed therein at any time falls below the limit specified by or under the ESI Act. Therefore, on and after 20.10.1989, irrespective of number of persons employed a factory or an establishment shall be governed by the ESI Act. Therefore, for the demand notices for the period after 20.10.1989, there shall be liability of every factory or establishment irrespective of the number of persons employed therein. With respect to such a notice it cannot be said that amended Section 1 inserting Sub-section (6) is applied retrospectively as observed and held by the High Court. Only in case of demand notice for the period prior to inserting Sub-section (6) of Section 1 of the Act, it can be said that the same provision has been applied retrospectively. Therefore, the High Court has committed a very serious error in observing and holding that even for the demand notices for the period subsequent 20.10.1989 i.e., subsequent to inserting Sub-section (6) of Section\_1 the said provision is applied retrospectively and the High Court has erred in allowing the appeal and setting aside the demand notices even for the period subsequent to 20.10.1989. Sub-section (6) of Section 1 therefore, shall be applicable even with respect to those establishments, established prior to 31.03.1989/20.10.1989 and the ESI Act shall be applicable irrespective of the number of persons employed or notwithstanding that the number of persons employed at any time falls below the limit specified by or under the ESI Act.

In view of the above and for the reasons stated above, the present appeal succeeds. The impugned judgment and order passed by the High Court is hereby set aside and the demand notices for the period post 20.10.1989 are hereby restored. Present appeal is accordingly allowed. No costs.



## General Laws

**LW 21:03:2023**

**KARNAVATI VENNERS PVT LTD v. NEW INDIA ASSURANCE CO. LTD. [SC]**

**Civil Appeal No. 3893 of 2013**

**Ajay Rastogi & C. T. Ravikumar, JJ. [Decided on 09/02/2023]**

**Insurance- fire insurance policy- factory remained closed- accident occurred- surveyor approved the loss- claim repudiated on the ground that some documents were not furnished in time- whether correct- Held, No.**

### **Brief facts:**

The appellant took a standard fire and special perils policy (hereinafter being referred to as the “policy”) from the respondent The New India Assurance Company Limited in the year 2001 which was renewed from time to time. With effect from 11 th July, 2006, as per orders passed by Forest Department, the factory was sealed and manufacturing process was stopped. Consequent upon that, the power was also disconnected having no manufacturing activity thereafter. Unfortunately, devastating fire took place on 20<sup>th</sup> October, 2006 in the factory premises in which the appellant suffered huge loss. In consequence thereto, the appellant submitted claim under the policy but that came to be repudiated by the respondent on the premise that the appellant has failed to submit the required documents which is in breach of condition no. 6(b) of the policy.

The repudiation was challenged by the appellant by filing its claim petition before the Gujarat State Consumer Disputes Redressal Commission (hereinafter being referred to as the “State Commission”) that came to be dismissed by the State Commission on the premise that the appellant failed to furnish the required documents as desired by the respondent Company and accordingly the claim has been rightly repudiated in terms of Clause 6(b) of the policy. On appeal the National Commission dismissed the appeal which is the subject matter of challenge in appeal before the Supreme Court.

**Decision:** Allowed.

### **Reason:**

It is not disputed that the appellant took fire insurance policy, in the first instance in 2001 and has renewed it from time to time and the cover risk of Rs. 1,20,00,000/ was renewed from 7 th October, 2006 to 6<sup>th</sup> October 2007 and after its renewal,

devastating fire took place in the factory on 20 th October, 2006 in which the appellant suffered huge losses.

It is also not disputed that the appellant has never put any claim in the last 6 to 7 years during the above period and when the policy was renewed from 7<sup>th</sup> October, 2006 to 6<sup>th</sup> October, 2007, unfortunately, the devastating fire took place on 20<sup>th</sup> October, 2006 for unknown reasons.

It is also not disputed that M/s. A.M. Patel Surveyors Pvt. Ltd. which was appointed as a surveyor by the respondent Company has extensively examined the site physically and after taking into consideration the relevant record made available by the appellant (insured), estimated the loss/damage which took place due to fire on 20<sup>th</sup> October, 2006 of Rs. 21,76,524/ and the respondent has repudiated the claim of the appellant not on the premise that the Surveyor’s report dated 1<sup>st</sup> July, 2007 is not acceptable to the respondent Company but on account of non-submission of the required documents which was a breach of clause 6(b) of the policy as indicated by the Company in its repudiation letter dated 11<sup>th</sup> September, 2007.

In our considered view, invoking condition no. 6(b) of the policy for repudiation dated 11<sup>th</sup> September, 2007 was unsustainable in law for the reason that clause 6(b) only desires to submit necessary document for the purpose of assessment of claim regarding the loss/damages caused due to the fire which took place. Whatever the material documents available with the insured were undisputedly made available to the Surveyor who has made its own physical inspection in reference to the loss which took place due to fire on 20<sup>th</sup> October, 2006 and submitted its report on 1 st June, 2007. Once that assessment has been made regarding the loss/damage which took place due to fire dated 20 th October, 2006 and that was not disputed by the respondent Company, repudiating the claim invoking clause 6(b) of the policy, in our considered view, was unfair and is not legally sustainable. Consequently, the appeal deserves to succeed and is accordingly allowed.

**LW 22:03:2023**

**GAS AUTHORITY OF INDIA LTD v. INDIAN PETROCHEMICAL CORPORATION & ORS [SC]**

**Civil Appeal Nos. 3504-3505 of 2010**

**Sanjay Kishan Kaul & Abhay S. Oka , JJ. [Decided on 08/02/2023]**

**Indian Contract Act, 1882- supply of natural gas- recovery of loss of transportation loss- writ court held the clause was arbitrary- whether writ petition is maintainable- Held, Yes. Whether recovery to be restricted to only 3 years- Held, yes.**

### **Brief facts:**

GAIL and IPCL had entered into an agreement for the supply of natural gas. As per the contract, the methodology of supply of gas was that GAIL received natural gas from the producer, i.e. ONGC, which procured the same at Hazira from the Bombay High project. Thereafter, the gas was transported from Hazira to IPCL’s Gandhar plant through pipelines laid

down by IPCL. The unutilised gas was then sent back to Hazira, also using IPCL's pipelines.

The significance of the manner in which the gas was carried, as the dispute before the court revolved around this particular aspect. On one hand, as per the allocation terms, IPCL had to lay down its own pipelines (which were so laid), and those pipelines alone were utilised for carrying gas. On the other hand, the charge is levied by GAIL for 'loss of transportation charges' in terms of the contract. It is this aspect of the contract between the parties which has been the subject matter of adjudication in writ proceedings filed by IPCL under Article 226 of the Constitution of India. IPCL succeeded before the learned Single Judge and before the Division Bench in the Letters Patent Appeals.

**Decision:** Partly allowed.

**Reason:**

Although the dispute arises from a commercial contract, we find that the writ petition challenging the clauses was maintainable. It is not disputed that GAIL is a Public Sector Undertaking and thus qualifies under the definition of 'State' as per Article 12 of the Constitution. At the time of entering into contract, GAIL was enjoying a monopolistic position with respect to the supply of natural gas in the country. IPCL, having incurred a significant expense in setting up the appropriate infrastructure, had no choice but to enter into agreement with GAIL. Thus, there was a clear public element involved in the dealings between the parties. Further, writ jurisdiction can be exercised when the State, even in its contractual dealings, fails to exercise a degree of fairness or practices any discrimination. We are fortified in our view by this Court's decision in *ABL Enterprises* and *Joshi Technologies*. In the present case, GAIL's action in levying 'loss of transportation charges' was ex facie discriminatory, insofar as IPCL was mandated to build its own pipeline in terms of the allocation letter and was not using GAIL's HBJ pipeline at all. Thus, it cannot be said that merely because an alternative remedy was available, the Court should opt out of exercising jurisdiction under Article 226 of the Constitution and relegating the parties to a civil remedy.

Now, we come to the validity of the clauses under which 'loss of transportation charges' were levied. In our view, it would be extremely unfair and unjust, apart from being an arbitrary action in violation of Article 9 (supra) of the Constitution of India that IPCL is charged for loss of transportation charges when it is mandated to lay down its own pipelines and not to transport the gas through the HBJ pipeline. This action also violates the principle of non-discrimination enshrined in Article 14. IPCL, which is using its own pipelines, is being treated at par with other commercial entities who are carrying gas through the HBJ pipeline laid down by GAIL. This is more so when the pricing orders by the concerned authority, i.e. MoPNG stipulate a fixed price for natural gas.

On a basic principle, it cannot be doubted that once GAIL has laid down the pipeline, it is entitled to structure in its cost in the contract. However, the issue is not simply that. We are faced with a scenario where two public sector enterprises entered into a contract in pursuance of the allocation made by the MoPNG. There was also a time constraint for IPCL.

After incurring a heavy expenditure in the construction of the Gandhar Plant, IPCL had very little choice but to enter into the contract. What is of most significance is that IPCL was bound to follow the allocation terms provided by the principal authority, i.e., MoPNG. Thus, as pleaded by IPCL, they were faced with a "Hobson's choice", where they had to either give up the contract or accept the clauses levying transportation charges. On a conspectus of the above factors, it can be said that GAIL exercised an unequal bargaining power at the time of signing the contract.

In fact, the contractual exercise of providing such a clause runs contrary to every commercial and common sense and is manifestly arbitrary, as IPCL is not being charged under any general terms but for a specific purpose. This purpose cannot exist in the contract in view of the master authority, i.e., the Union of India, providing to the contrary.

GAIL may have made a huge investment in constructing the HBJ pipeline, but at the same time IPCL had also made a huge investment in constructing its own pipelines. This was not an option but a mandate of the allocation letter issued by the MoPNG. Thus, it is difficult for us to accept that on the one hand IPCL must lay down its own pipelines, and simultaneously pay for loss of transportation through the HBJ pipeline even without using it. We do not accept GAIL's contention that the charges could be levied merely because GAIL had laid the HBJ pipeline for users generally.

Further, we may note that the direction for refund vide order dated 11.04.2007 arose as a consequence of quashing of the clauses. It was in the nature of a sequitur and, thus, we do not find any reason to interfere with the same.

We, however, now turn to whether the whole amount is to be refunded. The alternative argument of the learned Solicitor General was that the period of limitation, in any case, could not have been expanded in granting the refund. No doubt the issue of loss of transportation charges was flagged by IPCL in various communications exchanged inter se the parties subsequent to the signing of the contract. That, however, cannot grant a license to IPCL to approach the court as and when it considers proper. Thus, while upholding the quashing of the clauses, we are of the view that the refund should be restricted to a period of three years prior to the date of the filing of the writ petition on account of IPCL's delay in approaching the court. Here we draw strength from judgement in *Lipton India Limited & Ors.* case referred to aforesaid, which observed that the writ petition was entertained because of the plea of discrimination but then the relief was restricted to what would have been claimed in the suit.

We thus dismiss the appeal(s) qua the aspect of maintainability of the writ petition and the quashing of the clauses dealing with loss of transportation charges in the case of IPCL. However, we deem it fit to restrict the relief to period of three years insofar as refund is concerned from the date of filing of the writ petition, i.e., 09.03.2006.

We are also of the view that this refund should be made within a period of two months from today, failing which it will carry interest at 8 per cent per annum from the date it became due. If the refund is made within the stipulated time, we are not

inclined to levy interest on the amount due. The appeals are allowed in the aforesaid terms leaving the parties to bear their own costs.



## Tax Laws

**LW 23:03:2023**

**GODREJ SARA LEE LTD v. EXCISE AND TAXATION OFFICER-CUM -ASSESSING AUTHORITY & ORS [SC]**

**Civil Appeal No.5393 of 2010**

**S. Ravindra Bhat & Dipankar Datta, JJ. [Decided on 01/02/2023]**

**Haryana VAT Act- suo moto revision – whether tenable- Held, No.**

### **Brief facts:**

The assessment orders passed by the assessing officer, based on the decision of the Tribunal, was reversed by the Revisional authority under a suo moto revision. The appellant challenged this order under a writ which was dismissed on the ground that alternate remedy of appeal is available under the VAT Act. Hence, the present appeal before the Supreme Court.

**Decision: Allowed.**

### **Reason:**

While deciding the present appeal, we are primarily concerned with the issue of assumption of jurisdiction by the Revisional Authority on the face of the unchallenged order of the Tribunal dated 21<sup>st</sup> November, 2001, and not with the merits of the decision either given by the Tribunal or by the Revisional Authority. What stares at the face of the respondents is that the aforesaid decision of the Tribunal, quoted in the order of the Assessing Authority, has attained finality. Once the issue stands finally concluded, the decision binds the State, a fortiori, the Revisional Authority. The decision of the Tribunal may not be acceptable to the Revisional Authority, but that cannot furnish any ground to such authority to perceive that it is either not bound by the same or that it need not be followed. The first proviso, in such a case, gets activated and would operate as a bar to the exercise of powers by the Revisional Authority.

In our view, the Revisional Authority might have been justified in exercising suo motu power to revise the order of the Assessing Authority had the decision of the Tribunal been set aside or its operation stayed by a competent Court. So long it is not disputed that the Tribunal's decision, having regard to the framework of classification of products/tax liability then existing, continues to remain operative and such framework

too continues to remain operative when the impugned revisional orders were made, the Revisional Authority was left with no other choice but to follow the decision of the Tribunal without any reservation. Unless the discipline of adhering to decisions made by the higher authorities is maintained, there would be utter chaos in administration of tax laws apart from undue harassment to assesses. We share the view expressed in Kamlakshi Finance Corporation Ltd. (supra).

In the midst of hearing, we had enquired whether there has been any decision of any other competent Tribunal or High Court taking a view different from the one taken by the Tribunal in its order dated 21<sup>st</sup> November, 2001, which was considered by the Assessing Authority. Fairly, he answered in the negative. If only our attention could have invited to any such decision, which were acceptable to us, the issue decided by the Tribunal could have been reopened on the ground that it is a debatable issue and interference with the final orders passed by the Revisional Authority may not have been resorted to, leaving the appellant to pursue the appellate remedy under the VAT Act.

