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ICSI Celebrates 55th Foundation Day

ESG and Sustainability :
The Economic, Environment and Social pillars

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भारतीय कम्पनी सचिव संस्थान
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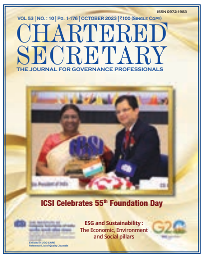

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भारत की राष्ट्रपति

श्रीमती द्रौपदी मुर्मु

का

भारतीय कम्पनी सचिव संस्थान के 55वें स्थापना दिवस पर आयोजित कार्यक्रम में सम्बोधन

नई दिल्ली, 4 अक्तूबर, 2023

भारतीय कम्पनी सचिव संस्थान (ICSI) के 55वें स्थापना दिवस कार्यक्रम में आप सब के बीच उपस्थित होकर मुझे हार्दिक प्रसन्नता हो रही है। इस संस्थान ने पिछले 55 वर्षों में बदलते भारत को देखा है और इस बदलाव में अपना यथोचित योगदान भी दिया है। मुझे बताया गया है कि ICSI लगभग 71000 सदस्यों और करीब 2.5 लाख छात्रों के एक विशालकाय परिवार का प्रतिनिधित्व करता है।

एक सशक्त और समर्थ भारत के निर्माण में ICSI का योगदान सराहनीय है। इस संस्थान ने अपने आदर्श वाक्य "सत्यं वद, धर्मं चर" यानी “सत्य बोलो और नैतिकतापूर्ण आचरण करो” के अनुकूल कार्य करके न केवल कुशलता और दक्षता का परिचय दिया है, बल्कि उत्कृष्टता के नए आयाम और मानक भी स्थापित किये हैं।

देवियो और सज्जनो,

भारत की परम्परा में नैतिक धनोपार्जन यानि ethical wealth creation को हमेशा सराहा गया है और प्रोत्साहित किया गया है। चाहे कौटिल्य का अर्थशास्त्र हो या तिरुवल्लुवर का तिरुक्कुरल, प्रत्येक में धनोपार्जन में नैतिक मूल्यों को महत्वपूर्ण स्थान दिया गया है। तिरुवल्लुवर ने ऐसे धन को, जो बिना किसी को क्षति पहुंचाए अर्जित की गयी हो, धर्म के अनुरूप माना है और आनंद का स्रोत बताया है। इस परिपेक्ष में corporate और निजी क्षेत्रों

का यह उत्तरदायित्व है कि वे सिर्फ आर्थिक नहीं, बल्कि सामाजिक विकास और न्याय को भी अपना लक्ष्य बनाएं।

भारत आज नई ऊंचाइयों और बुलंदियों को छू रहा है। चाहे आर्थिक क्षेत्र हो या सामाजिक, हम अपनी जीवंत सभ्यता और संस्कृति के मूल्यों एवं सिद्धांतों को लेकर चलते हुए, एक विश्व-शक्ति बनने की ओर अग्रसर हैं। ऐसे में यह और भी जरूरी हो जाता है कि हमारे professionals न केवल क्षमतावान और योग्य हों, बल्कि साहसी और सृजनशील भी हों।

मैंने यहां आने से पहले Vision New ICSI - 2022 document पढ़ा जिसमें दलाई लामा की एक पंक्ति है - "In order to carry a positive action, we must develop a positive vision". एक ऐसा संस्थान जिसका विज़न, "To be a global leader in promoting Good Corporate Governance" हो, उससे जुड़े हर व्यक्ति को उपनिषद् में लिखी इस बात को सार्थक करना होगा - 'आप वह हैं, जो आपकी गहन इच्छा है। जैसी आपकी इच्छा है, वही आपकी आकांक्षा है। जैसी आकांक्षा है, वैसा आपका कर्म है। जैसा आपका कर्म है, वैसा ही आपका भाग्य है'।

आपकी इच्छा-शक्ति और आपके कार्यों पर भारत के corporate governance का भविष्य निर्भर है। आप भारत को Good Corporate Governance के साथ-साथ Good Governance का role model भी बना सकते हैं। अत: आपके कार्य ऐसे होने चाहिए जो भारत को विश्व-पटल पर स्थापित कर सकें।

ICSI का कार्य न केवल देश में ऐसे professionals का निर्माण करना है जो corporate कार्यों और कानूनों में सक्षम, समर्थ, और दक्ष हों, बल्कि ऐसे Board Rooms, समाज और संस्कृति का निर्माण करना है जहां सुशासन, सत्यनिष्ठा और अनुशासन सिर्फ शब्द या buzzwords न हों। वे जीवन के

हर पहलु की सामान्य सच्चाई हों, और किसी भी निर्णय को मापने की कसौटी भी हों।

मुझे यह जानकर अत्यंत प्रसन्नता और गौरव की अनुभूति हो रही है कि ICSI की लगभग 50 प्रतिशत सदस्य महिलाएं हैं। यह महिला सशक्तिकरण और समान अधिकार की दिशा में एक बड़ा कदम है। मैं आशा करती हूं कि ICSI की यह उपलब्धि अन्य संस्थानों के लिए भी एक उदाहरण प्रस्तुत करेगी।

देवियो और सज्जनो,

Company professionals के तौर पर आप कई अहम निर्णयों का हिस्सा होते हैं। ऐसे में जरूरी है कि आप यह सुनिश्चित करें कि जिस भी organisation के साथ आप जुड़े हैं वो आने वाली पीढ़ी की आवश्यकताओं से समझौता किए बिना, वर्तमान पीढ़ी की आवश्यकताओं को पूरा करे और sustainable तथा समावेशी रूप से अपने कार्य को पूरा करे।

ICSI का स्थापना दिवस राष्ट्रपिता महात्मा गाँधी की जयन्ती के दो दिन बाद आता है। इसलिए महात्मा गाँधी द्वारा सुझाए गए मार्ग की प्रासंगिकता इस संस्थान के लिए और भी अधिक बढ़ जाती है। राष्ट्रपिता के बताये गए 7 sins में से 3 sins थे:

Wealth without work;

Knowledge without character; और

Commerce without ethics.

उपरोक्त तीन sins से संबंधित सीख सदैव आपकी मार्गदर्शक होनी चाहिए। आपको यह याद रखना चाहिए कि "Business Ethics" से ज्यादा जरूरी है "Ethics in Business". आपको यह भी सुनिश्चित करना है कि देश में व्यापार और निवेश बढ़ाने के लिए बनाये गए कानूनों का सदुपयोग हो। उदाहरण के लिए, एक कंपनी अपने आप में पृथक विधायी अस्तित्व रखती

है। इस बात से यह आशंका बढ़ जाती है कि कभी-कभी इस प्रावधान का दुरूपयोग ऐसे लोग कर लें, जिनकी मंशा नेक न हो। Corporate governance के सजग प्रहरी के तौर पर आपको यह ध्यान रखना है कि व्यापार में सुगमता बढ़ाने के लिए किये जाने वाले कानूनी प्रावधानों का दुरूपयोग न हो।

देवियो और सज्जनो,

परिवर्तन ही प्रकृति का नियम है। अगर हम बदलाव के साथ सहज नहीं होंगे, या अगर हम अपनी प्रवृतियों, तौर-तरीकों और काम करने के ढंग को समय के अनुरूप नहीं बदलेंगे तो सुशासन और सुराज की हमारी कामना परिपूर्ण नहीं हो पाएगी। चाहे नई-नई तकनीकों जैसे AI का जन्म हो, या Regulatory Environment में होने वाले बदलाव, इन सब परिवर्तनों के साथ आपको भी भविष्य के अनुरूप बदलना होगा। मैं ICSI को बधाई देती हूं कि उन्होंने अपने syllabus को न केवल जरूरत के अनुसार update किया है, बल्कि research को भी प्रोत्साहित किया है। मुझे विश्वास है कि इससे आने वाली professionals की पीढ़ी अपने आप को भविष्य की चुनौतियों के लिए तैयार कर सकेगी।

कोई देश समृद्धता और विकास की ओर तभी अग्रसर हो सकता है जब उस देश की हर इकाई, हर कड़ी अपना सर्वस्व देश के लिए देने के लिए तत्पर हो। जब हमारा देश अमृत-काल से गुजर रहा है और आत्मनिर्भरता के वादे को सार्थक करने के लिए प्रतिबद्ध है तब ICSI का MSME Catalyst Initiative सराहनीय है। मुझे बताया गया है कि इस पहल के अंतर्गत MSMEs में good governance को बढ़ावा देते हुए उन्हें अर्थव्यवस्था के growth engine बनाने के प्रयास किये जा रहे हैं।

देवियो और सज्जनो,

आपको यह याद रखना है कि आपकी निष्ठा एक कंपनी के अधिकारी या professional के तौर पर सिर्फ विधि अनुकूल कार्य करने की ही नहीं है, बल्कि आपका कर्तव्य देश के उस हर नागरिक के प्रति भी है जो विकास की यात्रा में पीछे रह गया है। संसाधनों पर corporate जगत की भूमिका trusteeship की होनी चाहिए। सेवा का भाव आपका मूल मन्त्र होना चाहिए। गाँधी जी के आदर्श कथन "सबसे गरीब और सबसे असहाय आदमी का चेहरा याद करें" को याद करते हुए आप Good Corporate Governance के मार्ग पर आगे बढ़ें, जिसका ध्येय हो "मानव गरिमा के साथ सम्पन्नता"। इसी के साथ मैं अपनी वाणी को विराम देती हूं।

धन्यवाद!

जय हिन्द!

जय भारत!

55th ICSI Foundation Day Celebrations held on October 4, 2023 at Vigyan Bhawan, New Delhi

Chief Guest : Hon'ble President of India, Smt. Droupadi Murmu

Guest of Honour : Hon'ble Minister of Finance and Corporate Affairs, Smt. Nirmala Sitharaman

Special Guest : Dr. Manoj Govil, Secretary, Ministry of Corporate Affairs


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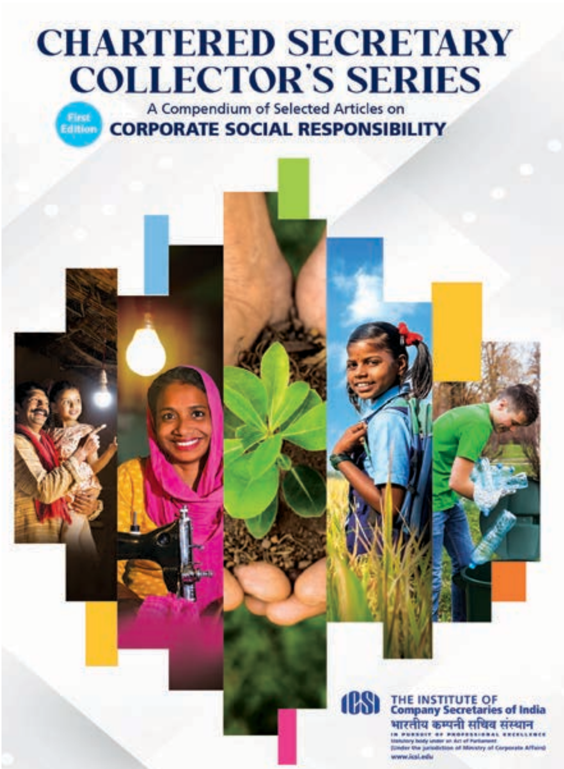
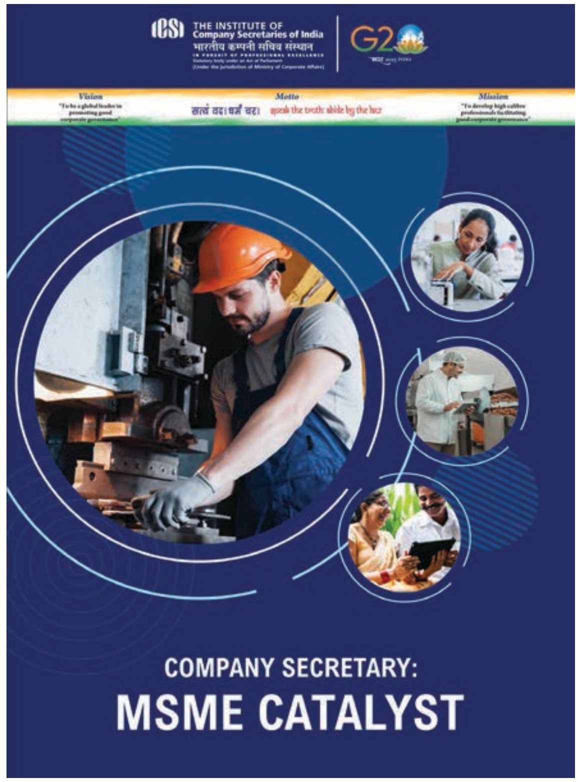
Motto
speak the truth abide by the law
Mission
"To develop high calibre professionals facilitating good corporate governance"
55th Foundation Day
Vigyan Bhawan, New Delhi