There is also substance in the contention that suo motu power of revision, on the terms of section 34, could have been exercised only if the orders sought to be revised suffered from any illegality or impropriety.

A decision may be questioned as suffering from an illegality if its maker fails to understand the law that regulates his decision making power correctly or if he fails to give effect to any law that holds the field and binds the parties. On the other hand, having regard to the purpose section 34 seeks to serve, to take exception to a decision on the ground of lack of propriety of any proceedings or order passed in such proceedings, it essentially ought to relate to a procedural impropriety. It is incumbent for the accuser to show that the decision maker has failed to observe the standard procedures applicable in case of exercise of his power. Additionally, to impeach an order on the ground of moral impropriety, it has to be shown that the weight of facts together with the applicable law overwhelmingly points to one course of action but the decision has surprisingly gone the other way, giving reason to suspect misbehaviour or misconduct in the sphere of activity of the decision maker warranting a revision.

There is nothing on record to justify either illegality or (procedural/moral) impropriety in the proceedings before the Assessing Authority or the orders passed by him, as such. As noted above, the Assessing Authority was bound by the order of the Tribunal and elected to follow it having no other option. Such decision of the Tribunal was even binding on the Revisional Authority. In such circumstances, to brand the orders of the Assessing Authority as suffering from illegality and impropriety appears to us to be not only unjustified but also demonstrates thorough lack of understanding of the principle regulating exercise of suo motu revisional power by a quasi-judicial authority apart from being in breach of the principle of judicial discipline, while confronted with orders passed by a superior Tribunal/Court. We are inclined to the view that it is not the Assessing Authority's orders but those passed by the Revisional Authority, which suffer from a patent illegality.

For the foregoing reasons, we have no other option but to invalidate the impugned final revisional orders dated 2<sup>nd</sup> March, 2009 for the Assessment Years 2003-04 and 2004-05. It is ordered accordingly.



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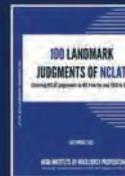
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# 4

## FROM THE GOVERNMENT



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- EXTENSION OF TIME FOR FILING OF 45 COMPANY E-FORMS, PAS-03 AND SPICE+PARTA IN MCA 21 VERSION 3.0 WITHOUT ADDITIONAL FEE -REG
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## Corporate Laws

### 01 Extension of Time for filing of 45 company e-Forms and PAS-03 in MCA 21 Version 3.0 without additional fee -reg

**[Issued by the Ministry of Corporate Affairs File No. Policy-17/150/2022-CL-V-MCA dated 21.02.2023. Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (1)]**

Due to change in way of filing in Version-3, including fresh process of registration of users on MCA-21 and process of stabilization of 45 forms launched with effect from 23.01.2023, and after considering various representations, in continuation of General Circular 1/2023 dated 09.01.2023, it has been decided to allow further additional time of 15 days for filing of these forms, without additional fees, to the stakeholders.

- Further, Form PAS-03 which was closed for filing in Version-2 on 20.01.2023 and launched in Version-3 on 23.01.2023, and whose due dates for filing fall between 20.01.2023 and 06.02.2023, can also be filed without payment of additional fees for a period of 15 days.
- This issues with the approval of the Competent Authority. Encl.: As above. Yours faith

**KMS NARAYANAN**  
Deputy Director

### 02 Extension of Time for filing of 45 company e-Forms, PAS-03 and SPICE+ Part A in MCA 21 Version 3.0 without additional fee -reg

**[Issued by the Ministry of Corporate Affairs File No. Policy-17/150/2022-CL-V-MCA dated 07.02.2023. Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (1)]**

Due to change in way of filing in Version-3, including fresh process of registration of users on MCA-21 and process of stabilization of 45 forms launched with effect from 23.01.2023, and after considering various representations, in continuation of General Circulars No. 1/2023 dated 09.01.2023 and 03/2023 dated 07.02.2023, it has been decided to allow further additional time till 31.03.2023 for filing of these forms which are due for filing between 07.02.2023 and 28.02.2023, without additional fees, to the stakeholders.

- Further, Form PAS-03 which was closed for filing in Version-2 on 20.01.2023 and launched in Version-3 on 23.01.2023, and whose due dates for filing fall between 20.01.2023 and 28.02.2023, can also be filed without

payment of additional fees till 31.03.2023. (1) Page 2 contd...

- Further, reservation period for the names which are reserved under sub-section (5) of section 4 of the CA 2013 is extended by a further period of 20 days. The resubmission period under rule 9 of Companies (Incorporation) Rules, 2014 falling between 23.01.2023 and 28.02.2023, is also extended by 15 days.
- This issues with the approval of the Competent Authority. Encl.: As above.

**KMS NARAYANAN**  
Deputy Director

### 03 Advisory for SEBI Regulated Entities (REs) regarding Cybersecurity best practices

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/ITD/ITD\_VAPT/P/CIR/2023/032 dated 22.02.2023]**

- Financial sector organizations, stock exchanges, depositories, mutual funds and other financial entities have been experiencing cyber incidents which are rapidly growing in frequency and sophistication. Considering the interconnectedness and interdependency of the financial entities to carry out their functions, the cyber risk of any given entity is no longer limited to the entity's owned or controlled systems, networks and assets
- Further, given the sophistication and persistence of the threat with a high level of coordination among threat actors, it is important to recognize that many traditional approaches to risk management and governance that worked in the past may not be comprehensive or agile enough to address the rapid changes in the threat environment and the pace of technological change that is redefining public and private enterprise.
- Thus, an efficient and effective response to and recovery from a cyber-incident by REs are essential to limit any related financial stability risks. For ensuring the same, Financial Computer Security Incident Response Team (CSIRT-Fin) has provided important recommendations in its report sent to SEBI. The applicable recommendations, in the form of an advisory, are enclosed at Annexure-A of this circular.
- This advisory should be read in conjunction with the applicable SEBI circulars (including but not limited to Cybersecurity and Cyber Resilience framework, Annual System Audit framework, etc.) and subsequent updates issued by SEBI from time to time.
- The compliance of the advisory shall be provided by the REs along with their cybersecurity audit report (conducted as per the applicable SEBI Cybersecurity and Cyber Resilience framework). The compliance shall be submitted as per the existing reporting mechanism and frequency of the respective cybersecurity audit.
- The advisory annexed with this circular shall be effective with immediate effect.

7. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

**SHWETA BANERJEE**

Deputy General Manager

## 04 Maintenance of a website by stock brokers and depository participants

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/30 dated 15.02.2023]**

1. SEBI, through various circulars, has mandated certain information to be published by stock brokers (SB) / depository participants (DP) on their respective websites.
2. A designated website brings in transparency and helps the investors to keep themselves well informed about the various activities of the SB/DP. In view of the same, considering the advancement in technology and need to provide better services to the investors, all SBs and DPs are hereby, mandated to maintain a designated website.
3. Such website shall mandatorily display the following information, in addition to all such information, which have been mandated by SEBI/stock exchanges/depositories from time to time.
  - i. Basic details of the SB/DP such as registration number, registered address of Head Office and branches, if any.
  - ii. Names and contact details such as email ids etc. of all key managerial personnel (KMPs) including compliance officer.
  - iii. Step-by-step procedures for opening an account, filing a complaint on a designated email id, and finding out the status of the complaint, etc.
  - iv. Details of Authorized Persons.
4. The URL to the website of a SB/ DP shall be reported to the stock exchanges/ depositories within a week of this circular coming into effect. Any modification in the URL shall be reported to stock exchanges/depositories within 3 days of such changes.
5. The provisions of this circular shall come into effect from August 16, 2023.
6. The stock exchanges and depositories are directed to:
  - a. bring the provisions of this circular to the notice of stock brokers and depository participants, as the case may be, and also disseminate the same on their websites;

- b. make amendments to the relevant bye-laws, rules and regulations for the implementation of the above provisions;
- c. communicate to SEBI, the status of the implementation of the provisions of this circular in their monthly development report and
- d. monitor compliance of this circular and submit a compliance report to SEBI in this regard by August 31, 2023.

7. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.

**ARADHANA VERMA**

General Manager

## 05 Introduction of Issue Summary Document (ISD) and dissemination of issue advertisements

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/29 dated 15.02.2023]**

1. In order to facilitate consumption of data by stakeholders such as researchers, policy makers, market analysts, and market participants, in respect of public issues, further issues, buyback, offers under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI SAST Regulations") and SEBI (Delisting of Equity Shares) Regulations, 2021 ("SEBI Delisting Regulations"), etc., it has been decided to make available relevant information / data points at the Stock Exchanges and Depositories in a structured manner.
2. Accordingly, after consultation with the stakeholders, an Issue Summary Document (ISD) has been designed. It has been decided to introduce the ISD for the following, in XBRL (Extensible Business Reporting Language) format:
  - i. public issue of specified securities (initial public offer / further public offer);
  - ii. further issues {preferential issue, qualified institutions placement (QIP), rights issue, issue of American Depository Receipts (ADR), Global Depository Receipts (GDR) and Foreign Currency Convertible Bonds (FCCBs)};
  - iii. buy-back of equity shares (through tender offer or from the open market);
  - iv. open offer under SEBI SAST Regulations;
  - v. voluntary delisting of equity shares where exit opportunity is required under SEBI Delisting Regulations.
3. ISD shall be filed in two stages:

- i. In the first stage, ISD will be filed containing pre-issue / offer fields.
  - ii. In the second stage, ISD will be filed containing post-issue / offer fields after allotment/offer is completed / as applicable for respective ISD.
4. The formats for ISD are placed as Table I to Table X in Annexure A:
- i. Table I: ISD for public issue of specified securities
  - ii. Table II: ISD for preferential issue of specified securities
  - iii. Table III: ISD for qualified institutions placement
  - iv. Table IV: ISD for rights issue of specified securities
  - v. Table V: ISD for issue of American Depository Receipts (ADRs) / Global Depository Receipts (GDRs)
  - vi. Table VI: ISD for issue of Foreign Currency Convertible Bonds (FCCBs)
  - vii. Table VII: ISD for buy-back of equity shares through tender offer
  - viii. Table VIII: ISD for buy-back of equity shares from the open market
  - ix. Table IX: ISD for open offer under SEBI SAST Regulations
  - x. Table X: ISD for voluntary delisting of equity shares where exit opportunity is required.
2. SEBI is in receipt of representations from certain first time issuers who are in the process of preparing for their first listed privately placed Non-Convertible Debentures (“NCDs”) or public issue of NCDs. They have requested that they may also be provided a time frame, as already provided to listed issuers, to amend their AoA to give effect to the above amendments since it requires formalities like approval from shareholders and conducting board and general meetings. The representations also state that due to the imminent financial year end, there is a spree of borrowing/ fund raising activities and the above provision will dissuade many issuers from approaching the market.
  3. In view of the above and the difficulties posed to first time issuers, the Stock Exchanges are advised to take an undertaking from such first-time issuers that they will ensure that their AoA are amended within a period of six months from the date of the listing of the debt securities. This undertaking may be obtained at the time of granting the in-principle approval. The issuer shall, within such time, comply and report compliance to Stock Exchanges, which shall periodically monitor/ remind such issuers on doing the needful.
  4. The circular shall come into force with immediate effect.
  5. The 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 55 (1) and 56 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
  6. This Circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link “Legal→Circulars”.

**YOGITA JADHAV**

General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.sebi.gov.in](http://www.sebi.gov.in)*

## 06 Clarification in respect of the compliance by the first-time issuers of debt securities under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with Regulation 23(6)

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/028 dated 09.02.2023]**

1. Regulation 23(6) read along with Regulation 2(1)(r) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“NCS Regulations”) requires the Articles of Association (“AoA”) of an issuer that is a company to include provisions with respect to the requirement for the board of directors to appoint such person nominated by the debenture trustee in terms of clause(e) of sub-regulation(1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. The regulation also provides a time period upto September 30, 2023 for existing debt listed issuers to amend their AoA.

## 07 Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/027 dated 08.02.2023]**

1. SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021 (hereinafter referred to as the ‘NCS Regulations’) and circulars issued thereunder, provide the framework for issuance and listing of non-convertible securities.
2. In particular, Chapter V of the NCS Regulations, prescribes the conditions for issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments.

*“Perpetual debt instrument”, is defined under Regulation 2(1)(y) of the NCS Regulations, as, perpetual debt instrument issued in accordance with the guidelines framed by the Reserve Bank of India.*

*“Perpetual non-cumulative preference share”, is defined under Regulation 2(1)(z) of the NCS Regulations, as, “a perpetual non-cumulative preference share issued in accordance with the guidelines framed by the Reserve Bank of India”.*

3. SEBI is in receipt of references from market participants, including issuers and merchant bankers, seeking clarity on the applicability of the provisions of Chapter V of the NCS Regulations, wherein the security is proposed to be issued for a fixed maturity and which shall not have features viz. option of conversion to equity, write-off, etc.
4. It is clarified that only securities which have characteristics as stated below, shall necessarily be required to comply with the provisions for issuance and listing as specified under Chapter V of the NCS Regulations and circulars issued thereunder:
  - a. The issuer is permitted by RBI to issue such instruments,
  - b. The instruments form part of non-equity regulatory capital,
  - c. The instruments are perpetual debt instruments, perpetual non-cumulative preference shares or instruments of similar nature and
  - d. The instruments contain a discretion with the issuer/ RBI for events including but not restricted to all or any of the below events:
    - conversion into equity;
    - write off of interest/ principal;
    - skipping/ delaying payment of interest/principal;
    - making an early recall;
    - changing any terms of issue of the instrument.
5. The Stock Exchanges and Depositories are advised to:
  - a. make amendments to the relevant bye-laws, rules and regulations for the implementation of the provisions of this circular;
  - b. disseminate the provisions of this circular on their website;
  - c. communicate and create awareness amongst stakeholders; and
  - d. monitor the compliance of such issuances in terms of relevant provisions of the NCS Regulations including circulars issued thereunder.