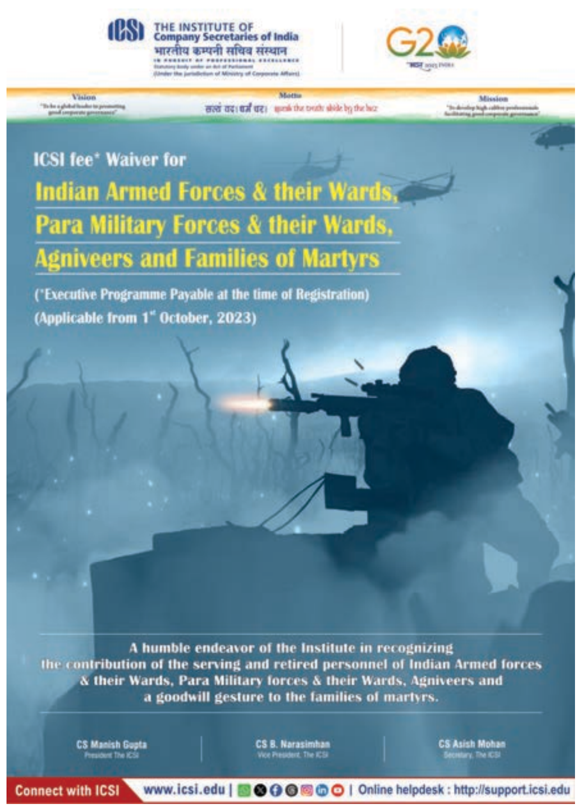
55th ICSI Foundation Day Celebrations held on October 4, 2023 at Vigyan Bhawan, New Delhi

Special Guest : BK Shivani - Recipient of the prestigious 'Nari Shakti Puraskar'

Releases at the 55th Foundation Day of ICSI







Felicitation of Former Presidents, Vice-President, and Secretaries of ICSI at the 55th Foundation Day










Highlights from the speech of Smt. Droupadi Murmu, Hon'ble President of India

"एक सशक्त और समर्थ भारत के निर्माण में ICSI का योगदान सराहनीय है। इस संस्थान ने अपने आदर्श वाक्य "सत्यं वद, धर्मं चर" यानी "सत्य बोलो और नैतिकतापूर्ण आचरण करो" के अनुकूल कार्य करके न केवल कुशलता और दक्षता का परिचय दिया है, बल्कि उत्कृष्टता के नए आयाम और मानक भी स्थापित किये हैं।"

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"ICSI का स्थापना दिवस राष्ट्रपिता महात्मा गाँधी की जयन्ती के दो दिन बाद आता है। इसलिए महात्मा गाँधी द्वारा सुझाए गए मार्ग की प्रासंगिकता इस संस्थान के लिए और भी अधिक बढ़ जाती है। राष्ट्रपिता के बताये गए 7 sins में से 3 sins थे:

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Commerce without ethics.

उपरोक्त तीन sins से संबंधित सीख सदैव आपकी मार्गदर्शक होनी चाहिए। आपको यह याद रखना चाहिए कि "Business Ethics" से ज्यादा जरूरी है "Ethics in Business". आपको यह भी सुनिश्चित करना है कि देश में व्यापार और निवेश बढ़ाने के लिए बनाये गए कानूनों का सदुपयोग हो।"

"मैंने यहां आने से पहले Vision New ICSI - 2022 document पढ़ा जिसमें दलाई लामा की एक पंक्ति है - "In order to carry a positive action, we must develop a positive vision". एक ऐसा संस्थान जिसका विज़न, "To be a global leader in promoting Good Corporate Governance" हो, उससे जुड़े हर व्यक्ति को उपनिषद् में लिखी इस बात को सार्थक करना होगा - 'आप वह हैं, जो आपकी गहन इच्छा है। जैसी आपकी इच्छा है, वही आपकी आकांक्षा है। जैसी आकांक्षा है, वैसा आपका कर्म है। जैसा आपका कर्म है, वैसा ही आपका भाग्य है'। आपकी इच्छा-शक्ति और आपके कार्यों पर भारत के corporate governance का भविष्य निर्भर है। आप भारत को Good Corporate Governance के साथ-साथ Good Governance का role model भी बना सकते हैं। अत: आपके कार्य ऐसे होने चाहिए जो भारत को विश्व-पटल पर स्थापित कर सकें।"

"कोई देश समृद्धता और विकास की ओर तभी अग्रसर हो सकता है जब उस देश की हर इकाई, हर कड़ी अपना सर्वस्व देश के लिए देने के लिए तत्पर हो। जब हमारा देश अमृत-काल से गुजर रहा है और आत्मनिर्भरता के वादे को सार्थक करने के लिए प्रतिबद्ध है तब ICSI का MSME Catalyst Initiative सराहनीय है। मुझे बताया गया है कि इस पहल के अंतर्गत MSMEs में good governance को बढ़ावा देते हुए उन्हें अर्थव्यवस्था के growth engine बनाने के प्रयास किये जा रहे हैं।"

Highlights from the speech of Smt. Nirmala Sitharaman, Hon'ble Finance and Corporate Affairs Minister, Government of India

It is time to "rededicate ourselves for and towards better Corporate Governance... we cannot see our value systems being diluted... Corporate Governance is an issue on which all of us are committed."

The high standard set by the ICSI is well recognised across the world.

I Appreciate wholeheartedly waiving off of the registration fee for 'Agniveer' defence persons.

I also appreciate the other decision, to donate Rs 11 lakh for the education of daughters of martyrs which is praise worthy.

The government has taken significant steps to promote ease of doing business like decriminalisation of minor offences, introduction of the Insolvency and Bankruptcy Code, simplification of regulatory frameworks, tax reforms, and removal of unnecessary and archaic compliance or laws.

EDITORIAL

The 55th Foundation Day of The Institute of Company Secretaries of India witnessed grand celebrations at Vigyan Bhawan, New Delhi with the privileged presence of Hon'ble President of India, Smt. Droupadi Murmu as the Chief Guest and Hon'ble Finance Minister, Govt of India, Smt. Nirmala Sitharaman as the Guest of Honour. Many distinguished dignitaries graced the occasion with their inspiring presence acknowledging with accolades on the accomplishments of ICSI which enhanced the grandeur of this momentous occasion, filling each one of us with great pride and honour, for being part of this remarkable legacy.

I congratulate one and all associated with ICSI and let us aim to become the upright torch bearers of our profession and the Institute with same dignity and honour, preserving the heritage of this extraordinary Institution and marching towards a bright and prosperous future.

In order to fulfil its purpose and furthering the cause of Good Corporate Governance, the Institute is consistently exploring new avenues and developing its members to render their services in multiple professional areas making a considerable difference when it comes to acquiescence and creating Good Governance values in a diverse eco-system. The Institute is now also venturing beyond borders to organise various training programmes and workshops for its Overseas members and has received an encouraging response for undertaking many such initiatives in the coming months.

To take up the cause of Sustainability and ESG (Environmental, Social and Governance) which are initiatives that have become imperative in business with the threat of climate change and climate risk, the Institute is leading the cause in creating immense awareness and professional development in this area. To bring the focus on the pertinent requirements of serving the needs for the ESG framework and standards, this month's issue of the Journal renders a sharp focus on ESG with the theme 'ESG and Sustainability : the Economic, Environmental and Social pillars' for deliberations, cogitations and reflections through various write-ups and research inputs.

The article on 'ESG and Role of Company Secretaries' reiterates the role Company Secretaries play in integrating ESG issues effectively into board governance. The author in the article 'From Tradition to Transformation: ESG Initiatives in Indian Corporate Landscape' emphasises on how ESG criteria has become increasingly important in the corporate world, reflecting a growing awareness of sustainability and responsible business practices. The article 'Is ESG really a "Value Proposition" or simply "Greenwashing"? Demystifying the "ESG" in India with surgical precision' enlightens on how it is a proven fact that organizations which are compliant on the parameters of sustainable development have performed well. Another article on the Role of Company Secretary in Environmental, Social, and Governance (ESG) briefs on how businesses must adhere to ESG standards and have a strong ESG compliance framework in place focusing on the critical role played by Company Secretaries who are in charge of overseeing and putting these standards into practice at the board level and ensuring compliance with legislative obligations connected to ESG. The author through the article 'Exploring the nexus of ESG and CSR : Unveiling Key Similarities and Differences' offers valuable insights on CSR (Corporate Social Responsibility) and ESG (Environmental, Social, and Governance) exploring their influence on businesses and highlights their shared objectives. An analytical article on Business Reporting and Sustainability Reporting – 'BRSR: creating the Non-Financial rulebook' highlights the need to provide the disclosure with regard to material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business of entity. Through the Article 'ESG Board's Responsibility – India and Globally' the author brings to light how both CSR and ESG continue to coexist in India. An article on 'Cognitive Bias in Judicial Decision Making' provides an insight into cognitive bias in the judicial decision making process. The article on 'Concentration of Real Estate development in the vicinity of metropolitan cities: Reasons, Benefits, Challenges, Impact on Future Generations & Sustainable Development' attempts to create awareness on the MCA constituted Committee on Business Responsibility Reporting (the Committee) to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the NGRBC (National Guidelines on Responsible Business Conduct) and the Committee's recommendation on BRR be replaced by BRSR, where disclosures are based on ESG parameters.

The Institute is really honoured to publish the interview of CS (Dr.) T. V. Somnathan, the Hon'ble Secretary, Ministry of Finance, Govt. of India, a distinguished officer of the Indian Administrative Services and an eminent member of the ICSI, in this issue of the journal.

Wishing the esteemed readers a month full of celebrations and festivities ahead.

Happy reading !