6. This circular shall come into force with immediate effect.
7. The 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 Regulation 55 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, 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](http://www.sebi.gov.in) under the link “Legal→Circulars”.

**PRADEEP RAMAKRISHNAN**  
General Manager

## 08

### Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/MIRSD/SEC-5/P/CIR/2023/0026 dated 08.02.2023]**

1. SEBI issued circular No. SEBI/HO/MIRSD/DOP/CIR/P/2019/123 dated November 05, 2019 detailing the e-KYC Authentication facility under section 11A of the Prevention of Money Laundering Act, 2002, by entities in the securities market for Resident Investors.
2. Subsequently, SEBI vide its circular SEBI/HO/MIRSD/DOP/CIR/P/2020/80 dated May 12, 2020 listed the entities who shall undertake Aadhaar Authentication service of UIDAI as KYC user agency (KUA) in securities market. The KUA shall allow SEBI registered intermediaries to undertake Aadhaar Authentication of their clients as sub-KUA for the purpose of KYC.
3. Department of Revenue-Ministry of Finance, Government of India, vide Gazette Notification No. S.O. 3187(E) dated July 13, 2022 has notified 155 reporting entities to use Aadhaar authentication services of UIDAI under section 11A of the Prevention of Money-laundering Act, 2002. The list of notified entities has been annexed to SEBI Circular No. SEBI/HO/MIRSD/SEC-5/P/CIR/2022/99 dated July 20, 2022.
4. Department of Revenue-Ministry of Finance, Government of India, vide Gazette Notification No. S.O. 446 (E) dated January 30, 2023 has notified another 39 reporting entities to use Aadhaar authentication services of UIDAI under section 11A of the Prevention of Money-laundering Act, 2002. A copy of the notification is attached at Annexure A.
5. The above mentioned entities shall enter into an agreement with a KUA and get themselves registered with UIDAI as sub-KUAs. The agreement in this regard shall be as prescribed by UIDAI. Further, the Sub-KUAs shall follow the process as detailed in SEBI circular dated Nov 05, 2019 and as may be prescribed by UIDAI from time to time. The KUAs shall facilitate the onboarding of these entities as sub-KUAs to provide the services of Aadhaar authentication with respect to KYC.

6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.

**SAPNA SINHA**

Deputy General Manager

09

**Grant of extension of time to entities operating/ desirous of operating as Online Bond Platform Providers (OBPPs) for making an application to obtain certificate of registration as a stock broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992**

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/025 dated 07.02.2023]**

1. Regulation 51A of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, inter-alia, requires that a person acting as an OBPP without the certificate of registration on or prior to November 09, 2022, may continue to do so for a period of three months from November 09, 2022 or such other time period as may be specified by the Board, or if it has made an application for grant of a certificate of registration within the specified period, till the disposal of such application by the Board.
2. Further, para 5.1 of SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/154 dated November 14, 2022 on 'Registration and regulatory framework for Online Bond Platform Providers' requires entities desirous of operating as OBPPs to be companies incorporated in India.
3. SEBI is in receipt of representation from the market participants, wherein they have informed that upgradation of the electronic filing portal (Version-3) of MCA for submission of various forms including forms necessary for incorporation of companies is still under the process of stabilisation and they continue to face technical difficulties in e-filing of such forms.
4. Further, owing to the stabilisation of the process of filing e-forms on account of upgradation of e-filing portal from Version-2 to Version-3, MCA vide General Circular no. 03/2023 dated February 07, 2023 has inter-alia provided additional time of 15 days for filing of various e-forms (including those required in the process of registration of users on MCA-21), without additional fees.
5. Considering the difficulties faced by entities operating/ desirous of operating as OBPPs and taking into account the relaxation by MCA, it has been decided to grant additional time period of three weeks commencing from February 09, 2023 (i.e. the end of three months from November 09, 2022) for making an application to obtain certificate of registration as a stock broker under the

Securities and Exchange Board of India (Stock Brokers) Regulations, 1992. Accordingly, the application for registration by OBPPs as stock brokers shall be made by March 01, 2023.

6. The 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 Regulation 55 (1) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
7. This Circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal→Circulars".

**PRADEEP RAMAKRISHNAN**

General Manager

10

**Enhanced obligations and responsibilities on Qualified Stock Brokers (QSBs)**

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/24 dated 06.02.2023]**

1. SEBI, through various circulars issued from time to time, has given necessary directions/guidelines to stock brokers, to ensure orderly functioning of the securities market and to protect the interest of investors in securities market.
2. Over time, there have been significant developments in the securities markets such as advancement in technology, investor penetration and awareness, concentration of activity among few stock brokers and increase in risk including, on account of possibility of cyber-attacks.
3. Certain stock brokers, due to various factors like their size, trading volumes and amount of clients' funds handled by them, have come to occupy a significant position in the Indian securities market which is leading to concentration of activity among few stock brokers. Such stock brokers cater to the needs of large number of investors and therefore, it is imperative for such stock brokers, inter-alia, to adhere to the regulatory guidelines, provide satisfactory services to investors and resolve investor complaints. The failure of such stock brokers has the potential to cause disruption in the services they provide to large number of investors causing widespread impact in the securities market.
4. Hence, in order to further strengthen the compliance and monitoring requirements relating to stock brokers and to ensure efficient functioning of securities market, SEBI, vide Gazette Notification dated January 17, 2023, amended the SEBI (Stock Broker) Regulations, 1992 for designating certain stock brokers, having regard to their size and scale of operations, likely impact on investors and securities market, as well as governance and service standards, as Qualified Stock Brokers (QSBs), on the basis of certain parameters and appropriate weightages thereon.

5. The stock broker designated as a QSB shall be required to meet enhanced obligations and discharge responsibilities to ensure appropriate governance structure, appropriate risk management policy and processes, scalable infrastructure and appropriate technical capacity, framework for orderly winding down, robust cyber security framework, and investor services including online compliant redressal mechanism.
6. This circular details the parameters which shall be considered for designating a stock broker as QSB, enhanced obligations and responsibilities which shall be cast on such QSBs and guidelines on enhanced monitoring of QSBs which shall be carried out by Market Infrastructure Institutions (MIIs).

**ARADHANA VERMA**

Deputy General Manager

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## 11

### **Review of Chapter IX – Green Debt Securities of the Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 (hereinafter referred to as the ‘NCS Operational Circular’), as amended from time to time**

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated 06.02.2023]**

1. Chapter IX of the SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (updated as on April 13, 2022) specifies the following with reference to issuers of green debt securities:
  - (a) Additional disclosure requirements in the offer document;
  - (b) Continuous disclosure requirements in annual report and financial results; and
  - (c) Responsibilities of the issuer
2. In the backdrop of increasing interest in sustainable finance in India as well as around the globe, and with a view to align the extant framework for green debt securities with the updated Green Bond Principles (GBP) recognised by IOSCO, SEBI undertook a review of the regulatory framework for green debt securities.
3. Accordingly, the Chapter IX of the NCS Operational Circular shall be replaced with the following:
 

Initial disclosure requirements for issue and listing of green debt securities

  1. An issuer desirous of issuing green debt securities shall make the following additional disclosures in the offer document for public issues / private placements:
    - 1.1 A statement on environmental sustainability objectives of the issue of green debt securities;
    - 1.2 Brief details of decision-making process followed/ proposed for determining the eligibility of project(s) and/or asset(s), for which the proceeds are being raised through issuance of green debt securities, such as:
      - a) Process followed/ to be followed for determining how the project(s) and/or asset(s) fit within the eligible green projects categories as defined under Regulation 2 (1) (q) of NCS Regulations,
      - b) The criteria making the project(s) and/ or asset(s) eligible for using the green debt securities proceeds; and
      - c) Details of taxonomies, green standards or certifications both Indian and global, if any referenced and the alignment of projects with said taxonomies, related eligibility criteria, and exclusion criteria, if applicable.
      - d) Details of the alignment of the objective of the issue with the India’s Intended Nationally Determined Contributions in case of the proceeds raised through issuance of transition bonds
    - 1.3 Details of the system/procedures to be employed for tracking the deployment of the proceeds of the issue.
    - 1.4 Details of the project(s) and/or asset(s) or areas where the issuer, proposes to utilise the proceeds of the issue of green debt securities, including towards refinancing of existing green project(s) and/or asset(s), if any.
    - 1.5 Details of an indicative estimate of distribution of proceeds raised through issuance of green debt security between financing and refinancing of project(s) and/or asset(s); if applicable.
    - 1.6 Details of the intended types of temporary placement of the unallocated and unutilised net proceeds from the issue of green debt securities
    - 1.7 Details related to the perceived social and environmental risks and proposed mitigation plan associated with the project(s) proposed to be financed/ refinanced through the proceeds from the issue of green debt securities
    - 1.8 The issuer shall appoint an independent third party reviewer/ certifier, for reviewing/certifying the processes including project evaluation and selection criteria, project categories eligible for financing by green debt securities, etc.
 

The said requirement of appointing a third party reviewer/ certifier is applicable on a ‘comply or explain’ basis for a period of two years. ‘Comply or explain’ for the purpose of the above, shall mean

that the issuer shall endeavour to comply with the provisions and achieve full compliance by two years from the date of issuance of the circular. In case the entity is not able to achieve full compliance with the provisions till such time, the issuer shall in its annual report, explain the reasons for such non-compliance/partial compliance and the steps initiated to achieve full compliance.

**PRADEEP RAMAKRISHNAN**

General Manager

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## 12 Dos and don'ts relating to green debt securities to avoid occurrences of greenwashing

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/020 dated 03.02.2023]**

1. Regulation 2(1)(q) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ('NCS Regulations'), defines "green debt security" and Chapter IX of the Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 as amended from time to time ('Operational Circular'), inter-alia provides the initial and continuous disclosure requirements for entities issuing/ proposing to issue green debt securities.
2. The extant framework of 'green debt security' was reviewed recently and consequential changes were brought in the NCS Regulations vide Gazette notification dated February 02, 2023. In the process of consulting the stakeholders, comments/ representations from the market participants, particularly investors, were also received to address the concerns of 'greenwashing'.
3. While there are no universally accepted taxonomies on greenwashing, the generally accepted definition of 'Greenwashing' is, 'making false, misleading, unsubstantiated, or otherwise incomplete claims about the sustainability of a product, service, or business operation'.
4. To address the concerns of market participants, regarding greenwashing, an issuer of green debt securities shall ensure the following to avoid its occurrence:
  - (i) While raising funds for transition towards a greener pathway, it shall continuously monitor to check whether the path undertaken towards more sustainable form of operations is resulting in reduction of the adverse environmental impact and contributing towards sustainable economy, as envisaged in the offer document.
  - (ii) It shall not utilize funds raised through green bonds for purposes that would not fall under the definition of 'green debt security' under the NCS Regulations.
- (iii) In case any such instances mentioned in (ii) above come to light regarding the green debt securities already issued, it shall disclose the same to the investors and, if required, by majority of debenture holders, undertake early redemption of such debt securities.
- (iv) It shall not use misleading labels, hide trade-offs or cherry pick data from research to highlight green practices while obscuring others that are unfavourable in this behalf.
- (v) It shall maintain highest standards associated with issue of green debt security while adhering to the rating assigned to it.
- (vi) It shall quantify the negative externalities associated with utilization of the funds raised through green debt security.
- (vii) It shall not make untrue claims giving false impression of certification by a third-party entity.

5. The provisions of this circular shall come into force with immediate effect. The provisions of this circular shall be appended as new Chapter IX-A of the Operational Circular.
6. The 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 Regulation 55 (1) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
7. This Circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal→Circulars".

**PRADEEP RAMAKRISHNAN**

General Manager

## 13 Amendments to Operational Circular for Credit Rating Agencies

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2023/19 dated 03.02.2023]**

1. Vide Circular no. SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2023/6 dated January 06, 2023, SEBI has issued an 'Operational Circular for Credit Rating Agencies' (Operational Circular).
2. The following amendments are being made to Operational Circular:
  - Para 5.6.1 shall stand modified as follows:

In addition to the standardized rating scales prescribed for various instruments, subsequent to discussions

with various stakeholders, the following rating scale viz. Expected Loss (EL) based Rating Scale may be used by CRAs for ratings of projects/ instruments associated with infrastructure sector to begin with:

**DEENA VENU SARANGADHARAN**

Deputy General Manager

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## 14 Operational Circular for Credit Rating Agencies

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2023/6 dated 03.02.2023]**

- I. Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 prescribes guidelines for registration of Credit Rating Agencies (CRAs), general obligations of CRAs, manner of inspection and investigation and code of conduct applicable on CRAs. Multiple circulars have been issued, over the years, covering the operational and procedural aspects thereof.
- II. In order to enable the industry and other users to have access to all the applicable circulars/ directions at one place, Operational Circular for CRAs has been prepared.
- III. This Operational Circular is a compilation of the existing circulars as on February 03, 2023, with consequent changes. The stipulations contained in these circulars have been detailed chapter-wise in this operational circular. Accordingly, the list of existing circulars for CRAs which have been superseded by Operational Circular is placed at Annexure A.
- IV. This circular is issued in exercise of the powers conferred by Section 11 (1) of Securities and Exchange Board of India Act, 1992 read with the provisions of Regulation 20 of Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.
- V. This issues with the approval of Competent Authority.