CS Asish Mohan
(Editor - Chartered Secretary)

1. ICSI delegation led by CS Manish Gupta, President, The ICSI met with Shri Arjun Ram Meghwal, Hon'ble Minister of State (I/C) for Law & Justice, Parliamentary Affairs and Culture.
2. ICSI delegation led by CS Manish Gupta, President, The ICSI, met Shri Ramalingam Sudhakar, Hon'ble President, NCLT to discuss opportunities for CS professionals.
3. ICSI delegation led by CS Manish Gupta, President, The ICSI met Mr Ashish Chauhan, CEO, NSE and Mr Piyush Chourasia, Chief Regulatory Officer, NSE.
4. CS Manish Gupta, President, The ICSI & CS B Narasimhan, Vice-President, The ICSI met Mr Pramod Rao, Executive Director, SEBI and CS Pradeep Ramakrishnan, GM SEBI.
5. ICSI Delegation met Shri Ajay Kumar Singh, Press Secretary to the Hon'ble President of India.
6. CS Manish Gupta President, The ICSI addressed at the One Day Seminar organised by the Chhatrapati Sambhajinagar Chapter of WIRC of ICSI.
7. CS Manish Gupta President, The ICSI addressed the Nashik Chapter of WIRC of ICSI during One Day Conference organised on the theme 'Mastering Drafting and Allotment of Securities in Evolving Legal Landscape'

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8-9. 23rd All India Company Law Quiz was hosted by Nagpur Chapter of The Institute of Company Secretaries of India on September 16, 2023.

10-11. IEPFA celebrated 7th Foundation Day in association with ICSI. A special seminar was organised on the theme "Understanding the Psychology of Scams: How to Avoid Fraudulent Schemes" in New Delhi.

12. The 47th Regional Conference of Company Secretaries organized by ICSI-SIRC on the theme "India@G20: Role of Company Secretary in Fastest Growing Economy" on Friday & Saturday, 8th-9th September 2023 at Chennai.

13. ICSI Kozhikode Chapter Signed ICSI study Centre MoU with Kottakkal Farook Arts and Science College, Kottakkal, Malappuram district, Kerala on 5th September 2023.

14. WIRC of ICSI jointly with Kolhapur Chapter of ICSI recently organised a Full Day Programme on the Theme 'In It to Win It.'

"सत्यं वद। धर्मं चर।"

Speak the truth and Abide by the Law

Dear Professional Colleagues,

Sometimes the memories of a single day weigh heavy over an entire lifetime. And these words, I do not say from a point of exaggeration, but as a reminiscence of my entire journey of life. As I sit to pen down the events of the day gone by, my thoughts find pace faster than the ink and the surging wave of emotions just keep scrolling the entire series of moments like a movie tape.

As a young student, fresh into the course, it would have been a seemingly far fetched dream that I would be accorded the opportunity of representing the Institute and the honour of sharing stage with the Hon'ble President of India. And yet the past few months had seen us making dedicated attempts and meetings only to get that one nod which brought the realization as to how badly we had wanted it. It was as if we had been living and breathing this dream, manifesting it with all our might.

The ICSI Foundation Day is not just a flagship event, akin to, our conventions and conferences; rather the day is a moment to ponder over the journey travelled; bask in the foresightedness of the founding fathers; recount the committed attempts of the Past Presidents, Council Members and Secretaries in taking the institute forward; the untiring efforts of all the employees over these 55 years in pursuing the best interest of all members and students of this Institute; and above all the relationships fostered between the members – old and new, senior and younger, the bonds created, the knowledge sought and the experience shared. And how can we forget the students who have either burn the midnight oil or woken up in the wee hours of the morning, tried their hand at understanding all sorts of laws and when that failed, crammed the entire sections. It is the students who have held hope in their hearts, gleam in their eyes, and passion in their action giving me the assurance that as much glorious the past has been, the future of this Institute and the profession is in good hands.

As an Institute, the past years have seen us boasting of Pan-India presence, but more than the presence, what we really take pride in is the efforts of our Regional Offices, the Chapters, their Teams and Employees who have seen every initiative to fruition and who by themselves are aware of the needs of their members and students connected and undertake capacity building and knowledge enrichment initiatives for them.

It would be wrong on my part to call this celebration ours alone, for it is as much a celebration for our sister concerns & our peers, and they have made us feel so by their presence at our eventful celebrations on an year-on-year basis.

If the simplest of individual relationships are built on faith, and trust, how can institutions be left behind? Had it not been for the trust placed in the present and future of the profession by the Department of Company Affairs back during the day and the Ministry thereafter, we might have not surpassed our own expectations and growth trajectory.

The vision of the Institute *"to be a global leader in promoting good corporate governance"* might have been a visionary thought of the initial council, but taking it forward has been the dream and goal of all those who followed. We formed International Associations, we held global positions, represented the profession & the nation on global platforms of deliberation and even so, the past few years, have seen us expanding base and inaugurating Overseas Centres in six different nations.

All in all, if I am to recount each year, each month, each moment has played its role in bestowing us the pleasure and pride to celebrate the 55th Foundation Day of the ICSI in full grandeur and fervour.

FIT INDIA – FIT ICSI: CHEERS TO HEALTHY BEGINNINGS !

Five years ago, the Honourable Prime Minister of India had launched the Fit India Movement to make fitness, an integral part of our lives. Just a few days hence, the ICSI, understanding the mission to bring about behavioural change and adopt a physically active lifestyle, aligned itself to the movement, by way of **Fit India – Fit ICSI**. Our Foundation Day, that very year, served as the perfect opportunity and the ICSI very proudly partnered with the Government of India organising Pan-India Walkathons where all our Chapters and Regional Offices happily participated. All we knew was that we were pursuing our social responsibility – little did we know that we were creating a legacy. Each year therefrom, as we begin preparations for the Foundation Day, Fit India-Fit ICSI tops the list. Our Chapters and Regional Offices keenly awaited our mails and the members and students participate in full gusto. This year was no different either. All our 72 Chapters, Regional Offices, 2 Research and Training Centres, joined us as we created history - adding a page into our memoirs and taking pledge to alter our lives and transition towards a healthier way of living.

My heartiest gratitude towards all the dignitaries who joined us and flagged-off the Walkathon and even walked a mile with us. It is in our togetherness that we find the best of achievements indeed…!

SANKALP SE SRISHTI: THE 10 COMMANDMENTS

"Vishwa guru, not only in what we are doing, but Vishwa guru in what we are being."

It was in the month of April that we had first contacted the Brahma Kumari Meditation Centre to get in touch with Shivani Didi. Our intent being, to seek the blessings and guidance, to align ourselves, not just morally and ethically but mentally and spiritually as well.

The idea was to energise and empower our entire beings as we all enter into a new year collectively as an institution. The idea was to resonate at a higher energy vibration. The idea was to find a final balance between our professional and personal lives.

It fills me with great reverence and gratitude of having not just shared stage, but ICSI's past, present and future with BK Shivani – a learned soul and a wonderful human being.

Her 10 Commandments or manifestations have given us a much simpler path to attain our desired goals. Having her to release the Group Health Policy and yet met out the advice to adopt a healthy way of living so as to not feel the need to use it left us all smiling.

Her words "Quit the race to win the race" have somehow stayed with me. The fact that we should be competing with one's own self to attain excellence shall definitely be the mantra for the future.

"Thoughts create reality, Thoughts create my world"

Having been blessed with this guidance, I am sure that we as professionals, as Company Secretaries, as Governance Professionals, will manifest our goals, will realise our dreams, and *Siddh* the *Sankalp* of attaining our ultimate goal of being guardians and promoters of good governance…!

MINISTRY OF CORPORATE AFFAIRS: GUIDING THE WAY

The Institute of Company secretaries of India has in its masthead, proudly written – "Under the jurisdiction of Ministry of Corporate Affairs". For us, the presence of the Ministry can be distinctly found in all our actions. We share our issues & challenges, the concerns of our members & stakeholders, we express our intent to help, and seek guidance & support just as the young ones of the family look up to their guardians and the elderlies. It is quite a kind reciprocation that the Ministry and all its officials listen and respond to us in an equally familial way.

So, when the Institute began its planning for this mega celebration, it was only befitting that the Heads of the family were called upon to join us and share in the gaiety of the event. I am thankful from the core of my heart towards the Hon'ble Minister of Finance and Corporate Affairs, Smt. Nirmala Sitharaman and Secretary, MCA, Dr. Manoj Govil, for joining us, and extending their best wishes, patting our backs and laying out their expectations as well.

The recognition of our efforts, especially for issuing secretarial standards, promoting ease of doing business without lagging on the governance side and also reviewing corporate laws side-by-side, has indeed added a spring in our step.

Having witnessed the Hon'ble Finance Minister extend gratitude to the Hon'ble President of India on behalf of the Institute for sparing her valuable time in being a part of the ceremony has warmed us all.

Her recognition of ICSI as a global leader and her appreciation of the different benchmarks set by us along with the role of ICSI in nation building - her commendation of the ICSI social endeavours – Agniveer and Shaheed ki Beti – wherein in the former, ICSI has accorded 100% fee concession to those young men and women who have completed their tenure as Agniveers and intent to pursue the CS qualification - has provided further impetus to our initiative.

"I can see the significance of what this would contribute for the Shaheed's family, the martyred soldier's families and particularly for the girls of these families to be able to get your support. It is a very good gesture and I am sure your families will be very proud of you all individually and as an institute for taking this brilliant step."

Having made a further contribution of Rs.11,00,00 on the occasion of our Foundation Day through the Hon'ble Finance Minister to the Shaheed ki Beti Fund has made the day all the more memorable.

Madam, we assure you that your expectations "to make India in the next 25 years a very well governed and very well managed corporate domain" will be realised by our combined efforts….!

HONOURED, HUMBLED, SPEECHLESS : PLAYING HOSTS TO THE FIRST CITIZEN OF THE NATION

As an Institute, we have on various occasions played host to different Presidents of the country. Sometimes at our Conferences and Conventions and even at our Foundation Day celebrations, yet, the feelings and emotions are uniquely different each time. As an individual, sharing stage with the first citizen of the country – the experience cannot be put into words.

From the moment of her stepping foot into the foyer of Vigyan Bhavan to her taking the stage, casually seeking information about her initiatives and then congratulating us and appreciating us in her address; each of these moments have left an impermeable mark on our memories. The fact that the honourable President of India, Smt. Droupadi Murmu joined us in our celebration of the 55th foundation day of the Institute of Company secretaries of India, extended her best wishes and alighted the way with her words of expectations and guidance has raised the benchmarks of this profession notches high.

"इस संस्थान ने अपने आदर्श वाक्य "सत्यं वद। धर्मं चर।" यानी सत्य बोलो और नैतिकता पूर्ण आचरण करो के अनुकूल कार्य करके ना केवल कुशलता और दक्षता का परिचय दिया है, बल्कि उत्कृष्टता के नए आयाम और मानक भी स्थापित किए हैं।"

These words of the Hon'ble President of India, recognising the motto of the Institute and the fact that the Company Secretary professionals have lived by this code has lent further strength and grit to our actions.

Although each and every word of her speech, her views and thoughts shared with us as professionals holds a deep meaning. One of the core expectations that have been shared by her include the fact that the professionals must be *courageous* and *creative*. Given the fact that the modern day professionals, take one various responsibilities and might face multifarious issues and challenges in their day-to-day areas of work, it is imperative that Company Secretaries in their roles as Governance Professionals, and in their attempt to be Global Professionals, pursue innovation and creativity in their actions and activities. Not only that, a professional standing for truth must have the courage to do so, even when the odds might not be in their favour.

"आपकी इच्छा–शक्ति और आपके कार्यों पर भारत के corporate governance का भविष्य निर्भर है। आप भारत को corporate governance ke साथ साथ good governance का role model भी बना सकते हैं।"

These words of hers, while appreciate the role of Governance professionals in taking the vision of the Institute forward, they also expect bigger roles and a much expansive yet all-inclusive mind-set from the Institute as well as its professionals when it comes to promoting good governance.

I take this opportunity to speak on behalf of all the members and the entire Institution and commit to the Hon'ble President and the entire nation, that our endeavours shall relay focus on governance aspects beyond corporations.

As we extend our humble gratitude for giving us your time and timeless memories, I am hopeful of making India the global leader in good governance in the years to follow…!

WAY FORWARD : NIMBLE STEPS TAKING GIANT LEAPS

As an Institution we are 55 years old, but in our togetherness we are 55 years young. As we release the ICSI Bi-annual Progress Report for the period of January to July 2023 and share it through the pages of this Journal, the work for the remaining months has been chalked out well in advance. We all will be meeting soon at the 51st National Convention of Company Secretaries in the land of Mahadev - Varanasi.

As we prepare Standards for various areas to significantly improve the status of governance therein, we intend to look back and re-initiate the process of promoting good governance in the grassroots and other governance institutions & entities.

They say "Future belongs to those who believe in the beauty of their dreams."

So while our dreams are beautiful I am sure that their realities and the future shall be magnificent beyond words.

Cheers to wondrous times ahead !!!

Happy reading !!

Yours Sincerely

CS Manish Gupta
President, ICSI

INITIATIVES UNDERTAKEN DURING THE MONTH OF SEPTEMBER, 2023

MEETINGS AND GREETINGS

During the month, ICSI delegation met with the following dignitaries *(in alphabetical order)*:

- Shri Arjun Ram Meghwal, Hon'ble Minister of State (I/C) for Law & Justice, Parliamentary Affairs and Culture
- Shri Ramalingam Sudhakar, Hon'ble President, NCLT
- Shri Ajay Kumar Singh, Press Secretary to the Hon'ble President of India
- Shri Ashish Chauhan, CEO, NSE
- Shri Pramod Rao, Executive Director, SEBI
- CS Pradeep Ramakrishnan, GM, SEBI
- Shri Piyush Chourasia, Chief Regulatory Officer, NSE

GLOBAL OUTREACH

TWO-DAY JOINT TRAINING PROGRAMME WITH THE INSTITUTE OF CHARTERED SECRETARIES OF BANGLADESH

The Institute organized a joint training programme with The Institute of Chartered Secretaries of Bangladesh in Dhaka, Bangladesh on September 15-16, 2023 on the theme Extended Scope of Work for CS Professionals. Company Secretaries from India and Bangladesh participated in this unique two-day capacity-building programme, focused on enhancing their knowledge and competency in Company Law, Corporate Governance, CSR, ESG, M&A, Tax, VAT, GST, and Secretarial Audit.

ANNUAL LONDON GLOBAL CONVENTION, 2023 OF INSTITUTE OF DIRECTORS

The Institute has partnered with the Institute of Directors for their Annual London Global Convention 2023 in London, UK, on 17-20 October 2023.

MEETINGS WITH INSTITUTE OF INTERNAL AUDITORS, BANGLADESH

ICSI Delegation led by CS Manish Gupta, President, The ICSI met officials of Institute of Internal Auditors, Bangladesh.

INITIATIVES FOR MEMBERS

51st NATIONAL CONVENTION OF COMPANY SECRETARIES: REGISTRATIONS OPEN

The 51st National Convention of Company Secretaries is scheduled to be held during November 2-3-4, 2023 on the theme **India@G20: Empowering Sustainable future through Governance & Technology** at **Deendayal Hastkala Sankul (Trade Centre & Craft Museum), Varanasi, Uttar Pradesh**. It is an opportunity to witness this mega event in one of the ancient cities of the world that exudes spirituality, cultural richness, and historical significance. The Convention will bring together professionals, experts, and policymakers from the Government, Regulators, Industry and Academia to discuss and deliberate on the role of governance and technology in achieving a sustainable future. We are delighted to call upon you to register for this mega event by visiting the weblink: https://tinyurl.com/58y3c58n

7th FOUNDATION DAY OF INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

The Investor Education and Protection Fund (IEPF) Authority organised its 7th Foundation Day in collaboration with the ICSI and National Council of Applied Economic Research (NCAER) on September 5, 2023 at Dr. Ambedkar International Centre, New Delhi on the theme **"Understanding the Psychology of Scams: How to Avoid Fraudulent Schemes"**. Dr. Manoj Govil, Chairman, IEPF Authority and Secretary, MCA, Ms. Anita Shah Akella, CEO, IEPF Authority and Joint Secretary, MCA, CS Dhananjay Shukla, Council member, ICSI, Lt. Col. Sumit M. Rane, GM, IEPF Authority and Lt. Col. Tushar Anand, GM, IEPF Authority graced the inaugural session. A panel discussion was also organised during the programme wherein panel comprised of Mr. Ajay Tyagi, Former Chairman, SEBI, Dr. M.S. Sahoo, Former Chairman, IBBI and Former Member, SEBI, Mr. Dhirendra Kumar, CEO, Value Research and Ms. Suchitra Maurya, Banking Ombudsman, Delhi, Reserve Bank of India. Prof. C S Mohapatra, IEPFA Chair Professor, moderated the panel discussion.

MASTER KNOWLEDGE SERIES: EEE

The ICSI, with the intent of reviving, refreshing and sharpening the knowledge of its members on the Companies Act, 2013 and SEBI Regulations has launched a Master Knowledge Series: EEE: Enable, Evaluate, Excel. The capacity building initiative is an attempt to keep members abreast of the various amendments in these laws and to enable them to brush up their knowledge on the subjects. During the month, following webinars were conducted:

Date	Topic	Faculty	Links
September 09, 2023	Significant Beneficial Ownership	CS Savithri Parekh Company Secretary and Compliance Officer Reliance Industries Ltd.	www.youtube.com/live/uEoPdHvxJJQ? si=owkQwpx71GoYKQT8
September 13, 2023	SEBI (PIT) Regulations, 2015	CS Narayan Shankar Executive VP and CS Mahindra & Mahindra Limited	https://www.youtube.com/live/c4Do-uzPiy8? si=Lq7JREkdL8i0ho5S

WEBINAR SERIES ON MSMEs & STARTUPs

A series of webinars were conducted on a weekly basis touching upon significant areas pertaining to MSMEs and another one for Start-ups to guide members so as to render them capable in supporting and strengthening governance frameworks in these entities. During the month, following webinars were conducted:

Date	Topic	Faculty	Links
September 04, 2023	MSMEs: Taking Local to Global	CS (Dr.) Preet Deep Singh Chief Analytics Officer & Vice President, Invest India	https://www.youtube.com/watch?v=MR_0Qt26EpE
September 11, 2023	SME Listing	Nitin Somani, Director Sundae Capital Advisors Private Limited	https://www.youtube.com/live/6HC6-mPR_iY?si=p0sMNjEzazuU1VnF
September 25, 2023	Start-up Governance: The Legislative Requirements	CS (Dr.) Mamta Binani Former President, The ICSI	https://www.youtube.com/live/GxTaKrj42Vo?si=538 XAEHugyuMbUW2

ICSI NCLT CONCLAVE

The Council of the ICSI had thought it fit to conduct NCLT Conclave jointly through all Chapters of ICSI where the NCLT Benches have been constituted and all Four Regional Offices. The events under the head were conducted jointly with ICSI-IIP in the presence of Judicial and Technical Members of the National Company Law Tribunal. During the month, following Programmes were conducted:

Benches of NCLT	ROs/Chapters of ICSI	Date
National Company Law Tribunal, Ahmedabad Bench	Ahmedabad Chapter	16.09.2023
National Company Law Tribunal, Bengaluru Bench	Bengaluru Chapter	16.09.2023
National Company Law Tribunal, Kolkata Bench	EIRC - ICSI	23.09.2023
National Company Law Tribunal, Hyderabad Bench	CCGRT-Hyderabad jointly with Hyderabad Chapter	23.09.2023
National Company Law Tribunal, Cuttack Bench	Bhubaneshwar Chapter	25.09.2023

VIEWS/REPRESENTATIONS/SUGGESTIONS SUBMITTED

Purpose	Authority	Date
Request for extension of facility of holding AGM through VC	MCA	September 11, 2023
Intimation of difficulty in receiving OTP while filing DIR-3 KYC	MCA	September 27, 2023
Request to dispense with the requirement for dispatch of physical copy of Notice and Annual Report and Proxy forms with respect to General Meetings of Listed Entities	SEBI	September 29, 2023

JOINT PROGRAMMES

- The ICSI joined as **Knowledge Partner** in the webinar on **"Important Latest GST Legal Jurisprudence"** organised by **PHD Chamber of Commerce & Industry** on **September 21, 2023.**

- The ICSI joined as **Associate Partner** in the webinar on **"Search & Seizure under Income Tax" Act"** organised by PHD Chamber of Commerce & Industry on **September 22, 2023.**

- The ICSI joined as **Associate Partner** in the full day **"Environmental, Social & Governance Conference"** organised by **Delhi Management Association (DMA)** on **September 22, 2023** at India Habitat Centre. CS Venkata Ramana R, Council Member, The ICSI graced the inaugural session and panel discussion as the guest speaker.

PLACEMENT OPPORTUNITIES FOR COMPANY SECRETARIES

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

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

Company Secretary Trainees and Members requirement at various Government Offices/PSUs/Banks/Corporates		
S. No.	**Department / Organization**	**Designation**
1.	HSCC (India) Limited	CS -Senior Manager
2.	ICSI	Multiple Positions

3.	Indraprastha Power Generation Company Limited	Company Secretary
4.	Investor Education & Protection Fund Authority (IEPFA)	Young Professionals
5.	Ministry of Corporate Affairs	Young Professionals
6.	National Bank for Agriculture and Rural Development	Assistant Manager
7.	National Credit Guarantee Trustee Company Limited	Assistant Manager-CS
8.	Pharmacy Council of India	Consultant
9.	Rites Limited (A Govt. of India Enterprise)	Junior Manager (CS)
10.	The National Small Industries Corporation Limited	Assistant Manager
11.	Yantra India Limited	Company Secretary
12.	Ardent Capital Pvt Ltd	Compliance Officer
13.	Fast Track Finsec Private Limited	Company Secretary
14.	Indo Russian Rifles Pvt Ltd	Company Secretary
15.	Infinium Pharmachem Limited	CS & Compliance Officer
16.	Jubilant Foodworks Limited	Manager - Secretarial
17.	Mindsprint	Corporate Secretariat
18.	Pentagon Premises Private Limited	Company Secretary
19.	Peoplequest Data Services Pvt. Ltd.	Company Secretary
20.	Rossari Biotech Limited	Company Secretary
21.	Shigan Evoltz Limited	CS & Compliance Officer
22.	SMIFS Capital Markets	Company Secretary
23.	Tiare Consilium Private Limited	Assistant Company Secretary
24.	True Value Homes	Assistant Company Secretary
25.	Uttarakhand Power Corporation Limited	Company Secretary
26.	Value Industries Limited	CS and Compliance Officer
27.	Yadu Sugar Limited	Company Secretary
28.	Zim Laboratories Limited	Deputy Company Secretary

STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL

(As on 30th September, 2023)

Registered Users			Total no. of Vacancies
Members	Students	Corporates	Jobs/ Trainings
182	304	148	185

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. Following Campus Placement Drives were conducted in the month of September 2023:

- Indian Renewable Energy Development Agency Limited (IREDA)

ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS

- **Workshops**

Date	Topic
September 23, 2023	Learner's Session on Moratorium and Interim Finance under IBC

- **Webinars**

Date	Topic
September 08, 2023	Anatomy of IBC Case Laws – 7
September 09, 2023	Challenges Related to Real Estate Claims
September 13, 2023	Reviewing Regulations notified under Insolvency and Bankruptcy Code, 2016
September 15, 2023	Avoidance Transactions under IBC
September 16, 2023	Artificial Intelligence in Turnaround & Insolvency
September 22, 2023	Anatomy of IBC Case Laws – 8

- **Pre-Registration Education Course**

  62nd Batch of Pre-Registration Education Course jointly organised by all the three Insolvency Professional Agencies during September 19-25, 2023.