**DEENA VENU SARANGADHARAN**

Deputy General Manager

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## 15 Manner of achieving minimum public shareholding

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/18 dated 03.02.2023]**

1. SEBI, vide circular No. SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 on the captioned subject, had permitted different methods that may be used by listed

entities to achieve compliance with the minimum public shareholding (MPS) requirements mandated under Rule 19(2)(b) and 19A of the Securities Contracts (Regulation) Rules, 1957 ("SCRR") read with regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

2. SEBI has been receiving representations from listed entities and other stakeholders requesting relaxation from compliance with the conditions specified in the existing methods and approval for using non-prescribed methods to achieve MPS compliance.
3. In view of the above and to facilitate listed entities achieve MPS compliance, few of the existing methods have been reviewed and rationalized and two additional methods have been introduced. Accordingly, a listed entity shall adopt any of the following methods in order to achieve compliance with the MPS requirements mandated under rules 19(2)(b) and 19A of the SCRR read with regulation 38 of the LODR Regulations:

**YOGITA JADHAV**

General Manager

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## 16 Transaction in Corporate Bonds through Request for Quote (RFQ) platform by Alternative Investment Funds (AIFs)

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/AFD/PoD/P/CIR/2023/017 dated 01.02.2023]**

1. To increase the liquidity on RFQ platform of stock exchanges and to enhance the transparency and disclosure pertaining to trading in secondary market in Corporate Bonds, SEBI has, in past, prescribed stipulations for transactions on RFQ platform by Mutual Funds<sup>1</sup>, Portfolio Management Services<sup>2</sup> and Stock Brokers<sup>3</sup>.
2. Considering the above and taking into account the recommendations of the Alternative Investment Policy Advisory Committee (AIPAC), it is stipulated that AIFs shall undertake at least 10% of their total secondary market trades in Corporate Bonds by value in a month by placing/seeking quotes on the RFQ platform.
3. Further, in terms of SEBI Circular SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/142 dated October 19, 2022, quotes on RFQ platform can be placed to an identified counterparty (i.e. 'one-to-one' mode) or to all the participants (i.e. 'one-to-many' mode). In this regard, it is clarified that all transactions in Corporate Bonds wherein AIF(s) is on both sides of the trade shall be executed through RFQ platform in 'one-to-one' mode. However, any transaction entered by an AIF in Corporate Bonds in 'one-to-many' mode which gets executed with another AIF, shall be counted in 'one-to-many' mode and not in 'one-to-one' mode.

4. The aforesaid requirement shall come into force with effect from April 01, 2023.
5. This circular is issued with the approval of the competent authority.
6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 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 on SEBI website at [www.sebi.gov](http://www.sebi.gov). in under the categories “Legal framework - Circulars” and “Info for - Alternative Investment Funds”.
6. SEBI circulars dated July 20, 2020, December 16, 2021 and May 10, 2022 shall, accordingly, stand modified to the above extent. All other provisions of the said SEBI circulars dated July 20, 2020, December 16, 2021 and May 10, 2022 shall continue to remain applicable.
7. The provisions of this circular shall come into effect from 3 months from the date of issuance of this circular.
8. Stock Exchanges and Clearing Corporations are directed to:
  - a) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations;
  - b) bring the provisions of this circular to the notice of their members and also disseminate the same on their websites; and
  - c) communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Development Report.

**SANJAY SINGH BHATI**

Deputy General Manager

## 17 Changes to the Framework to Enable Verification of Upfront Collection of Margins from Clients in Cash and Derivatives segments

**[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/016 dated 01.02.2023]**

SEBI, vide circular SEBI/HO/MRD2/DCAP/CIR/P/2020/127 dated July 20, 2020, prescribed the framework to enable verification of upfront collection of margins from clients in cash and derivatives segments.

2. Further, SEBI, vide circular SEBI/HO/CDMRD/CDMRD\_DRM/P/CIR/2021/689 dated December 16, 2021, inter alia, modified the aforesaid framework prescribed vide said circular dated July 20, 2020, providing for additional snapshots for commodity derivatives segment.
3. Subsequently, SEBI, vide circular SEBI/HO/MRD2/DCAP/P/CIR/2022/60 dated May 10, 2022, inter-alia, modified the aforesaid framework specifying that the margin requirements to be considered for the intra-day snapshots, in derivatives segments (including commodity derivatives), shall be calculated based on the fixed Beginning of Day (BOD) margin parameters. It was also specified therein that there shall be no change in methodology of determination and collection of End of Day (EOD) margin obligation of the client.
4. In view of the representations received from market participants and based on deliberations with various stakeholders, it has now been decided that EOD margin collection requirement from clients, in derivatives segments (including commodity derivatives), shall also be calculated based on the fixed BOD margin parameters.
5. It is clarified that the above mentioned change is only for the purpose of verification of upfront collection of margins from clients. The margin parameters applicable for collection of margin obligation by Clearing Corporations shall continue to be updated on intra-day and EOD basis, as per the extant provisions.

9. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Section 10 of the Securities Contracts (Regulation) Act, 1956 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
10. This circular is available on SEBI website at [www.sebi.gov](http://www.sebi.gov). in at “Legal Framework→Circulars”.

**VISHAL SHUKLA**

General Manager

## 18 Designation of 1 individual and 2 organisations under Section 35(1) (a) and 2(1) (m) of the Unlawful Activities (Prevention) Act, 1967 and their listing in the Fourth and First Schedule of the Act- Reg

**[Issued by the Reserve Bank of India vide RBI/2022-23/183 DOR.AML.REC.105/14.06.001/2022-23 dated 28.02.2023]**

In terms of Section 53 of our Master Direction on Know Your Customer dated February 25, 2016 as amended on May 10, 2021, “The procedure laid down in the UAPA Order dated February 2, 2021 (Annex II of this Master Direction) shall be strictly followed and meticulous compliance with the Order issued by the Government shall be ensured.” Further, Section 52 of the aforementioned Master Direction states that, “Details of accounts resembling any of the individuals/entities in the lists shall be reported to FIU-IND apart from advising Ministry of Home Affairs as required under UAPA notification dated February 2, 2021 (Annex II of this Master Direction)”. In this regard, it is reiterated that the UAPA Order in Annex II of the MD on KYC, 2016 shall also apply to amendments carried out in Schedule IV and I of the UAPA, 1967 apart from the UNSC lists mentioned in the Order.

2. In this connection, please refer to the Gazette notifications dated February 17, 2023 of the MHA in respect of one individual and two organizations which have been declared as 'Individual Terrorists' and 'Terrorist Organisations' and have been listed in the Schedule IV and I of the UAPA 1967, under Section 35 (1) (a) and 2(1) (m) of UAPA 1967. The Statutory Order (S.O.) numbers and the respective entries are as provided below:

S.O. Numbers	Entries
738(E)	"43. Jammu and Kashmir Ghaznavi Force (JKGF) and all its manifestations and front organisations"
739(E)	"54. Harwinder Singh Sandhu @ Rinda"
747(E)	"44. Khalistan Tiger Force (KTF) and all its manifestations and front organisations"

3. Regulated Entities (REs) are advised to take note of the aforementioned Gazette notifications issued by MHA for necessary compliance. REs shall also take note of any future amendments to Schedule I and IV of the UAPA, 1967, for immediate necessary compliance.

**SANTOSH KUMAR PANIGRAHY**

Chief General Manager

## 19 Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 – Disclosures for State Co-operative Banks and Central Co-operative Banks

**[Issued by the Reserve Bank of India vide RBI/2022-23/181 DOR.ACC.REC. No.103/21.04.018/2022-23 dated 20.02.2023]**

The Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions, 2021 ('Master Direction') are applicable to Commercial Banks and Primary Urban Co-operative Banks (UCBs). They harmonize the regulatory instructions on presentation and disclosure in financial statements across the banking sector.

2. In consultation with the National Bank for Agriculture and Rural Development (NABARD), it has now been decided to make this Master Direction also applicable to State Cooperative Banks and Central Cooperative Banks (also referred to as 'District Central Co-operative Banks').
3. The Master Direction shall apply to State and Central Cooperative Banks (together referred to as 'Rural Co-operative Banks' or 'RCBs') mutatis mutandis, unless explicitly specified otherwise, from the financial year ending March 31, 2023. Certain disclosure requirements specified in Annex III-A shall be applicable, to RCBs, from the financial year ending March 31, 2024.
4. The Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 stands updated to reflect these changes.

**USHA JANAKIRAMAN**

Chief General Manager

## 20 Implementation of Indian Accounting Standards (Ind AS)

**[Issued by the Reserve Bank of India vide RBI/2022-23/182 DOR.ACC.REC. No.104/21.07.001/2022-23 dated 20.02.2023]**

lease refer to circular DOR (NBFC).CC.PD.No.109/22.10.106/ 2019-20 dated March 13, 2020 on the captioned subject read with paragraph 13 (iii) of Master Circular DOR. SIG.FIN.REC 1/26.03.001/2022-23 dated April 1, 2022 on Asset Reconstruction Companies.

2. It has been observed that consequent to the implementation of Ind AS, some Asset Reconstruction Companies (ARCs) have been recognising management fees even though the said fee had not been realised for more than 180 days.
3. To address the prudential concerns arising from continued recognition of unrealised income, it has been decided that ARCs preparing their financial statements as per Ind AS, shall reduce the following amounts from their net owned funds while calculating the Capital Adequacy Ratio and the amount available for payment of dividend:
- Management fee recognised during the planning period<sup>1</sup> that remains unrealised beyond 180 days from the date of expiry of the planning period.
  - Management fee recognised after the expiry of the planning period that remains unrealised beyond 180 days of such recognition.
  - Any unrealised management fees, notwithstanding the period for which it has remained unrealised, where the net asset value of the Security Receipts has fallen below 50 per cent of the face value.

The amount reduced from net owned funds and amount available for payment of dividend shall be net of any specific expected credit loss allowances held on unrealised management fee referred to in sub-paragraphs (a), (b) and (c) and the tax implications thereon, if any.

**USHA JANAKIRAMAN**

Chief General Manager

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## 21 Governance, measurement and management of Interest Rate Risk in Banking Book

**[Issued by the Reserve Bank of India vide DOR.MRG.REC.102/00-00-009/2022-23 dated 17.02.2023]**

Interest Rate Risk in Banking Book (IRRBB) refers to the current or prospective risk to banks' capital and earnings arising from adverse movements in interest rates that affect its banking book positions. Excessive IRRBB can pose a significant risk to banks' current capital base and/or future earnings. These

guidelines, accordingly, require banks to measure, monitor, and disclose their exposure to IRRBB.

- The final guidelines on Interest Rate Risk in Banking Book (IRRBB), in alignment with the revised framework issued by the Basel Committee on Banking Supervision (BCBS), are enclosed in Annex.

### 3. Commencement

- The date for implementation will be communicated in due course. Banks are advised to be in preparedness for measuring, monitoring, and disclosing their exposure to interest rate risk in the banking book in terms of this circular.
- Ahead of the implementation, banks shall submit the disclosures stipulated in Table B of Appendix-3 to the Department of Regulation, Reserve Bank of India (by e-mail: cgmicdor@rbi.org.in) within two months from the end of the respective quarter, as per following schedule:

Entities	Frequency	Return to be submitted from the quarter ended
D-SIBs	Quarterly	March 2023
Other Banks	Quarterly	June 2023

- It may be noted that the extant instructions on interest rate risk management issued vide circular DBOD.No.BP.BC.8/21.04.098/99 dated February 10, 1999 on 'Asset Liability Management (ALM) system' which require banks to undertake Traditional Gap Analysis and circular DBOD.No.BP.BC.59/21.04.098/2010-11 dated November 04, 2010 on 'Guidelines on Banks' Asset Liability Management Framework - Interest Rate Risk' which require banks to undertake Duration Gap Analysis, shall be phased out post implementation of these guidelines, the details of which shall be advised in due course.

### Applicability

- This circular is applicable to all commercial banks (other than Regional Rural Banks, Small Finance Banks, Payments Banks and Local Area Banks).

**USHA JANAKIRAMAN**

Chief General Manager

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## 22 Introduction of Foreign Contribution (Regulation) Act (FCRA) related transaction code in NEFT and RTGS Systems

**[Issued by the Reserve Bank of India vide RBI/2022-23/178 CO.DPSS.RPPD. No.S1931/04-03-001/2022-23 dated 16.02.2023]**

Under the FCRA, 2010 (amended as on September 28, 2020), foreign contributions must be received only in the "FCRA account" of State Bank of India (SBI), New Delhi Main

Branch (NDMB). The contributions to the FCRA account are received directly from foreign banks through SWIFT and from Indian intermediary banks through NEFT and RTGS systems.

- In terms of extant requirements of Ministry of Home Affairs (MHA), Government of India, the donor details such as name, address, country of origin, amount, currency, and purpose of remittance are required to be captured in such transactions and SBI is required to report the same to MHA on daily basis.
- Keeping in view the above, necessary changes have been introduced in NEFT and RTGS systems, technical details of which are provided in Annex. Member banks are advised to incorporate necessary changes in their core banking / middleware solutions to capture the requisite details while forwarding the foreign donations through NEFT and RTGS systems to SBI. The instructions will be effective from March 15, 2023.
- These instructions are issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

**P VASUDEVAN**

Chief General Manager

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## 23 Exim Bank's GOI-supported Line of Credit (LOC) for USD 100 million to the Government of the Republic of Maldives (GO-MDV), for financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank

**[Issued by the Reserve Bank of India vide RBI/2022-2023/179 A.P. (DIR Series) Circular No. 23 dated 16.02.2023]**

Export-Import Bank of India (Exim Bank) has entered into an agreement dated October 02, 2022 with the Government of the Republic of Maldives, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 100 million (USD Hundred Million Only) for financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank. The export of eligible goods and services from India for the purpose of financing new developmental projects and to meet spill over costs from developmental projects in Maldives already included under Lines of credit extended to GO-MDV by Exim Bank, as defined under the agreement, would be allowed subject to their eligibility under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the

remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.

- The Agreement under the LoC is effective from January 19, 2023. Under the LoC, the terminal utilization period is 48 months from the scheduled completion date of the project.
- Shipments under the LoC shall be declared in Export Declaration Form/Shipping Bill as per instructions issued by the Reserve Bank from time to time.
- No agency commission is payable for export under the above LoC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer (AD) Category- I banks may allow such remittance after realization of full eligible value of export subject to compliance with the extant instructions for payment of agency commission.
- AD Category – I banks may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain complete details of the LoC from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or from their website [www.eximbankindia.in](http://www.eximbankindia.in)
- The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/ approvals, if any, required under any other law.