ICSI REGISTERED VALUERS' ORGANISATION

- **50 Hours Online Education Course**

  ICSI RVO conducted "50 Hours Educational Programme" from August 31, 2023 to September 06, 2023.

- **Completed Batch-3 of Certificate Course on valuation of SFA**

  ICSI RVO jointly with ICSI has completed the Third batch of *"Certificate Course on Valuation of Securities or Financial Assets"*.

- **Case Study Workshop**

  The Company has conducted Case Study Workshops on 9th September, 2023 on the Topic of: "Case Study Workshop on buyback of Shares".

- **Mandatory Training Programme (COP)**

  The ICSI RVO conducted a Training of four hours of Mandatory Training Programme (COP) on September 19-20, 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)

ICSI-CCGRTS

ICSI-CCGRT NAVI MUMBAI

- ODOP (One Day Orientation Program) conducted on September 1, 2023. 24 students across the state attended the program.
- Workshop on Alternative Dispute Resolution (ADR) hosted on September 2, 2023.
- 13th Residential Corporate Leadership Development Program (CLDP) and the 83rd Management Skill Development Program (MSOP) held from September 7-22, 2023

ICSI-CCGRT HYDERABAD

- *ICSI Arbitration Day:* **In Commemoration of ICSI Arbitration Day, ICSI CCGRT, Hyderabad and Hyderabad Chapter of ICSI successfully conducted a half day Seminar on Arbitration and Mediation on** September 02, 2023. Dr. Justice B. Seshasayana Reddy, Former Justice, High Court for the State of Andhra Pradesh was the Chief Guest for the program.
- *ICSI-NCLT Conclave:* ICSI-CCGRT, Hyderabad jointly with the Hyderabad Chapter organized a full day ICSI-NCLT Conclave-Practices & Procedures on September 23, 2023 at G.P Birla Centre, Hyderabad. Dr. VR Badrinath Nandula, Hon'ble NCLT Member (Judicial), Hyderabad was the Chief Guest at the event.
- *PRPC Task Force Meeting:* A two-day PRPC Task Force Meeting organized on September 23-24, 2023 on "Procedural Aspects of Company Law" where professionals from southern part participated in brainstorming sessions in the presence of ICSI-HQ officials.

INITIATIVES FOR EMPLOYEES

- *Webinar on "Dyslipidemia Management / Cholesterol Care" by Dr. Reddy's Foundation*

  A webinar was organized on the occasion of World Heart Awareness Month on 6th September, 2023 on the topic "Dyslipidemia Management / Cholesterol Care" by Dr Reddy's Foundation for the benefit of ICSI employees and pensioners which was presented by Dr. N. Kannan.

- *3 days Residential Meditation Retreat Training Proqramme by Brahma Kumari's, Gurugram*

  A Residential Meditation Retreat Training Proqramme was conducted by Bramha Kumaris, Gurugram from September 14-16, 2023 at Brahma Kumaris Retreat Centre, Manesar, Haryana for the employees of the Institute. 14 employees took part in the training programme.

- *General Healthcare Checkup Camp at Noida*

  A general healthcare checkup camp was organized at Noida Office in collaboration with Medanta Hospital, Gurugram on September 27, 2023 for the well-being of employees, as a part of continuous employee welfare programme. A team of 10 medical staff including a Cardiologist and Physician visited the Institute. All employees posted at Noida office participated in the camp.

INITIATIVES FOR STUDENTS

ICSI TEACHER'S CONFERENCES BEING ORGANISED IN SEPTEMBER 2023

To empower educators, ICSI organised Teacher's Conference in the month of September 2023. One Teachers' conference will be organized for teachers of Class 11th & 12th of Higher Secondary Schools and another teachers' conference will be organised for faculty members of various Universities / Colleges, preferably from Department of Commerce and Law.

2nd ICSI GURU SHRESTHA AWARDS 2023

ICSI in its endeavour to acknowledge the immense contribution of educators in education is conducting 2nd Gurushrestha awards during the year 2023. The purpose of "ICSI Gurushrestha" award is honouring those Teachers and Lecturers/Professors across India who have through their commitment and industry contributed immensely to improve the quality of Commerce/Finance Education at School as well as College /University level and have augmented the lives of their students. The awards will be conferred upon to the faculties of universities with whom ICSI has entered into MoU.Professors/Lecturers working on full–time regular basis in Commerce/Law / Management Department of these Universities are eligible to apply. The faculties will be evaluated through a multi-layered evaluation process through an expert group and eminent jury comprising top academicians of the country.

YUVOTSAV-2024 TO BE ORGANISED ON JANUARY 11-12 2024

Yuvotsav-2024, National Conference of Student Company Secretaries will be organized on January 11-12, 2024 in Delhi/NCR. Students can participate in various competitions in Yuvotsav-2024 through their Regional/ Chapter Offices. They also need to register online by remitting the requisite fee for the same. Around 23 competitions will be organised during Yuvotsav-2024. Legal Puzzle, Elocution Competition, Debate Competition, Fashion show are some of the competitions which will be organised during Yuvotsav-2024. All interested students are requested to contact their respective regional/Chapter office to participate.

The link to register in Yuvotsav-2024 is: https://tinyurl.com/y5rkrvsp

ONLINE QUIZ ON CURRENT AFFAIRS AND GENERAL KNOWLEDGE 2023

The Institute, through a novel initiative, for creating awareness about the profession is organising Online Quiz on Current Affairs & General Knowledge. There is no participation fee and the students can register in the following category:

Students pursuing 11&12 class of any stream/ Students passed 12th/ pursuing Graduation

The three rounds of quiz will be conducted - prelims, semi-final and final on different dates and the winners in each Category will be awarded with cash prizes.

ALL INDIA COMPANY LAW QUIZ 2023

The objective of this competition is to enhance the knowledge level of students in Company Law and allied areas and to generate interest among the students for in-depth study of the subject including greater conceptual clarity. All students of the Institute having a valid registration number as on 31st May 2023, were eligible to participate in All India Company Law Quiz-2023. The Registration for the competition starts from 20th April 2023 till 31st May 2023 through online mode. Accordingly, all eligible students participated and appeared in preliminary round and it was successfully conducted via online mode on 30th June 2023 Quarter Final Round of AICLQ was also successfully conducted on scheduled date i.e., July 14, 2023. The Schedule of Rounds of the Competition will be held via Online/ Physical Mode as per the following schedule:

Preliminary Round	June 30, 2023 Online Mode (MCQ Pattern) (10 am to 5 pm)
Quarter Final Round	July 14, 2023 Online Mode (MCQ Pattern) (10 am to 5 pm)
Semi Final Round	August 1, 2023 Online Mode (MCQ Pattern) (10 am to 5 pm)
Final Round	September 16, 2023 (Physical at Nagpur)

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

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

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

ICSI SAMADHAN DIWAS

Samadhan Diwas was launched by the Institute on February 27, 2021 with the objective of providing "on-the-spot" resolution to issues/grievances of 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 35th Samadhan Diwas was organized on September 13, 2023 through virtual mode in the presence of officials of all designated offices of the Institute. The purpose of the Samadhan Diwas is to facilitate the stakeholders to resolve their queries on the spot. In the Samadhan Diwas students get opportunity to present their cases and directly interact with the ICSI officials.

TRAINEE DRIVE

The Trainee Drive of the Institute provides training opportunities to its students to place them in Corporates/ PCS firms to enhance their professional understanding. In the month of September 2023, CS Mega Trainee Drive was conducted across 18 locations at pan India basis. More than 216 Companies/ PCS Firms and 189 Students had registered for the drive.

REVISION IN THE FEES FOR UNDERGOING 15 DAYS RESIDENTIAL CLDP

The Council of the Institute, at its meeting held on July 13, 2023 has prescribed the fees for undergoing 15 days Residential Corporate Leadership Development Programme to ₹22,000 (Inclusive of Stay and all Meals, Study Material /CLDP Kit, Stationery Items).

ICSI CLASSES AT REGIONAL/ CHAPTER OFFICES FOR DECEMBER 2023 EXAMINATIONS

Classes are being conducted by Regional/Chapter Offices for the students appearing in December 23 Examination. Details of Regional/Chapter offices conducting classes are available at the following link. https://www.icsi.edu/media/webmodules/websiteClassroom.pdf

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.

GO-LIVE OF PROFESSIONAL PROGRAMME REGISTRATION FOR NEW SYLLABUS 2022

Automation of Professional Registration of New Syllabus 2022 with two elective subjects on SMASH w.e.f. 1st August 2023. Announcement pertaining to Professional Registration under New Syllabus 2022 available at Institute's website or at the following url : https://www.icsi.edu/media/webmodules/AnnouncementProfessionalNewSyllabus22082023.pdf

CONFIGURATION OF DECEMBER 2023 ENROLMENT SETUP FOR EXECUTIVE NEW SYLLABUS (2022), EXECUTIVE & PROFESSIONAL OLD SYLLABUS 2017

The first examination for Executive New Syllabus (2022) shall be conducted from December 2023 and accordingly the system has been successfully configured to enrol students for December 2023 session of examination. Subsequently Enrolment Setup also activated for Executive & Professional Old Syllabus (2017) students.

NEW FACILITY TO CHANGE PROFESSIONAL ELECTIVE SUBJECT WITH REQUISITE CHANGE FEE AFTER ENROLLING FOR CS EXAMS

After submitting the enrolment form, the Institute has received numerous requests to modify the elective subject. To facilitate these students, the Institute has decided to accommodate change requests with the requisite change fee from December 2023 Session onwards according to the schedule below:

Enrolment Services after submission of Enrolment Form for December 2023 session of Examination Change of elective subject	11th October 2023 to 20th November, 2023 Up to 16:00 Hours

PAPER WISE EXEMPTION ON THE BASIS OF HIGHER QUALIFICATIONS

The Institute has decided that the students enrolling into the Company Secretary Course under New Syllabus, 2022 shall be eligible for paper-wise exemption (s) based on the higher qualifications acquired by them. Accordingly, necessary announcement including process of claiming paper-wise exemption has been shared through following link for information to all concerned: https://www.icsi.edu/media/webmodules/ATTENTION_STUDENTS_RECIPROCAL_EXEMPTION_NEW_SYLLABUS_2022_Updated.pdf

PROFESSIONAL PROGRAMME PASS CERTIFICATE OF ICSI IN DIGILOCKER

The Institute decided to issue Professional Programme Pass Certificate online via DIGILOCKER. The same initiative was Launched at 50th National Convention of ICSI at Kolkata with the support of the National e-Governance Division (NeGD), Ministry of Electronics and Information Technology (MeitY), Govt of India. The students who passed on or after June 2021 Session of Examination can download Professional Pass Certificate from DIGI Locker. Announcement and Communication via Bulk Mail has been sent to students for extracting their Professional Pass Certificate for June 2022 & December 2022 Session of Examination

TRANSCRIPTS & EDUCATION VERIFICATION

It has been observed that on completion of Course the professionals are also applying for Foreign Courses / degrees /or immigration based on CS Qualification. 43 No of such Transcripts were issued in this line in the month of July 2023 under review.

Likewise, on request of the employer/PSU/government authorities and other Education verifier agencies, 14 education verification requests of CS students were processed in the month of July 2023.