**VIVEK SRIVASTAVA**  
Chief General Manager

## 24 Formation of new district in the State of Sikkim – Assignment of Lead Bank Responsibility

**[Issued by the Reserve Bank of India vide RBI/2022-23/177 FIDD.CO.LBS. BC.No.18/02.08.001/2022-23 dated 13.02.2022]**

The Government of Sikkim, vide Gazette Notification No.50/LR&DMD/ACQ/GOS dated December 20, 2021, had notified formation of a new district in the state of Sikkim. It has been decided to assign the lead bank responsibility of the new district, Soreng, as under:

Sr. No	Newly Created District	Erstwhile District	Lead Bank Responsibility assigned to	District Working Code allotted to new district
1	Soreng	West Sikkim (Gyalshing)	State Bank of India	01V

- Further, the District Working Code of the new district has also been allotted for the purpose of BSR reporting by banks.
- There is no change in the Lead Banks of the erstwhile district and of other districts in the state of Sikkim.

**SONALI SEN GUPTA**  
Chief General Manager

## 25 Issuance of PPIs to Foreign Nationals / Non-Resident Indians (NRIs) visiting India

**[Issued by the Reserve Bank of India vide RBI/2022-23/176 CO.DPSS.POLC. No.S-1907/02.14.006/2022-23 dated 10.02.2023]**

As announced in the Statement on Developmental and Regulatory Policies dated February 08, 2023, it has been decided to allow access to Unified Payments Interface (UPI) to foreign nationals and NRIs visiting India. To start with, this facility will be extended to travellers from the G-20 countries at select international airports for their merchant payments (P2M) while they are in the country. Going forward, this will be enabled across all entry points in the country. The Master Directions on Prepaid Payment Instruments (PPIs) dated August 27, 2021 (updated as on November 12, 2021) has been updated by inserting paragraph 10.3 therein.

- These instructions shall come into effect immediately.
- This circular is issued under Section 10 (2) read with Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

**P VASUDEVAN**  
Chief General Manager

## 26 Liquidity Adjustment Facility - Change in rates

**[Issued by the Reserve Bank of India vide RBI/2022-23/175 FMOD.MAOG. No.149/01.01.001/2022-23 dated 08.02.2023]**

As announced in the Monetary Policy Statement dated February 08, 2023, it has been decided by the Monetary Policy Committee (MPC) to increase the policy repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.25 per cent to 6.50 per cent with immediate effect.

- Consequently, the standing deposit facility (SDF) rate and marginal standing facility (MSF) rate stand adjusted to 6.25 per cent and 6.75 per cent respectively, with immediate effect.
- All other terms and conditions of the extant LAF Scheme will remain unchanged.

**G. SESHAYEE**  
Chief General Manager

## 27 Standing Liquidity Facility for Primary Dealers

[Issued by the Reserve Bank of India vide RBI/2022-23/173 REF. No.MPD.BC.397/07.01.279/2022-23 dated 08.02.2023]

As announced in the Monetary Policy Statement 2022-23 today, it has been decided by the Monetary Policy Committee (MPC) to increase the policy repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.25 per cent to 6.50 per cent with immediate effect.

2. Accordingly, the Standing Liquidity Facility provided to Primary Dealers (PDs) (collateralised liquidity support) from the Reserve Bank would be available at the revised repo rate of 6.50 per cent with immediate effect.

**MUNEESH KAPUR**

Adviser-in-Charge

## 28 Change in Bank Rate

[Issued by the Reserve Bank of India vide RBI/2022-23/174 DOR.RET. REC.101/12.01.001/2022-23 dated 08.02.2023]

Please refer to our circular DOR.RET.REC.88/12.01.001/2022-23 dated December 07, 2022 on the captioned subject.

2. As announced in the Monetary Policy Statement 2022-23 dated February 08, 2023, the Bank Rate is revised upwards by 25 basis points from 6.50 per cent to 6.75 per cent with immediate effect.
3. All penal interest rates on shortfall in reserve requirements, which are specifically linked to the Bank Rate, also stand revised as indicated in the Annex.

### Applicability

4. This circular is applicable to all the banks.s

**PRAKASH BALIARSINGH**

Chief General Manager



## ANNOUNCEMENT

### QUALITY REVIEW BOARD OF ICSI INVITES APPLICATIONS FOR EMPANELMENT OF “QUALITY REVIEWERS”

The Quality review Board (Board) of ICSI has been constituted by the Ministry of Corporate Affairs to make recommendations to the Council with regard to the quality of services provided by the members of the Institute; to review the quality of services provided by the members of the Institute including secretarial services; and to guide the members of the Institute to improve the quality of services and adherence to the various statutory and other regulatory requirements.

With a view to carry out the above mentioned functions, the Board contemplates to avail the services of senior members of the profession as Quality Reviewers to assess the quality of services being rendered by Company Secretaries both in practice and in employment.

#### Revised Eligibility criterion for Quality Reviewers-

A Quality Reviewer shall fulfil the criteria mentioned in para I or para II:-

- I. An individual desiring to be empanelled:
  - a) Be a Fellow member of ICSI; and

- b) Possess at least fifteen years of post-membership experience as Company Secretary in Practice or employment in the Secretarial Department of a Company or as a combination of practice and employment in the Secretarial Department of a Company; and
- c) Be currently in practice of the profession of company secretaries.”

#### II. An individual desiring to be empanelled

- a) Be empanelled Peer Reviewers and has completed minimum 5 assignments of Peer Review

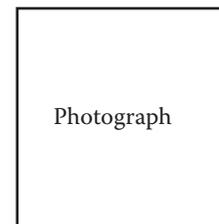
The Board assigns review of Quality of services rendered by the members to Quality Reviewers.

For payment terms and other details please refer to Terms of Reference for Quality Reviewers available at <https://www.icsi.edu/qrbboard/home/>

Interested persons may kindly apply in the enclosed format and send it through e-mail to [qrb@icsi.edu](mailto:qrb@icsi.edu)

**PROFORMA FOR INCLUSION OF NAME IN THE PANEL OF “QUALITY REVIEWERS” CONSTITUTED UNDER THE AEGIS OF “QUALITY REVIEW BOARD”**

To,  
 Quality Review Board  
 The Institute of Company Secretaries of India  
 ICSI House  
 22, Institutional Area, Lodi Road  
 New Delhi - 1100 003



1. Applicant's Name Mr/Ms/Dr. (in Capital Letter)

FIRST MIDDLE LAST

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2. Father's/Husband's Name Mr. (in Capital Letter)

FIRST MIDDLE LAST

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3. Date of Birth (DD MM YYYY)

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4. Institute's Membership details:

Particulars	Membership Number	Month & Year of membership
ACS details		
FCS details		
COP details		

5. Contact details in CAPITAL letters

	Residential	Professional
Address		
City		
State		
PIN Code		
Phone No With STD Code:		
Mobile No.		
E-mail Address		

6. Details of academic, professional and Post Membership qualifications (Graduation onwards):

Examination Passed		University / Institution	Main subjects, if any
Name of Exam	Year		


7. Current Occupation (indicate major area(s) in which services rendered)

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8. Work experience:

Do you possess minimum fifteen years of post-membership experience as Company Secretary in Practice or employment in the Secretarial Department of a Company or as a combination of practice and employment in the Secretarial Department of a Company;

(Yes/No)

9. Are you empanelled Peer Reviewers who has completed minimum 5 assignments of Peer Review. If yes, please share the below details: (Yes / No)

a. Peer Reviewer Code: \_\_\_\_\_

b. Details of the Peer Review done:

Sl. no.	Name of the Practice Unit	Year of Review

Please add separate sheet, if required.

10. Details of Post Qualification Experience in Employment/Practice (if require, attach separate sheet)

Name of the Employer/s	Designation	Professional Experience		Work Assigned / Performed
		From	To	

11. Are you member of Council / Regional Council / Managing Committee of Chapter, if yes; please provide the details:

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12. Other professional achievements, if any:

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13. Whether any penal action under any law has been taken/pending against you during last 5 financial years and/or thereafter?  
(Yes/No)

If yes, please give details thereof:

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14. Whether you have been charged for any criminal proceedings / cognizance of offence.  
If yes, please give details thereof: (Yes/No)

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*I hereby declare that the information given above is true and correct to the best of my knowledge and belief and that nothing has been concealed therefrom.*

Place:

Date:

(Signature)

(Name \_\_\_\_\_)

**For Office Use Only:**

1. Whether complete information in the prescribed format is given:

a.	a Fellow member of ICSI	Yes	No
b.	Possess at least fifteen years of post- membership experience as Company Secretary in Practice or employment in the Secretarial Department of a Company or as a combination of practice and employment in the Secretarial Department of a Company	Yes	No
c.	Be currently in practice of the of profession company secretaries	Yes	No
d.	Empanelled Peer Reviewers who has completed minimum 5 assignment of Peer Review	Yes	No

2. Whether all other applicable points of the form have been filled:

Yes  No

If no, give details \_\_\_\_\_

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3. Whether applicant is to be considered for allotment of reviews:

Yes  No

Remarks \_\_\_\_\_

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4. Reference No. allotted .....

# 5

## NEWS FROM THE INSTITUTE



- MEMBERS RESTORED DURING THE MONTH OF JANUARY 2023
- CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JANUARY 2023
- ATTENTION MEMBERS
- CHANGE / UPDATION OF ADDRESS
- RESTORATION OF MEMBERSHIP
- RESTORATION OF CERTIFICATE OF PRACTICE
- UPLOADING OF PHOTOGRAPH AND SIGNATURE
- OBITUARIES
- LIST OF PRACTICE UNITS PEER REVIEWED / CERTIFICATE ISSUED DURING FEBRUARY, 2023



## Institute News

### MEMBERS RESTORED DURING THE MONTH OF JANUARY 2023

SL. NO	NAME	MEMB NO	REGION
1	CS G V VIJAYA RAGHAV	ACS - 10154	SIRC
2	CS YASHPAL SINGH RANA	ACS - 10307	NIRC
3	CS V SIVA KAMESWARI	ACS - 11308	SIRC
4	CS ANJANA SHARMA	ACS - 15102	EIRC
5	CS SUDHA NATHAN	ACS - 17044	SIRC
6	CS PRANAV JAYANTILAL DAMANIA	ACS - 18065	WIRC
7	CS AARTI POPATLAL KATHARIYA	ACS - 18319	WIRC
8	CS BANIBRATA DESARKAR	ACS - 18780	EIRC
9	CS RAMA BANDARU	ACS - 19456	SIRC
10	CS KOMAL TANDON	ACS - 19663	EIRC
11	CS CHINTA SAI VIDYA	ACS - 20371	SIRC
12	CS ASHITA BOLE	ACS - 20685	EIRC
13	CS PANKAJ KUMAR BURNWAL	ACS - 20885	EIRC
14	CS CHARANYA SRIDHARAN	ACS - 21769	SIRC
15	CS KARISHMA RAMESH MULCHANDANI	ACS - 23054	WIRC
16	CS KHUSHBOO RATHORE	ACS - 23746	NIRC
17	CS SURYA KAWALKAR DANGI	ACS - 24001	WIRC
18	CS DEEPAK VISHWANATH SOHONI	ACS - 26421	WIRC
19	CS VIDYASAGAR K	ACS - 27454	WIRC
20	CS SHWETA GUPTA	ACS - 30064	NIRC
21	CS GEETANJALI KUMARI	ACS - 30962	NIRC
22	CS GOPALAKRISHNAN R	ACS - 31873	SIRC
23	CS NILESH SHARMA	ACS - 32273	WIRC
24	CS ANKITA SHAW	ACS - 32537	EIRC
25	CS SUMEDH VEERENDRA VAIDYA	ACS - 32978	WIRC
26	CS SNEHA BANKA	ACS - 34671	EIRC
27	CS FORAM PRAVINKUMAR DESAI	ACS - 35036	WIRC
28	CS MEGHA SARAF	ACS - 35145	EIRC
29	CS DARSHIL PANKAJ SHAH	ACS - 35229	WIRC
30	CS PANKTI MUKESHKUMAR DESAI	ACS - 35979	SIRC

31	CS NAMRATA ANIL GAGLANI	ACS - 36556	WIRC
32	CS DIVYA AGARWAL	ACS - 36602	WIRC
33	CS PRITI MOHATA	ACS - 36910	WIRC
34	CS RITIKA ABHIJEET LAKHOTIA	ACS - 37350	WIRC
35	CS MEENAKSHI NAAG	ACS - 38479	WIRC
36	CS SHYLAJADEVI NITIN MENON	ACS - 39350	WIRC
37	CS SHWETA ANAND TALWAL	ACS - 39399	WIRC
38	CS NEHA BAHETY	ACS - 39871	EIRC
39	CS ANITA SHREESUBEDAR GUPTA	ACS - 40624	WIRC
40	CS SHIKHA JAIN	ACS - 40873	NIRC
41	CS SURABHI RAMMURTI DUBEY	ACS - 44545	WIRC
42	CS GADE BALA SUMANTH REDDY	ACS - 44776	SIRC
43	CS NEHA GUPTA	ACS - 45145	NIRC
44	CS PUJA PARTH SHAH	ACS - 45282	WIRC
45	CS ARVINDER KAUR	ACS - 46829	NIRC
46	CS LALITH KRISHNA PRASAD KOTA	ACS - 47345	SIRC
47	CS SAKSHI BANGAR	ACS - 48174	NIRC
48	CS PARVEZ KARIM VASAYA	ACS - 49835	WIRC
49	CS SHUBHANGI SHARMA	ACS - 50090	NIRC
50	CS NEHA TYAGI	ACS - 52671	NIRC
51	CS PADMINI V KRUPANIDHI	ACS - 52709	SIRC
52	CS SHELLY MAHAJAN	ACS - 54820	NIRC
53	CS DEVESH GAUTAM	ACS - 57718	EIRC
54	CS SWATI DHYANI	ACS - 58309	SIRC
55	CS SAKSHI SINGH CHAUHAN	ACS - 59270	WIRC
56	CS NEHA SHAHI	ACS - 59298	NIRC
57	CS AASHIMA SINGLA	ACS - 59778	NIRC
58	CS KAPIL MAHESHWARI	ACS - 61464	NIRC
59	CS PRATEEK BANSAL	ACS - 61876	NIRC
60	CS DURGA ASWINI BHAGAVATI	ACS - 61936	SIRC
61	CS SUPRIYA UDAY JEJURIKAR	ACS - 62113	WIRC
62	CS LALIT	ACS - 62265	NIRC
63	CS CHIRAG MOHAN ADVANI	ACS - 64235	WIRC
64	CS VIJAYETA SWAPNIL AMBURE	ACS - 64883	WIRC
65	CS THANNEERU RAMESH BABU	ACS - 65281	SIRC
66	CS ARPITA KSHIRSAGAR	ACS - 65442	WIRC
67	CS MITALI MAKARAND INGAWALE	ACS - 66350	WIRC
68	CS RAHUL KUMAR SINHA	ACS - 66805	WIRC
69	CS RAZIA BASHIR MUJAWAR	ACS - 67918	WIRC
70	CS CHHAVI GOYAL	ACS - 68300	NIRC
71	CS VIDHI BHARAT GOSAR	ACS - 68340	WIRC