ACTIVATION OF SWITCHOVER OPTION FOR EXECUTIVE OLD SYLLABUS (2017) STUDENTS

The Institute has notified that candidate who have registered under the CS Executive Old Syllabus (2017) can switch over to CS Executive New Syllabus (2022) comprising 7 papers. Accordingly, the portal for switchover from old syllabus (2017) to New Syllabus (2022) will be activated for Executive Programme Students w.e.f., 2nd May 2023.

Till date, 3468 students have switched from the old executive syllabus (2017) to the new executive syllabus (2022).https://www.icsi.edu/media/webmodules/Declaration_to_cater_switchover_Request_of_executive_&_professional_old_ysllabus_students.pdf

REAL TIME GUIDANCE FOR STUDENTS

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

FAQ for Executive Switchover : https://www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf; https://www.icsi.edu/media/webmodules/Declaration_to_cater_switchover_Request_of_executive_&_professional_old_ysllabus_students.pdf

FAQ for Professional Switchover to New Syllabus: https://www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

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

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

  CSEET Classes are being conducted by Regional/ Chapter Offices for the students appearing in CSEET to be held in November 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

- ***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

- ***Paper bound CSEET Reading Material 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/

ACADEMIC INITIATIVES

- *Student Company Secretary, 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 **September, 2023**. The journals are available on the Academic corner of the Institute's website at the link: https://www.icsi.edu/e-journals/

- *Research Tab under Academic Portal for students*

  A new research tab has been added under the Academic Portal to sensitize the students on emerging issues through research based academic outputs. As a maiden initiative, a brief research study on 'Exploring Financial Cataclysm of Silicon Valley Bank (SVB) and Analysing Credit Suisse Fiasco Tangentially' is uploaded. The Research Tab can be accessed at https://www.icsi.edu/student-n/academic-portal/research-corner/.

- *Recorded Video Lectures*

  ICSI has been recording video lectures of eminent faculties for the students of ICSI which help them to prepare for the examination. Students of the Institute can access recorded videos available on the E-learning platform by logging in to 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 benefits of members & students available at https://www.icsi.edu/infocapsule/

ICSI STUDY CENTRES

- Kozhikode Chapter signed Study Centre MoU at Farook Arts & Science College, Kottakkal on September 05, 2023.

ICSI CAREER AWARENESS

- ICSI through the support of Ministry of Defence is conducting extensive Career Awareness Programmes in various Army public Schools in the country to sensitise the students, parents and teachers about the CS Profession.

Interview

CS (Dr.) T. V. Somanathan, Finance Secretary, Ministry of Finance, Government of India, New Delhi

CS (Dr.) T.V. Somanathan holds a Ph.D in Economics (Calcutta University) as well as MA (Economics & Bachelor of Commerce (Honours) degrees. He has completed the Executive Development Program of Harvard Business School, and is a fully qualified Chartered/ Cost Accountant and Company Secretary: ACA (England & Wales) FCCA London, FCMA London, Fellow of the Governance Institute, London, FCS and ACMA (India). He has received a number of academic awards.

He joined the Indian Administrative Service in 1987 (ranked 2nd All India) and was awarded the Gold Medal for the Best IAS Probationer of his batch. He is currently Finance Secretary, Government of India. He was previously Joint Secretary, Ministry of Corporate Affairs (2010-11), and Joint Secretary/ Additional Secretary to the Prime Minister from 2015 to 2017. He has earlier worked in a variety of senior positions in the Government of Tamil Nadu state, including Deputy Secretary (Budget), Executive Director Metrowater, Joint Vigilance Commissioner, Commissioner Disciplinary Proceedings, Secretary Planning, Development and Special Initiatives, Secretary to Chief Minister, and Commissioner of Commercial Taxes.

In 1996 he joined the World Bank, Washington through the Young Professionals Program, as Financial Economist in the East Asia & Pacific Regional Vice Presidency. In 2000, he became one of the Bank's youngest Sector Managers when he was appointed Manager of the Budget Policy Group. In 2011 his services were sought by the World Bank and he served as Director from 2011 to 2015.

He has published over 80 papers and articles in journals and newspapers on economics, finance and public policy, and is the author/co-author of three books viz. State Capability in India (Oxford University Press, 2022), Derivatives (McGraw Hill Education – 1998, 2nd ed. CUP 2018), The Economics of Derivatives, (Cambridge University Press, 2015), and of chapters in The Oxford Handbook of the Indian Constitution (Oxford University Press—2016), Land Reforms in India (Sage–2003), Public Institutions in India (Oxford–2005), Rethinking Public Institutions in India (Oxford —2017) and On the Trail of the Black (Rupa—2017).

The Indian economy has shown great resilience in moving on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. How would you word this road travelled and what lies ahead?

India's Real GDP, after contracting by 5.8 per cent in FY21, witnessed a notable rebound and expanded by 9.1 per cent in FY22, cementing a strong recovery and outperforming most other major economies. This rebound can be attributed to a combination of factors, including government stimulus measures, a revival in consumer demand, and increased industrial production. The government's Atmanirbhar Bharat initiative, aimed at making India self-reliant and reducing dependency on imports, has played a significant role in shaping the recent performance of the Indian economy. Through policies such as the Production-Linked Incentive (PLI) scheme, the government has incentivised domestic manufacturing, attracted investments and promoted job creation across various sectors. The services sector, a key contributor to India's GDP, faced significant challenges during the pandemic due to restrictions and lockdown measures. Contact-intensive services completely recovered to the pre-pandemic level in FY23, driven by the removal of mobility restrictions, the release of pent-up demand, and near-universal vaccination coverage. The structural reforms introduced during the pandemic, such as the change in the definition of MSMEs, consolidation of 44 labour laws into 4 labour codes, the launch of the National Infrastructure Pipeline to address infrastructure bottlenecks, and liberalisation of foreign direct investment (FDI) norms, among others, have bolstered investor confidence and encouraged domestic and international businesses to operate in India. The global economy was on the path of recovery after the waning of the COVID-19 pandemic until the Russia-Ukraine conflict broke out in February 2022. The conflict led to disruption in global supply chains, financial tightening, and a surge in inflation. However, owing to its strong macroeconomic fundamentals and supported by policy measures undertaken by the Government, India's economy sustained its growth momentum, expanding at 7.2 per cent in FY23, the highest among major economies.

Real GDP expanded by 7.8 per cent in Q1 of FY24, continuing the momentum built up in the previous year. Going forward, domestic consumption and investment demand are expected to continue driving growth. Increased digitisation drive, growing preference for remote working and increased proliferation of Global Capability Centres are expected to increase India's services exports further. Thanks to a possible easing of supply chains and a decline in global commodity prices, the trade deficit is expected to improve further in the coming years.

The Indian Economy is now being classified as the fastest-growing economy. The economic growth in FY23 has been principally led by private consumption and capital formation. How has it helped in employment generation?

The headline numbers on the employment situation in the country as per the latest annual Periodic Labour Force Survey (PLFS) released by NSO for 2021-22 (June-July) show that the labour markets have recovered beyond pre-Covid levels in both urban and rural areas. The unemployment rate (persons age 15 years and above, as per usual status) fell from 5.8 per cent in 2018-19 to 4.1 per cent in 2021-22. The labour force participation rate (LFPR) also increased from 50.2 per cent in 2018-19 to 55.2 per cent in 2021-22.

Even as per the latest PLFS Quarterly data, unemployment (in Current Weekly Status in urban areas for persons of age 15 years and above) has declined from 8.2 per cent in Q4: 2021-22 to 6.8 per cent in Q4: 2022-23, while LFPR has increased from 47.3 per cent to 48.5 per cent during the corresponding period.

Employment in the formal sector is also past the stage of recovery and registering healthy growth. The net EPFO payroll additions in FY23 stood at 1.39 crore, i.e., 13.2% higher than FY22.

Annual Placements through Employment Exchanges has also risen sharply from 3.4 lakhs in 2014 to 6.4 lakhs in 2022. The Production Linked Incentive schemes with an outlay of Rs. 1.97 lakh crore also have a potential for creating 60 lakh new jobs.[1]

As per a recent research report by Jefferies covering data from around 1800 listed companies, FY 23 saw healthy organised sector job creation at 4 per cent plus, following strong 7 per cent growth in FY22. In FY23, the fastest salary hike in 10 years with 14.3 per cent YoY growth in total employee costs was also observed.

Capital markets have come to play a significant role in altering the dynamics of the Indian Corporate Sector. How do you envisage this in a macroeconomic scenario?

Fund-raising activity in the primary equity markets has been robust thus far this year. The number of IPO issuances is up by 36.7 per cent in Apr-Jul 2023 on a YoY basis. There is a rise in the number of IPO issuances in the small and medium enterprises (SME) segment. The number of IPO issuances in this segment between Apr-Jul 2023 is up by 62 per cent on a YoY basis, while the amount raised by these issuances is 2.5 times the amount raised in the corresponding period of the previous year. On the debt front, Indian government bonds will be included in JP Morgan's Global Bond Index-Emerging Markets index suite, with India expected to reach the maximum weight of 10 per cent in the GBI-EM. The inclusion of India's G-secs in such indices will help free up resources for India's corporate sector though it may increase volatility. Successful completion of more large-scale domestic corporate offerings would deepen the domestic capital market, providing additional pricing benchmarks and improving liquidity, attracting even greater foreign involvement. Overall, these developments augur well for India. Wider and deeper capital markets will lead to lower interest rates and will be beneficial to firms, particularly the smaller ones. However, one must keep an eye on the impact these developments will have on volatility and its effect on macroeconomic stability, particularly in times of heightened economic uncertainty.

What, according to you, are the real Growth Drivers in the Indian economy, and is there a tilt expected in these in the times ahead?

In the medium term, India's large and fast-growing middle class is expected to drive consumer spending. The rapidly growing Indian domestic consumer market, as well as its large industrial sector, have made India an increasingly important investment destination for a wide range of multinationals in many sectors, including manufacturing, infrastructure and services. The digital transformation of India that is currently underway is expected to accelerate the growth of e-commerce, changing the retail consumer market landscape over the next decade. This is attracting leading global multinationals in technology and e-commerce to the Indian market.

Capital accumulation will drive India's economy toward this desirable path, with the government and, increasingly, the private sector investing in infrastructure and manufacturing. The government has played a key role in boosting investment by offering substantial support for infrastructure projects and by incentivising manufacturing. The Indian private sector is expected to increase investments, given healthy corporate balance sheets, gradually. The Union Government's capital expenditure increased from 12 per cent of the total expenditure in FY18 to 22 per cent in FY24. The Centre's capex grew year-on-year by 59.1 per cent in Q1 of FY24.

RBI's paper on 'Private Corporate Investment: Performance and Near-Term Outlook', published in its August monthly bulletin, highlights that the envisaged capital investments of private corporates increased for the second consecutive year in FY23, recording a capital outlay of ₹3.5 lakh crore, higher than the level seen since FY15. Data provided by a private sector financial institution based on cashflow statements of a consistent sample of 3,500 companies show that private sector capital formation grew 22.4% in FY22 and further by 18.5% in FY23.

The world is looking at an economic downturn. However, the Indian Economy seems to be unfazed, and the growth story seems to be following a different trajectory until now. Do you think the global economic changes will be posing challenges for the Indian economy as well?

The Indian economy is not isolated from global shocks as it is integrated with the world through financial and trade channels. Slowing global growth, geopolitical tensions, and trade tensions could pose downside risks to growth in the current year. Decline in stock prices around the world is another risk factor for investment sentiment and economic growth in the reminder of FY24, spilling over into FY25. However, despite the global disturbances, the strong macroeconomic fundamentals, strong domestic demand and an agile policy structure have helped India manage the global risks effectively.

India has some strengths such as strong financial and corporate sector balance sheets, public investment in physical and digital infrastructure and the lagged effects of recent structural reforms, not to mention the growth potential of accelerated reforms in other areas in future.

Fit India - Fit ICSI Walkathon Organised Pan India on the Occasion of 55th Foundation Day of ICSI on October 4, 2023

NIRC

WIRC

EIRC


Bhilwara

Gurugram


Hyderabad


Jodhpur

Jaipur

Kanpur

Kota

Madurai

Siliguri

Belgavi

Bhubaneswar


Ghaziabad

Noida

Chandigarh

Nagpur

Prayagraj

Raipur

Pune

Amritsar

Chhatrapati Sambhajinagar

Varanasi

Srinagar

Glimpses of Pan India Decorations of ICSI Regional Offices and Chapters on ICSI Foundation Day October 4, 2023


Faridabad


Belagavi


Bhilwara


Bhubaneswar


Pune


Coimbatore


Agra


Ghaziabad


Palakkad


Ajmer


Indore


Jaipur

Kanpur


Kolhapur


Kota


Thane


Jalandhar


Mangaluru

Kozhikode


Patna


Meerut


Bhopal


Modinagar


Thiruvananthapuram


Chhatrapati Sambhajinagar


Bareilly


Karnal

Rajkot


Prayagraj

ICSI Teachers' Week Celebrations Pan India September 5-12,2023

Guwahati

Gurugram

Ajmer

Alwar

Prayagraj

Faridabad

Hoogly

Indore

Mangaluru

Coimbatore


Bhilwara


Visakhapatnam

Modinagar


Salem


Agra

ICSI NCLT CONCLAVE 2023 HELD ACROSS ICSI CHAPTERS AND REGIONAL OFFICES

EIRO - Kolkata

SIRO - Chennai


Ahmedabad


Bengaluru

Chandigarh

Hyderabad

Bhubaneswar

ICSI Global Connect

ICSI & ICSB Conducted a two-day joint training program for Company Secretaries in Dhaka, Bangladesh on September 15&16, 2023

MEETINGS WITH INSTITUTE OF INTERNAL AUDITORS, BANGLADESH

ICSI Delegation led by CS Manish Gupta, President, The ICSI met officials of Institute of Internal Auditors, Bangladesh.

ICSI Middle East (DIFC) NPIO

ICSI Middle East (DIFC) NPIO hosted Mr. Ahmed Elnaggar, Founder and President at Emirates Legal Network, Managing Partner at Elnaggar & Partners, Founder at the UAE Jurist on Saturday, 9 September 2023 at Dubai Commercity premises. Mr. Ahmed took out his valuable time to enlighten the members of the ICSI and Emirates Legal Network on a very captivating topic : Legal System in the UAE – Then, Now and Ahead.

It was fascinating to see a huge turnout for this event, further emphasizing on the relevance of the topic for the professionals to dig deeper on the opportunities and to understand the transformative approach of the legal system in the UAE over the years and in the times ahead.

Discussions were quite insightful and the presentation covered several areas including:

1. Types of Legal systems in the UAE and their application
2. UAE Courts Hierarchy "Federal Courts, Dubai Courts, DIFC and ADGM Courts."
3. Choosing jurisdiction between civil and common law courts and the laws that apply to their commercial matters?
4. Overview and Introduction to the Arbitration Centres in UAE
5. Languages and Nationalities able to be present before different UAE Courts.

WEBINAR ON Significant Beneficial Ownership held on 09.09.2023

Speaker:
CS Savitri Parekh
Company Secretary and Compliance Officer, Reliance Industries Ltd.

Moderator:
CS NPS Chawla
Central Council Member, The ICSI

WEBINAR ON SME listing held on 11.09.2023

Speaker:
Nitin Somani
Director, Sundae Capital Advisors Private Limited

Moderator:
CS Rajesh Tarpara
Central Council Member, The ICSI

WEBINAR ON SEBI (Prohibition of Insider Trading) Regulations, 2015 held on 13.09.2023

Speaker:
CS Narayan Shankar
Executive V P, Mahindra & Mahindra Ltd.

Moderator:
CS Deepa Khatri
Joint Director, The ICSI

WEBINAR ON Startup Governance held on 25.09.2023

Speaker:
CS (Dr.) Mamta Binani
Former President, The ICSI

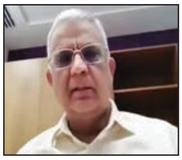
Moderator:
CS Rupanjana De
Central Council Member, The ICSI

WEBINAR ON Go to Market Strategy held on 03.10.2023

Speaker:
Wg Cdr Anthony Anish
COO, T Hub and Founding team member, MyGate

Moderator:
CS R. Venkataraman
Central Council Member, The ICSI

WEBINAR ON Inspection, investigation and inquiry under Companies Act, 2013 held on 05.10.2023



Speaker:
Mr. Manmohan Juneja
Ex- Director General of Corporate Affairs, Ministry of Corporate Affairs

Moderator:
CS Manoj Kumar Purbey
Central Council Member, The 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)

G20 भारत 2023 INDIA

ICSI

Bi-annual Progress Report

(January-July, 2023)

Preface

> *"The significance which is in unity is an eternal wonder."*

Dear Professional Colleagues,

The above words of Guru Rabindranath Tagore would aptly justify the journey of the past six months. With the incoming of a new Council to the Institute of Company Secretaries of India, there was a surge of thoughts, ideas and visions unprecedented. It was a sheer delight to look with great humility towards the achievements of our predecessors and chalk the path ahead for the future.

Each Council meeting and interaction with our members, students and stakeholders brought us closer to their needs, demands and expectations. Each Regulatory Authority along with their officials extended their support and presence whenever solicited. And each Regional Council and Chapter has been more than eager and earnest to take our conceptualisations forward and help us turn dreams into realities.

While as a nation we have touched the moon as an Institute we have expanded our limits and commenced the construction of ICSI-CCGRT at Manesar. If India played the perfect host to global leaders at the G20 Summit taking the nation global, the ICSI hosted its second International Conference of ICSI Overseas Centre in UK, taking the profession global.

All in all, if the Indian nation is on the path of becoming the next global super power, we at ICSI too have scaled steps towards the achievement of our vision *"to be a global leader in promoting good corporate governance".*

As I present to you, the **ICSI Bi-annual Progress Report (January-July, 2023)** on behalf of my Council colleagues and Team ICSI, a host of initiatives are in pipeline.

With a hope to make many more breakthroughs and bask in the glory of new achievements,

Happy reading !!!

With warm regards,

(CS Manish Gupta)
President
The Institute of Company Secretaries of India

A. GLOBAL OUTREACH

INTERNATIONAL MEETINGS WITH:

- Mr. Bijay Selvaraj, Consul General of India, Edinburgh
- HE Sunjay Sudhir, Ambassador of India to UAE
- Mr. Bharath Shivappa, Director & Head- Business Development, Abu Dhabi Global Market (ADGM)
- Ms. Tracy Vergo, CEO, CISI
- Mr. Kevin Moore, Director, CISI

2ND INTERNATIONAL CONFERENCE OF ICSI OVERSEAS CENTRE IN LONDON, UK

Dates: May 11-12, 2023

Theme: Strengthening Global Governance for an Equitable, Inclusive, and Sustainable Future

Chief Guest: The Right Honourable Baroness (Dr) Sandip Verma, Member of the House of Lords, UK

Guest of Honour: Mr. Sujit Ghosh, Deputy High Commissioner of India, United Kingdom was the.

Knowledge Partners: CISI, ICGN, IOD, IVSC, ICoAI.

ICSI CORPORATE TAX CONFERENCE, DUBAI, UAE

Date: June 3, 2023

Associate Partner: ICSI Middle East (DIFC) NPIO

Theme: UAE Corporate Tax – A New Paradigm Towards Transparency and Good Governance.

Chief Guest Mr. K. Kalimuthu, Consul (Economic, Trade & Commerce) Consulate General of India, Dubai

Guest(s) of Honour: Dr. Ram Buxani, Chairman, ITL Cosmos Group, Dubai and Mr. Suresh Kumar, Chairman, IBPC, Dubai

IoD DUBAI GLOBAL CONVENTION

CS B. Narasimhan, Vice-President, The ICSI, chaired Plenary Session on 'A Journey towards Excellence: Adapting Strategy for Good Governance,' at the Institute of Directors (IOD), India's Annual Tristar Dubai Global Convention held on March 15, 2023 in Dubai.

B. MEETINGS WITH DIGNITARIES

- Shri Om Birla, Hon'ble Speaker, Lok Sabha
- Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs
- Shri Rajnath Singh, Hon'ble Minister of Defence
- Dr. Pramod Sawant, Hon'ble Chief Minister of Goa
- Shri Shivraj Singh Chouhan, Hon'ble Chief Minister, Madhya Pradesh
- Shri Rao Inderjit Singh, Hon'ble MoS Corporate Affairs, MoS (I/C) Statistics & Programme Implementation, MoS (I/C) Planning
- General Manoj Pande, Chief of the Army Staff
- Hon'ble Mr. Justice Dipak Misra, Former Chief Justice of India
- Hon'ble Shri T. S. Thakur, Former Chief Justice of India
- Shri Rajesh Verma, IAS, Secretary to Hon'ble President of India
- Shri Gyanesh Kumar, Secretary, Ministry of Co-operation
- Shri Manoj Govil, Secretary, Ministry of Corporate Affairs
- Shri Debashis Panda, IAS, Chairman, IRDAI
- Shri Rajiv Mani, Additional Secretary, Department of Legal Affairs, Ministry of Law and Justice
- Shri Manoj Pandey, Joint Secretary, Ministry of Corporate Affairs
- Shri Inder Deep Singh Dhariwal, Joint Secretary, Ministry of Corporate Affairs
- Dr. Sangeeta Verma, Acting Chairperson, Competition Commission of India
- Mr. Jaspal Singh, IPS, Director General of Police, Goa
- Shri S V Murlidhar Rao, Executive Director, SEBI
- Shri V S Sundaresan, Executive Director, SEBI
- Ms. S. N. Rajeswari, Member Distribution, IRDAI
- Ms. Mithlesh, Advisor (Cost), MCA & Government Nominee, ICSI
- Shri M P Shah, Director General, MCA & Government Nominee, ICSI

MEETINGS FOR EXPLORING ACADEMIC OPPORTUNITIES

1. CMA Ashwin G. Dalwadi, President, ICMAI
2. Shri Sunil Kadam, Registrar, NISM
3. Prof. Dinesh Prasad Saklani, Director, NCERT
4. Shri Prasad Lolayekar, Secretary, Dept. of Higher Education, Government of Goa
5. Mr. Tariq Khan, Registrar, International Arbitration and Mediation Centre

Shri Om Birla, Hon'ble Speaker, Lok Sabha

Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs

Shri Rajesh Verma, IAS, Secretary to Hon'ble President of India

Shri Rajnath Singh, Hon'ble Minister of Defence

Dr. Manoj Govil, Secretary, Ministry of Corporate Affairs

Dr. Pramod Sawant, Hon'ble Chief Minister of Goa

Shri Rajiv Mani, Additional Secretary, Department of Legal Affairs, Ministry of Law and Justice

Shri Shivraj Singh Chouhan, Hon'ble Chief Minister, Madhya Pradesh

Shri Gyanesh Kumar, Secretary, Ministry of Co-operation

Hon'ble Shri T. S. Thakur, Former Chief Justice of India

Shri Debashis Panda, IAS, Chairman, IRDAI

C. RECOGNITIONS AND REPRESENTATIONS

RECOGNITIONS RECEIVED

Any member of the ICSI who provides investment advice (either in his individual capacity or as an employee of a firm) to his clients, incidental to his professional service shall not be required to seek registration as an investment adviser in IFSC under Proviso (vi) to Clause (f) of Regulation 3 (1) of IFSCA (Capital Market Intermediaries) Regulations, 2021.