72	CS T N USHA	ACS - 8368	SIRC
73	CS PRASANT KUMAR SAHOO	FCS - 10417	WIRC
74	CS ANIL K. MALHOTRA	FCS - 3539	NIRC
75	CS MAYANKU DEVASHRAYEE	FCS - 3975	WIRC
76	CS S BASKARASUBRAMANIAN	FCS - 4605	SIRC
77	CS SHUKLA WASSAN	FCS - 5208	NIRC
78	CS RAJESH GUPTA	FCS - 5319	NIRC
79	CS K V RAVI SHANKAR	FCS - 9048	SIRC

### CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JANUARY 2023

SL. NO	NAME	MEMB NO	COP No.	REGION
1	CS AASHUTOSH SHARMA	ACS - 53796	20303	NIRC
2	CS ADITYA MAHENDRA KURUNDKAR	FCS - 7483	8137	WIRC
3	CS AKSHITA KOOLWAL	ACS - 65798	24746	NIRC
4	CS AMISHA	ACS - 49300	24475	NIRC
5	CS AMRITA BIJOY MAJI	ACS - 51888	19217	WIRC
6	CS AMRITA VIJAY BARSHIKAR	ACS - 66595	25101	WIRC
7	CS ANKIT SINGLA	ACS - 69926	26284	NIRC
8	CS ANUKUL UDAI	ACS - 36040	15600	NIRC
9	CS APOORVA BUDHIRAJA	ACS - 38764	23963	NIRC
10	CS ARUNSREENIVAS RAMADOSS	FCS - 10919	15377	SIRC
11	CS ASHVINI SANJAY JAIN	ACS - 66486	25950	WIRC
12	CS AYUSHI KHAITAN	ACS - 52589	19325	EIRC
13	CS BHARGAVI JAY PANDYA	ACS - 62039	25976	WIRC
14	CS BHAVIKA RAHUL SANGHVI	ACS - 21352	15046	WIRC
15	CS DEEPAK YESHWANT BHAT	ACS - 29582	24546	WIRC
16	CS DHARMENDER KUMAR	ACS - 45372	26354	NIRC
17	CS GARIMA GOYAL	ACS - 53943	23114	NIRC
18	CS HITESH RAMESHBHAI PARDESHI	ACS - 27821	23188	WIRC
19	CS ISHANI MANAN JOSHI	ACS - 50720	18396	WIRC
20	CS JAMSHED KOKAB KHAN	ACS - 35425	26016	WIRC
21	CS JITENDER KUMAR	ACS - 30349	25986	NIRC
22	CS KAJOL NAGORI	ACS - 68575	25553	NIRC

23	CS KANCHAN TALEJA	ACS - 62817	23464	EIRC
24	CS KETAN CHAURASIA	ACS - 56841	23694	NIRC
25	CS KULDEEP KUMAR	ACS - 62874	24857	NIRC
26	CS MANISH	ACS - 66003	25661	NIRC
27	CS MONALI NATHMAL SHARMA	ACS - 33878	14679	WIRC
28	CS NIMISHA GUPTA	ACS - 41466	15650	NIRC
29	CS NISHANT JOSHI	ACS - 49188	25231	WIRC
30	CS NITIN JAIN	ACS - 58503	25171	NIRC
31	CS PAYAL NARAYANSINGH RAJPUROHIT	ACS - 31210	13001	WIRC
32	CS PRAEKSHA HUNDIA	ACS - 59560	25300	WIRC
33	CS PRINCE AGGARWAL	ACS - 68636	25558	NIRC
34	CS PRIYANKA MUNDHRA	ACS - 46331	24829	EIRC
35	CS PRIYANSHU YADAV	ACS - 61820	23043	NIRC
36	CS PURNIMA SRIVASTAVA	ACS - 34480	24852	NIRC
37	CS PUSHKAR DINESH AGTE	ACS - 68216	25420	WIRC
38	CS RAJAT AGRAWAL	ACS - 58105	22027	SIRC
39	CS RAMAN RANI	ACS - 28413	25621	NIRC
40	CS RASHMI CHORARIA	ACS - 60925	24397	EIRC
41	CS SANCHIT CHATURVEDI	ACS - 55151	25219	WIRC
42	CS SANJANA RANI	ACS - 44164	16362	NIRC
43	CS SHIVANI MITTAL	ACS - 58414	22012	WIRC
44	CS SHOBHARAM DHAMA	ACS - 23402	8435	NIRC
45	CS SHUBHI KISHORE	ACS - 63032	25116	NIRC
46	CS SHWETA RAMESH SONI	ACS - 65292	25561	WIRC
47	CS SONAM AGRAWAL	ACS - 55613	25304	WIRC
48	CS SUHITA MUKHOPADHYAY	ACS - 17150	14738	NIRC
49	CS SUKHVINDER SINGH	ACS - 44088	17797	NIRC
50	CS SUVARNA JAYESH KATKE	ACS - 61436	23195	WIRC
51	CS SWATHI BHOJAK	ACS - 45830	17255	SIRC
52	CS TANVI AGGARWAL	ACS - 67568	25210	NIRC
53	CS VALASAMUTHU PADMANABAN	ACS - 59957	23106	SIRC
54	CS VARSHA GARG	ACS - 69499	25988	NIRC
55	CS VIRAJITHA KRISHNAVETI	ACS - 67448	25177	SIRC

### ATTENTION!

For latest admission of Associate and Fellow Members, Life Members of Company Secretaries Benevolent Fund (CSBF), Licentiatees and issuance of Certificate of Practice, kindly refer to the link <https://www.icsi.edu/member>



## ATTENTION MEMBERS

The CD containing List of Members of ICSI as on 1<sup>st</sup> April, 2022 is available in the Institute on payment of Rs.295/-\* for members and Rs.590/-\* for non-members (\*including GST@18%). Request along with payment by way of cheque at par or demand draft payable at New Delhi favouring “The Institute of Company Secretaries of India” may please be sent to Joint Secretary, Directorate of Membership, ICSI House, C-36, Sector-62, Noida - 201309. For queries if any, please write to [member@icsi.edu](mailto:member@icsi.edu)

## 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](http://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](http://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 More 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<sup>#</sup>
  - 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<sup>#</sup>
  - 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.

<sup>#</sup>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>

## RESTORATION OF MEMBERSHIP

The members who have not paid the Annual Membership Fee by the due date i.e. 31-07-2022 can now restore their membership by making the payment of the annual membership fee for the year 2022-2023 including GST@18% (Associates admitted on or after 1-4-2021 – Rs. 1770/-, Associates admitted till 31-03-2021 – Rs. 2950/- and Fellow – Rs. 3540/-) with the entrance fee of Rs. 2360/- and restoration fee of Rs. 295/-.

Particulars	Associate (admitted till 31.03.2021)	Associate (admitted on or after 01.04.2021)	Fellow
Annual Membership fee*	Rs. 2950	Rs. 1770	Rs. 3540
Entrance fee*	Rs. 2360	Rs. 2360	Rs. 2360
Restoration fee*	Rs. 295	Rs. 295	Rs. 295

\* Fee inclusive of applicable GST@18%.

## MODE OF REMITTANCE OF FEE

The fee can be remitted through ONLINE mode only using the payment gateway of the Institute's website [www.icsi.edu](http://www.icsi.edu). Payment made through any other mode will not be accepted.

The steps for online restoration of membership

- Use ONLINE SERVICES tab on [www.icsi.edu](http://www.icsi.edu)
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Select Track ACS /FCS Membership from dropdown menu ACS/FCS Membership
- Search your detail and select the radio button on visible record
- Click on Restoration Request tab
- Fill the detail and Proceed for Payment

For specific assistance raise a ticket at <http://support.icsi.edu>

## RESTORATION OF CERTIFICATE OF PRACTICE

The process of Restoration of Certificate of Practice is now enabled for the members who have not paid the COP fees by the due date i.e. 31-07-2022.

The certificate of practice fee and restoration fee payable is as follows:

Particulars	Admitted as associate member till 31.03.2021)	Admitted as associate member on or after 01.04.2021)	Fellow
Certificate of Practice fee*	Rs. 2360	Rs. 1770	Rs. 2360
Restoration fee**	Rs. 295	Rs. 295	Rs. 295

\* Fee inclusive of applicable GST@18%.

\*\* Fee inclusive of applicable GST@18% and applicable as certificate of practice fee is not received by 31<sup>st</sup> July, 2022

## MODE OF REMITTANCE OF FEE

The fee can be remitted through ONLINE mode only using the payment gateway of the Institute's website [www.icsi.edu](http://www.icsi.edu). Payment made through any other mode will not be accepted.

The steps for online COP restoration

- Use ONLINE SERVICES tab on [www.icsi.edu](http://www.icsi.edu)
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Select the Track COP option in the COP menu
- Select the request type "Restoration" and search
- Click on the radio button and select Restoration Request option
- Check the details and pay the fee.

For specific assistance raise a ticket at <http://support.icsi.edu>

## 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.

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- Enter your password
- Under My Profile --- Click on View and Update
- Upload/update the photo and signature as required
- Press Save button

## OBITUARIES

Chartered Secretary deeply regrets to record the sad demise of the following members:

**CS B N Shroff** (28.06.1934 – 22.01.2022), an Associate Member of the Institute from Mumbai.

**CS Nagakishore Mittapalli** (24.06.1981 – 25.12.2022), a Fellow Member of the Institute from Hyderabad.

**CS Ankit Kumar** (13.10.1989 – 28.11.2022), an Associate Member of the Institute from Delhi.

**CS Sunil Kumar Saxena** (17.10.1953 – 28.10.2022), a Fellow Member of the Institute from Kanpur.

**CS S K Dasgupta** (27.12.1953 – 30.12.2022), a Fellow Member of the Institute from Kolkata.

**CS Darshan Lal Johar** (04.01.1931 – 08.11.2022), a Fellow Member of the Institute from Noida.

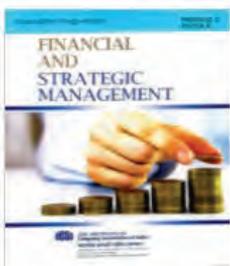
**CS Dilip Narrottamdas Motwani** (15.01.1961 – 13.01.2023), an Associate Member of the Institute from Ahmedabad.

**CS Ilam Chand Kamboj** (05.12.1956 – 26.12.2022), a Fellow Member of the Institute from Gurugram.

May the Almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

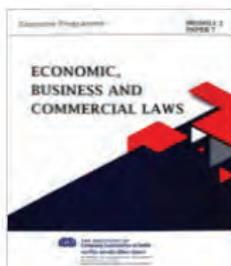
May the departed souls rest in peace.

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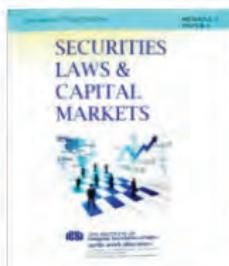
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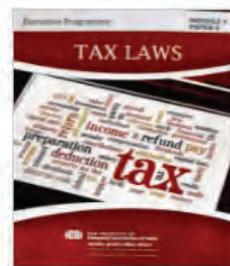
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## LIST OF PRACTICE UNITS PEER REVIEWED / CERTIFICATE ISSUED DURING FEBRUARY, 2023

Sl. No.	Name of the Practice Unit	City	Year of Review	Certificate no.
1	M/s. Sandeep Lakhotia & Associates	Kolkata	2021-22	2917/2023
2	M/s. Akshat Garg & Associates	Ghaziabad	2021-22	2918/2023
3	M/s. Mritunjay Shekhar & Associates	New Delhi	2021-22	2919/2023
4	CS Manisha Chindarkar	Mumbai	2021-22	2920/2023
5	M/s. Ankit & Associates	Allahabad	2021-22	2921/2023
6	CS Indrabala Javeri	Mumbai	2021-22	2922/2023
7	CS Bhavika Aashish Bhatt	Mumbai	2021-22	2923/2023
8	M/s. Snehal Shah & Associates	Mumbai	2021-22	2924/2023
9	M/s. Arun Jain & Associates	Alwar	2021-22	2925/2023
10	M/s. Nitin Bajaj & Associates	Hyderabad	2021-22	2926/2023
11	M/s. Shankhdhar & Co.	New Delhi	2020-21	2927/2023
12	M/s. ASKBN and Company	Delhi	2021-22	2928/2023
13	M/s. Rantu Das & Associates	Kolkata	2021-22	2929/2023
14	M/s. Rajora & Co.	Hyderabad	2021-22	2930/2023
15	M/s. K. Gaurav Kumar & Associates	Chennai	2021-22	2931/2023
16	M/s. S. K. Agrawal & Co.	New Delhi	2021-22	2932/2023
17	M/s. Niraj Vora & Co.	Mumbai	2021-22	2933/2023
18	CS Amita Sachin Karia	Mumbai	2021-22	2934/2023
19	CS M Vasudevan	Thrissur	2021-22	2935/2023
20	M/s. Jaymeen Trivedi & Associates	Ahmedabad	2021-22	2936/2023
21	M/s. S P Khatik & Company	Ahmedabad	2021-22	2937/2023
22	M/s. Abhishek K Pandey & Associates	Kolkata	2021-22	2938/2023
23	M/s. Rakesh Achhpal & Associates	Mumbai	2021-22	2939/2023
24	M/s. Urjit Sampat & Associates	Mumbai	2021-22	2940/2023
25	M/s. Kasat & Associates	Hyderabad	2021-22	2941/2023
26	M/s. SSJ & Associates	Gurugram	2021-22	2942/2023
27	M/s. B. C. Debata & Associates	Bhubaneswar	2021-22	2943/2023
28	M/s. Nirmal Tiwari & Associates	Mumbai	2021-22	2944/2023
29	M/s. Pugliya and Associates	Delhi	2021-22	2945/2023

30	M/s. Roshni K Gupta & Associates	Howrah	Limited Review	2946/2023
31	CS Vaibhavi Smit Shah	Mumbai	2021-22	2947/2023
32	M/s. T M Khumri & Co.	Mumbai	2021-22	2948/2023
33	CS Rohini Chhawchharia	Ranchi	2021-22	2949/2023
34	M/s. Geetika Agrawal & Co.	Indore	2021-22	2950/2023
35	M/s. Sachin K & Associates	Ghaziabad	2020-21	2951/2023
36	M/s. Avni & Associates	Ahmedabad	2021-22	2952/2023
37	M/s. Bhavana Chakragiri & Associates	Bengaluru	2021-22	2953/2023
38	M/s. Rupali Purohit & Associates	Jodhpur	Limited Review	2954/2023
39	CS Shristi Agarwal	Kolkata	2021-22	2955/2023
40	M/s. H & Co.	Bengaluru	2021-22	2956/2023
41	M/s. Kashinath Sahu & Co.	Hyderabad	2021-22	2957/2023
42	CS Esha Sen	Kolkata	2021-22	2958/2023
43	M/s. Aashish K. Bhatt & Associates	Mumbai	2021-22	2959/2023
44	M/s. Manimekala & Associates	Coimbatore	2021-22	2960/2023
45	M/s. Saurav Upadhyay & Associates	New Delhi	2021-22	2961/2023
46	CS Nalin Ganatra	Rajkot	2021-22	2962/2023
47	M/s. Rajit Kesaria & Co.	Mumbai	2021-22	2963/2023
48	M/s. Vishal Bhakhar & Associates	Mumbai	2021-22	2964/2023
49	M/s. MSDS & Associates	Mumbai	2021-22	2965/2023
50	CS Sahil Gaur	Gurugram	2021-22	2966/2023
51	CS Jyoti Laxmikant Prajapati	Panvel	2021-22	2967/2023
52	M/s. G. Ramachandran & Associates	Chennai	2021-22	2968/2023
53	M/s. Bhawani Chandak & Co.	Jorhat	2021-22	2969/2023
54	M/s. P. Venkatesh & Associates	Bengaluru	2021-22	2970/2023
55	M/s. Bhambri & Associates	Ludhiana	2021-22	2971/2023
56	M/s. M P Sanghavi and Associates LLP	Mumbai	2021-22	2972/2023
57	M/s. Aditya Shah & Associates	Mumbai	2021-22	2973/2023
58	M/s. Shabnam Kapoor & Co.	Delhi	2021-22	2974/2023
59	CS A G Shaikh	Surat	2020-21	2975/2023



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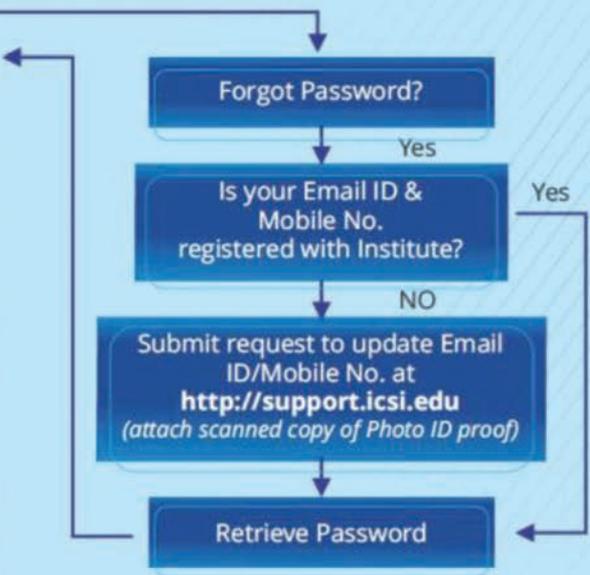
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#### MISSION

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

**Motto**  
सत्यं वद। धर्मं चर। इच्छते चेत्। त्वात्ते। कोपेत्। ह्यु चेत्। क्रिया

**Mission**  
"To develop high calibre  
professionals facilitating  
good corporate governance"

## Placement Drive for Young Company Secretaries – Axis Trustee Services Ltd., Mumbai

Dear Member/s,

The Institute of Company Secretaries of India (ICSI) is constantly making efforts for enhancing the opportunities for placement of the Members and conducting Placement Drives on a regular basis. The primary objective of the Placement Drives is to provide a platform for the Company Secretaries and to offer best talent available to the Corporates.

We are pleased to inform that the following placement opportunities are available at Axis Trustee Services Ltd., Mumbai:

No. of Posts	5 (Five)
CTC	Rs. 5.5 – 6.0 Lakhs per annum
Commencement of registration	Tuesday, 7 <sup>th</sup> March 2023, 2.00 pm
Last date for Registration	Tuesday, 14 <sup>th</sup> March 2023, 2.00 pm
Registration Link	<a href="https://bit.ly/icsi-axistrustee-2023">https://bit.ly/icsi-axistrustee-2023</a>
Selection Process	Personal Interview
Joining Date (Tentative)	April 2023

### MODALITIES:

- Eligibility:** Candidates must have obtained the Associate Membership of the Institute of Company Secretaries of India on or after 1<sup>st</sup> June 2022.
- Essential Qualification:** Associate Membership (ACS) of the ICSI & regular Graduation.
- Maximum Age** (As on 01<sup>st</sup> April 2023): 27 years.
- Merely registering for the Placement Drive by filling up the registration form does NOT guarantee selection or interview of any candidate.
- Canvassing in any form, for selection in the Placement Drive shall lead to disqualification.
- For queries, please feel free to write at [placement@icsi.edu](mailto:placement@icsi.edu).

The ICSI extends its best wishes to all eligible candidates and look forward to their active participation!!

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## Placement Drive for Young Company Secretaries - Tata Power, Mumbai

Dear Member/s,

The Institute of Company Secretaries of India (ICSI) is constantly making efforts for enhancing the opportunities for placement of the Members and conducting Placement Drives on a regular basis. The primary objective of the Placement Drives is to provide a platform for the Company Secretaries and to offer best talent available to the Corporates.

We are pleased to inform that the following placement opportunities are available at Tata Power:

<b>No. of Posts</b>	5 (Five)
<b>Annual CTC</b>	Rs. 6.64 LPA + Perks as indicated in the Job Description
<b>Commencement of registration</b>	Friday, 3 <sup>rd</sup> March 2023, 2.00 pm
<b>Last date for Registration</b>	Friday, 10 <sup>th</sup> March 2023, 2.00 pm
<b>Registration Link</b>	<a href="https://bit.ly/icsi-tatapower-2023">https://bit.ly/icsi-tatapower-2023</a>
<b>Selection Process</b>	Online Written Test > Psychometric Test & Asynchronous Video Interview > Personal Interview
<b>Joining Date (Tentative)</b>	May 2023 Onwards

### MODALITIES:

- Eligibility:** Candidates must have obtained the Associate Membership of the Institute of Company Secretaries of India in the following period **1<sup>st</sup> November 2022 to 28<sup>th</sup> February 2023**.
- Essential Qualification:** Associate Membership (ACS) of the ICSI & regular Graduation.
- Maximum Age** (As on 28<sup>th</sup> February 2023): 27 years.
- Minimum Marks:** 60% and above in 10<sup>th</sup>, 12<sup>th</sup> and Graduation.
- Merely registering for the Placement Drive by filling up the registration form does NOT guarantee selection or interview of any candidate.
- Canvassing in any form, for selection in the Placement Drive shall lead to disqualification.
- For queries, please feel free to write at [placement@icsi.edu](mailto:placement@icsi.edu).

The ICSI extends its best wishes to all eligible candidates and look forward to their active participation!!

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For further information  
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**CHARTERED SECRETARY**  
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# 6

## MISCELLANEOUS CORNER



- GST CORNER
- ETHICS IN PROFESSION
- CG CORNER

## Recommendations of 49<sup>th</sup> GST Council Meeting

The 49<sup>th</sup> GST Council met under the Chairpersonship of Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman in New Delhi on February 18, 2023. The meeting was also attended by Union Minister of State for Finance Shri Pankaj Chaudhary besides Finance Ministers of States & UTs (with legislature) and senior officers of the Ministry of Finance & States/ UTs.

The GST Council has, *inter-alia*, made the following recommendations relating to GST Compensation, GST Appellate Tribunal, approval of the Report of Group of Ministers (GoM) on Capacity Based Taxation and Special Composition Scheme in certain Sectors on GST, recommendations relating to GST rates on Goods and Services and other measures for facilitation of trade:

### GST COMPENSATION

Government of India has decided to clear the entire pending balance GST compensation of Rs. 16,982 crore for June, 2022 as shown in the table below. Since, there is no amount in the GST compensation Fund, Centre decided to release this amount from its own resources and the same will be recouped from the future compensation cess collection. With this release, Centre would clear the entire provisionally admissible compensation due for five years as envisaged in the GST (Compensation to States) Act, 2017. In addition, Centre would also clear the admissible final GST compensation to those States who have provided the revenue figures as certified by the Accountant General of the States amounting to Rs. 16,524 crore.

S. No.	Name of State/UT	Balance GST compensation pending for June'2022 (Rs. in Crore)
1	Andhra Pradesh	689
2	Bihar	92
3	Chhattisgarh	505
4	Delhi	1,212
5	Goa	120
6	Gujarat	865
7	Haryana	629
8	Himachal Pradesh	229
9	Jammu and Kashmir	210
10	Jharkhand	342
11	Karnataka	1,934
12	Kerala	780
13	Madhya Pradesh	730
14	Maharashtra	2,102
15	Odisha	529
16	Puducherry	73
17	Punjab	995
18	Rajasthan	815
19	Tamil Nadu	1,201
20	Telangana	548

21	Uttar Pradesh	1,215
22	Uttarakhand	345
23	West Bengal	823
	<b>Total</b>	<b>16,982</b>

### GST APPELLATE TRIBUNAL

The Council adopted the report of Group of Ministers with certain modifications. The final draft amendments to the GST laws shall be circulated to Members for their comments. The Chairperson has been authorised to finalise the same.

### APPROVAL OF THE REPORT OF GROUP OF MINISTERS ON CAPACITY BASED TAXATION AND SPECIAL COMPOSITION SCHEME IN CERTAIN SECTORS ON GST

With a view to plug the leakages and improve the revenue collection from the commodities like pan masala, gutkha, chewing tobacco, the Council approved the recommendations of the GoM including, *inter alia*, that

- the capacity based levy not to be prescribed;
- compliance and tracking measures to be taken to plug leakages/evasions;
- exports of such commodities to be allowed only against LUT with consequential refund of accumulated ITC;
- compensation cess levied on such commodities to be changed from ad valorem to specific tax based levy to boost the first stage collection of the revenue.

### RECOMMENDATIONS RELATING TO GST RATES ON GOODS AND SERVICES

#### Changes in GST rates of Goods

Sr. No.	Description	From	To
1.	'Rab'	18%	5% - if sold prepackaged and labelled Nil - if sold otherwise
2.	Pencil Sharpener	18%	12%

The same has been given effect from 01<sup>st</sup> March, 2023 vide Notifications No. 03/ 2023 and 04/ 2023 – Central Tax (Rate) and Notifications No. 03/ 2023 and 04/ 2023 – Integrated Tax (Rate) dated 28<sup>th</sup> February, 2023.

### OTHER CHANGES RELATING TO GOODS AND SERVICES

- It has been decided to regularize payment of GST on 'rab' during the past period on "as is basis" on account of genuine doubts over its classification and applicable GST rate.
- It was decided to suitably amend notification No. 104/94-Customs dated 16.03.1994 so that if a device like tag- tracking device or data logger is already affixed on a container, no separate IGST shall be levied on such affixed device and the 'nil' IGST treatment available for the

containers under notification No. 104/94-Customs shall also be available to the such affixed device subject to the existing conditions.

- It has been decided to amend entry at Sl. No. 41A of notification No. 1/2017-Compensation Cess (Rate) so that exemption benefit covers both coal rejects supplied to and by a coal washery, arising out of coal on which compensation cess has been paid and no input tax credit thereof has been availed by any person. *(The same has been given effect from 01<sup>st</sup> March, 2023 vide Notification No. 01/ 2023 – Compensation Cess (Rate) dated 28<sup>th</sup> February, 2023)*
- It has been decided to extend the exemption available to educational institutions and Central and State educational boards for conduct of entrance examination to any authority, board or a body set up by the Central Government or State Government including National Testing Agency for conduct of entrance examination for admission to educational institutions. *(The same has been given effect from 01<sup>st</sup> March, 2023 vide Notification No. 01/ 2023 – Central Tax (Rate) and Notification No. 01/ 2023 – Integrated Tax (Rate) dated 28<sup>th</sup> February, 2023)*
- It has been decided to extend the dispensation available to Central Government, State Governments, Parliament and State Legislatures with regard to payment of GST under reverse charge mechanism (RCM) to the Courts and Tribunals also in respect of taxable services supplied by them such as renting of premises to telecommunication companies for installation of towers, renting of chamber to lawyers etc. *(The same has been given effect from 01<sup>st</sup> March, 2023 vide Notification No. 02/ 2023 – Central Tax (Rate) and Notification No. 02/ 2023 – Integrated Tax (Rate) dated 28<sup>th</sup> February, 2023)*

## MEASURES FOR FACILITATION OF TRADE

### Extension of time limit for application for revocation of cancellation of registration and one time amnesty for past cases

The Council has recommended amendment in section 30 of CGST Act, 2017 and rule 23 of CGST Rules, 2017 so as to provide that -

- the time limit for making an application for revocation of cancellation of registration be increased from 30 days to 90 days;
- where the registered person fails to apply for such revocation within 90 days, the said time period may be extended by the Commissioner or an officer authorised by him in this behalf for a further period not exceeding 180 days.

The Council has also recommended that an amnesty may be provided in the past cases, where registration has been cancelled on account of non-filing of the returns, but application for revocation of cancellation of registration could not be filed within the time specified in section 30 of CGST Act, by allowing such persons to file such application for revocation by a specified date, subject to certain conditions.

### Amendment to Section 62 of CGST Act, 2017 to extend timelines under sub-section (2) thereof and one time amnesty for past cases

As per sub-section (2) of section 62 of CGST Act, 2017, the best judgment assessment order issued under sub-section (1) of the said section is deemed to be withdrawn if the relevant return is filed within 30 days of service of the said assessment order. The Council recommended to amend section 62 so as to increase the time period for filing of return for enabling deemed withdrawal of such best judgment assessment order, from the present 30 days to 60 days, extendable by another 60 days, subject to certain conditions.

The Council has also recommended to provide an amnesty scheme for conditional deemed withdrawal of assessment orders in past cases where the concerned return could not be filed within 30 days of the assessment order but has been filed along with due interest and late fee upto a specified date, irrespective of whether appeal has been filed or not against the assessment order, or whether the said appeal has been decided or not.

### Rationalisation of Late fee for Annual Return

Presently, late fee of Rs. 200 per day (Rs. 100 CGST + Rs. 100 SGST), subject to a maximum of 0.5% of the turnover in the State or UT (0.25% CGST + 0.25% SGST), is payable in case of delayed filing of annual return in FORM GSTR-9.

The Council recommended to rationalise this late fee for delayed filing of annual return in FORM GSTR-9 for FY 2022-23 onwards, for registered persons having aggregate turnover in a financial year upto Rs. 20 crore, as below:

Registered persons having an aggregate turnover of up to Rs. 5 crores in the said financial year: Rs. 50 per day (Rs. 25 CGST + Rs. 25 SGST), subject to a maximum of an amount calculated at 0.04% of his turnover in the State or Union territory (0.02% CGST + 0.02% SGST).

Registered persons having an aggregate turnover of more than Rs. 5 crores and up to Rs. 20 crores in the said financial year: Rs. 100 per day (Rs. 50 CGST + Rs. 50 SGST), subject to a maximum of an amount calculated at 0.04% of his turnover in the State or Union territory (0.02% CGST + 0.02% SGST).

### Amnesty in respect of pending returns in FORM GSTR-4, FORM GSTR-9 and FORM GSTR-10

To provide relief to a large number of taxpayers, the Council recommended amnesty schemes in respect of pending returns in FORM GSTR-4, FORM GSTR-9 and FORM GSTR-10 by way of conditional waiver/ reduction of late fee.

### Rationalization of provision of place of supply of services of transportation of goods

Council recommended to rationalize the provision of place of supply for services of transportation of goods by deletion of section 13(9) of IGST Act, 2017 so as to provide that the place of supply of services of transportation of goods, in cases where location of supplier of services or location of recipient of services is outside India, shall be the location of the recipient of services.

**Source:** <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1900376>

# Professional Misconduct By The Company Secretaries (In Service) Under Part II of The First Schedule To The Company Secretaries Act, 1980



The Council of the Institute has established a Disciplinary Directorate pursuant to Section 21 of the Company Secretaries Act, 1980 ('the Act') headed by the Director (Discipline) and other employees for making investigations in respect of any information or complaint received by it.

For the purposes of the Company Secretaries Act, 1980, the expression "*professional or other misconduct*", pursuant to Section 22 of the Company Secretaries Act, 1980, shall be deemed to include any act or omission provided in any of the Schedules i.e. First and Second Schedule to the Company Secretaries Act, 1980, 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. First Schedule is divided in to four parts and Second Schedule is divided into three parts.

On receipt of any information or complaint along with the prescribed fee, the Director (Discipline) shall arrive at a *prima facie* opinion on the occurrence of the alleged misconduct. Where the Director (Discipline) is of the opinion that a member is guilty of any professional or other misconduct mentioned in the First Schedule to the Company Secretaries Act, 1980, he shall place the matter before the Board of Discipline which is constituted by the Council of the Institute under Section 21A of the Company Secretaries Act, 1980 and where the Director (Discipline) is of the opinion that a member is guilty of any professional or other misconduct mentioned in the Second Schedule to the Company Secretaries Act, 1980 or in both the Schedules, he shall place the matter before the Disciplinary Committee which is constituted by the Council of the Institute under Section 21B of the Company Secretaries Act, 1980. The Director (Discipline) shall submit

before the Board of Discipline all information and complaints where he is of the opinion that there is no *prima facie* case. To make investigations under the provisions of the Company Secretaries Act, 1980, the Disciplinary Directorate shall follow such procedure as may be specified under the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 (as amended).

Part II of the First Schedule to the Company Secretaries Act, 1980 is in relation to the acts or omissions of professional misconduct by the Company Secretaries in Service, as given below: -

- (1) A member of the Institute in service, shall be deemed to be guilty of professional misconduct under Part II of First Schedule to the Company Secretaries Act, 1980, if he, being an employee of any company, firm or person, pays or allows or agrees to pay, directly or indirectly, to any person any share in the emoluments of the employment undertaken by him;
- (2) A member of the Institute in service, shall be deemed to be guilty of professional misconduct under Part II of First Schedule to the Company Secretaries Act, 1980, if he, being an employee of any company, firm or person, accepts or agrees to accept any part of fees, profits or gains from a lawyer, a Company Secretary or broker engaged by such company, firm or person or agent or customer of such company, firm or person by way of commission or gratification.

## CASE STUDY

The Complainant has alleged that the Respondent has accepted the position as a Company Secretary in Practice in a

Private Limited company and certified e-Form MGT-7 for the Financial Year 2018-19 without first communicating with the Complainant in writing as the position was previously held by the Complainant in relation to certification of MGT-7 and ROC filing related work of that company.

The Respondent has *inter-alia* contended that the Complainant has himself sent an email to the company stating that they would like to discontinue their retainership from the financial year 2020-2021 onwards. The company after receiving the said email from the Complainant had approached the Respondent for completing all the pending filings with the MCA. On the basis of the Complainant's email received by the company, the Respondent was of the view that the intimation to the Complainant, i.e. previous Company Secretary is not required, as the Complainant himself has discontinued the services to the company.

The Complainant has *inter-alia* stated that the Respondent relied on the mail sent by the Complainant to the company. The Complainant further stated that vide mail he informed the company that they are discontinuing only the retainership arrangement not the professional relation/services with the company and that they were always open for providing professional services on assignment basis or need of the company. The company has requested to the Complainant, not to raise bills for two months due to pandemic. Thereafter, the Complainant requested to the company to start the billing, however the company never responded back to the Complainant. The Complainant was not sure of the company's intention and to avoid GST burden, which the Complainant supposed to pay to the Government on bill raised in previous month, even if payment is not received, therefore, the Complainant decided to discontinue the retainership arrangement and provide services on assignment or need basis to the company. The Complainant further stated that the communication sent to the company was pressure tactics and not to allow the company to take things for granted.

The Complainant further stated that discontinuation of retainership with the company does not give immunity to the Respondent for taking up the work without complying with the Institute guidelines. The complainant further stated that no such exemption/clarification is given under clause (8) of Part I of the First Schedule to the Company Secretaries Act, 1980. The Respondent has taken the advantage of ongoing tussle between the company and the complainant and even not bothered to speak to the complainant before taking up the work/assignment of the company. The Complainant submitted that the act of respondent caused loss to the Complainant and also the probability to provide services on adhoc basis to the company as per need is also gone. He is dealing with the work of the company since 2001 and entered into retainership arrangement in the year 2014. It is not a matter of just signing one Form MGT-7, it is for doing certification of all the e-forms and taking the work of all the group companies.

The Board of Discipline has observed that the Respondent, being PCS, did not intimate the Complainant in writing before taking up the assignment of certifying Form MGT-7 of

the company for the Financial Year 2018-19. He acted merely on assumption that the Complainant has already intimated the company about his discontinuation of retainership. The Respondent has not denied that the said assignment of certification of Form MGT-7 of the company for the year 2017-18 was done by the Complainant. The Board of Discipline has also observed that the primary requirement under clause (8) of Part I of the First Schedule to the Act is of prior communication with the previous incumbent. This is intended for reasons of professional courtesy. While clarifying the scope of the words "*accepting the position of Company Secretary in practice*", the Council has expressed its view that need for sending a previous communication to the earlier incumbent is mandatory in relation to exclusive area of practice under the Act. The Board of Discipline further observed that the obligation under clause (8) of Part I of the First Schedule to the Act is casted on the Respondent and not on the company.

The Board of Discipline held that the Respondent is 'Guilty' of professional misconduct under clause (8) of Part I of First Schedule to the Company Secretaries Act, 1980 and after giving an opportunity of being heard, passed an order of 'Reprimand' and Fine of Rs. 5000/- against the Respondent.



**YOUR OPINION MATTERS**

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# Green Growth

Green growth is defined as a path to economic growth, which is based on the use of natural resources in a sustainable manner. Governments across the world have been championing the need for economic development and growth based on policies that protect environment. Further, for nearly three decades the world has witnessed the creation of various instruments and programmes to alleviate poverty and accelerate sustainable green growth, like Country Strategy Papers, Poverty Reduction Strategy Papers (PRSPs) and the Millennium Development Goals (MDGs).

The concept of green growth has its origins in the Asia and Pacific Region. At the Fifth Ministerial Conference on Environment and Development (MCED) held in March 2005 in Seoul, 52 Governments and other stakeholders from Asia and the Pacific agreed to move beyond the sustainable development and pursue a path of “green growth”.

Subsequently, the governments and other stakeholders adopted a Ministerial declaration (the Seoul Initiative Network on Green Growth) and a regional implementation plan for sustainable development (UNESCAP, 2008). This commenced a broader vision of green growth as a regional initiative of UNESCAP, where it is viewed as a key strategy for achieving sustainable development as well as the Millennium Development Goals (in particular 2 and 7 relating to poverty reduction and environmental sustainability).

It is heartening to note that Indian government have accorded due emphasis to green growth in the Union Budget 2023-24 under seven priorities of the budget, i.e., ‘Saptarishi’, thereby fostering ‘Waste to Wealth’, Green Growth for Clean India, Protection of Wetlands and Mangroves and so on and so forth. The budget has displayed India’s commitment to lead the global action against climate change, preserve biodiversity and support sustainable development.

Budgetary allocation of Rs.35,000 crore for priority capital investment towards energy transition and Net Zero objectives and Rs.10,222 crore to the Ministry of New and Renewable Energy with the objective of fostering renewable energy sector reverberates with India’s climate change policies and are aligned with the country’s net zero goals, COP27 commitments and the updated Nationally Determined Contributions (NDCs).

The corporate world is also making mammoth contribution to green growth as evident from the following instances-

- i) Ford Motor Company has initiated measures to change the narrative that automobile companies are the heaviest polluters through their ten-part environmental policy that they have implemented for years.

The company uses sustainable fabrics in its vehicles while 80% of both its Focus and Escape vehicles are recyclable. The company also focuses on fuel efficiency, particularly on the six-speed transmission, offering a clean diesel

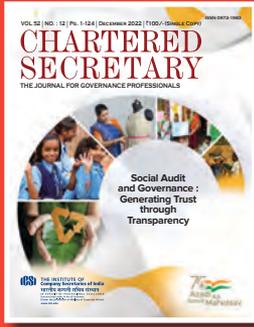
heavy duty pickup truck. Furthermore, the paint fumes in the company’s plant in Michigan are recycled as fuel.

- ii) Fisher Investments has initiated the Redwoods and Climate Change initiative that is aimed at contributing towards the preservation of California’s native Redwoods through cutting down on emissions and gasses that threaten their existence.
- iii) Starbucks embraces principles of environmental sustainability across the board. The company not only purchases Fair Trade Certified and Certified organic coffee but also focuses on achieving LED certifications for its new outlets. By creating ‘green’ stores, the company is able to reduce operating costs as well as minimize the impact of business practices on the environment.
- iv) Tata Power’s sustainable development is the quintessence of their operations, thereby resulting into generation of clean and green energy, and contributing to the reduction of carbon emissions. With a 30% clean energy portfolio, Tata Power commits to being Carbon ‘Net Zero’ before 2045.

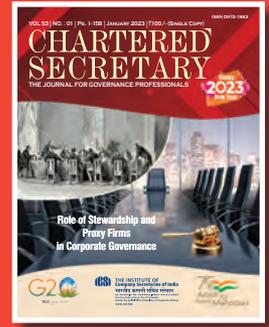
Thus, both at global and national levels, at government as well as corporate levels the concept of green growth has been deeply enconced, thereby paving the way for preserving environment and ensuring economic growth coupled with various green initiatives.

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