REPRESENTATIONS SUBMITTED

In its attempt to provide comfort to its members and greater opportunities, the Institute has been representing in placing requests before various Regulatory Authorities. A total of 26 representations were made during the year as follows:

Requests seeking Recognitions for CS Professionals	*05*
Relaxations and Extension in timelines/Exemptions in fees, etc.	*08*
Comments and Suggestions on policy matters	*10*
Other matters of professional significance	*03*

D. CAPACITY BUILDING AND KNOWLEDGE UPDATION

PCS ORIENTATION PROGRAMME

In pursuance to Regulation 10(1) of the Company Secretaries Regulations, 1982, all members intending to enter into practice on or after April 1, 2023 are compulsorily required to undergo PCS Orientation Programme (POP) available through the ICSI LMS Platform prior to making an application for Certificate of Practice. 324 members enrolled and 237 members completed the programme as on July 31, 2023. Following Webinars were conducted under the Programme:

Essentials of conducting Secretarial Audit and application of ICSI Auditing Standards	*CS Ranjeet Pandey Former President, The ICSI*	*March 11, 2023*
Essentials of Practice, Peer Review, Quality Review and Disciplinary Mechanism	*CS Devendra V Deshpande Former President, The ICSI*	*March 13, 2023*
Overview of major areas of Practice & New opportunities for Practising Company Secretaries	*CS Mahesh Athavale Former President, The ICSI*	*March 15, 2023*
Guidelines for Company Secretaries in Practice	*CS Nagendra D. Rao Former President, The ICSI*	*March 17, 2023*
Setting up of Practice and strategizing for growth	*CS Ashish Garg Former President, The ICSI*	*March 20, 2023*
Appearance before NCLT & Art of Advocacy	*CS Nesar Ahmed Former President, The ICSI*	*March 27, 2023*

KNOWLEDGE ON DEMAND

Facility to explore recorded sessions delivered by subject experts on important topics and update their knowledge at their convenience online 24x7 on the LMS Platform of the Institute. A total 225 video sessions under 26 topics have been uploaded till 31st July, 2023.

PUBLICATIONS RELEASED

- Handbook on IFSCA
- Corporate Governance - from Compliance to Excellence (Handbook on Best Practices) 2.0
- Handbook on Business Responsibility and Sustainability
- Manual on Corporate Governance Certification
- FAQs on SEBI (Real Estate Investment Trusts) Regulations, 2014
- FAQs on SEBI (Infrastructure Investment Trusts) Regulations, 2014
- Ready Reckoner for Private Companies
- FAQs on Section 8 Companies
- One Person Company- A Referencer

MASTER KNOWLEDGE SERIES: EEE

Finer Nuances of FEMA Act	CS Atul Mittal Partner, Deloitte India	July 08, 2023	youtube.com/live/AxHaf4AlwKU?si=5eZPubsyp9meNTjw
Corporate Social Responsibility – Stepping beyond Rulebook	Dr. J Sridhar CS & VP, Bajaj Auto Ltd. and Former President ICSI	July 12, 2023	www.youtube.com/live/R9HaqPtN8F8?si=GM-T_b19uDd86qIW
An Insight into Related Party Transactions	CS S Sudhakar Former VP (Corporate Secretarial) Reliance Industries Limited	July 19, 2023	youtu.be/AeR5IXmD0F0?si=cls04hah9AXvpin4
Recent Amendments in SEBI (LODR) Regulations, 2015	CS Ravi Varma Assistant Company Secretary Bandhan Bank Limited	July 26, 2023	youtu.be/pP0ASrxVQQE?si=npNZEcw7i-XjV8_Z

WEBINARS CONDUCTED

Topic	Speakers	Date	Link
Union Budget 2023-24 (Hybrid)	Special Guest CS Jatin Garg, I.R.S., Joint Commissioner of Income Tax Speakers: Dr. (CA) Girish Ahuja, Eminent Tax Expert & Former Council Member, ICSI CS Bimal Jain, Executive Director, A2Z Taxcorp LLP were the Guest Speakers	February 2, 2023	www.youtube.com/live/Nhmmn13YsaY?si=veQmul6FyGUGFMAj
MCA-21 V3 - Company Forms	Technical Experts from MCA	March 01, 2023	https://youtu.be/-77qLdI-W-g?si=6laYFRSRhfKgOcw5
Structured Digital Database (SDD) under SEBI (PIT) Regulations, 2015	Ms. Versha Agarwal General Manager, ISD, SEBI Shri Avishkar Naik Vice President- Surveillance, NSE India CS Rajendra Chopra Company Secretary, Cipla Limited CS Shailashri Bhaskar Practising Company Secretary	March 21, 2023	www.youtube.com/live/QY8phZqSo-I?si=lrfo3ACJskKuLbQP
Structured Digital Database (SDD) under SEBI (PIT) Regulations, 2015	Ms. Versha Agarwal General Manager, ISD, SEBI Shri Gopalkrishnan Iyer, CGM-Listing Compliance, BSE Ltd. CS Narayan Shankar VP & CS, Mahindra & Mahindra Limited CS S Sudhakar Chief Consultant, Mehta & Mehta	March 28, 2023	www.youtube.com/live/KOLWngenSCw?si=JqtRtVpZXUOuXthR
MCA-21 V3 - Company Forms	Technical Experts from MCA	April 11, 2023	www.youtube.com/live/N2Nf3tfXFz4?si=fmYsBxr9WeIvNWm7
MSMEs: Role of Company Secretaries	CS Rajiv Bajaj, CEO-Bajaj and Bajaj Corporate Chambers and Former Council Member, ICSI CS (Dr.) Ajay Garg, Registered Valuer and Corporate Counsel	May 8, 2023	www.youtube.com/live/F4j6HZ7vcvw?si=pYo9KQguTlQm6YM0
Annual Secretarial Compliance Report	Ms. Yogita Jadhav General Manager, Corporation Finance Department, SEBI CS Ranjeet Pandey Former President, The ICSI	May 29, 2023	www.youtube.com/live/VPRd5s9fRFQ?si=7GbSTJjt7bTQDYb5
Prevention of Money Laundering Act, 2002	Shri Ritvik Pandey IAS Joint Secretary (Revenue), MoF Shri Smarak Swain Director (FATF), DoR, MoF Dr. M. Sathya Kumar Advocate, Supreme Court	June 01, 2023	youtu.be/XCPOMdBodD0?si=mymJMJs20tfdOU27
DPT-3 and LLP Forms (New Excel Functionality)	CS Devendra V Deshpande Former President, The ICSI	June 13, 2023	www.youtube.com/live/Zqq39Sg7T40?si=Nvk__3kWT-rAwbcl

JOINT WEBINARS

JOINT PROGRAMMES WITH PHD CHAMBER OF COMMERCE & INDUSTRY		
Topic	**ICSI's Role**	**Date**
Seminar on "ESG: Need of the Hour for a Sustainable Future – Regulatory Framework & Beyond"	Associate Partner	February 15, 2023
Residential Workshops on Corporate Governance & Workshop on CSR at Kathmandu, Nepal	Associate Partner	February 26 - March 1, 2023
Webinar on the topic "GST Compliance Activities for Closure of FY 2022-23"	Knowledge Partner	March 14, 2023
National Conference on GST: Ease of Business and Challenges	Knowledge Partner	May 24, 2023
Webinar on "Tax issues of Business Acquisition and Reconstruction"	Associate Partner	July 25, 2023
JOINT PROGRAMME WITH MERCHANTS' CHAMBER OF COMMERCE AND INDUSTRY (MCCI)		
Special Session on "Importance of Competition Law for Industry" at Kolkata.	Knowledge Partner	April 28, 2023
JOINT PROGRAMME WITH IIA INDIA - CALCUTTA CHAPTER		
Joint Audit Conclave 2023 on the theme "Internal Audit: Business Risk Mitigator" at Kolkata	Associate Partner	July 21-22, 2023
JOINT PROGRAMME WITH CHARTERED INSTITUTE OF ARBITRATORS		
Annual Conference 2023 on Corporate Dispute Resolvers: The Role of General Counsel, Professionals & the Industry at New Delhi	Supporting partner	July 15, 2023

ACCLOUD PLC: BUSINESS TOOLS FOR PCS

ICSI has entered into an agreement with Accloud PLC to act as facilitator for providing assistance in digitizing operations including everyday accounting and tax compliance. The software shall be available free of cost for two years w.e.f. May 11, 2023 and at an 80% discount after 2 years.

ICSI CONTINUING PROFESSIONAL EDUCATION - SELF ASSESSMENT MODULES

The Institute introduced a series of online Self-Assessment Modules during 27-31 July, 2023 in areas of expertise to facilitate members to fulfil mandatory requirement of CPE Credits for FY 2022-23. Members were granted 5 Structured CPE Credits for each module qualified. 177 members availed the benefit of the Assessment modules.

CERTIFICATE / CRASH / PMQ COURSES

- The ICSI launched 3 new *Certificate Courses* in the areas of Financial Analysis, BRSR & ESG and Corporate Tax & VAT in UAE. New Batches of Ongoing Certificate Courses were initiated for Valuation, Independent Directors, Commercial Contracts Management, FEMA, IPR, POSH, IBC, Securities Laws, GST, and CSR.
- New *Crash Courses* were launched for Social Audit, Lending Transactions & Opportunities for CS in Banking and PMLA & AML. New batches of Ongoing Crash Courses were initiated for IT Tools, Appeals & Drafting, and ESG.
- New Batches of *PMQ Courses* were initiated for June and December 2023 session for Internal Audit, Corporate Governance and Arbitration.
- *Online assessment* of Crash Course on Social Audit and 4 Certificate Courses (CSR, FEMA, GST and Securities Laws) was conducted on 14th & 15th July, 2023.

FORMATION AND RENEWAL OF STUDY CIRCLES FOR FY2022-23

ICSI has been creating knowledge upgradation avenues for members by promoting the formation of Study Circles across country. During the period, 2 Study Circles were formed and 21 Study Circles were renewed.

E. STRENGTHENING SELF GOVERNANCE

NEW BOARDS FORMED

- Governance and Compliance Standards Board
- MSME and Startup Board
- Ethical Standard Board
- Secretarial Standards Board
- Auditing Standards Board
- ESG and Sustainability Board

ICSI UDIN & ECSIN AMNESTY SCHEME, 2023

Name of the Scheme	Launch period
UDIN Amnesty Scheme, 2023	March 16-31, 2023 Extended till April 15, 2023
UDIN Special Amnesty Scheme, 2023	July 21-31, 2023
ECSIN Amnesty Scheme, 2023	March 29-April 12, 2023 Extended till April 27, 2023
ECSIN Special Amnesty Scheme, 2023	July 21-31, 2023

PEER REVIEW

- *Number of Peer Reviewed Units and Empanelled Peer Reviewers* (January-July, 2023)

Peer Review Certificates issued	1079
Peer Reviewers empanelled	83

- *Webinar on Peer Review*

Webinar on Mandatory Peer Review for Certificate and Audit Services conducted on 19th April, 2023 – 2500+ participants

- *Training Programme for Empanelment of Peer Reviewers*

Hyderabad	April 01, 2023	30 participants
Online	May 15-19, 2023	81 Participants
Bhopal	August 05, 2023	20 participants
Online	August 21-25, 2023	14 registrations

GUIDING AND MENTORING

The Council in its 294th meeting held on 14th February 2023 decided to appoint Council members as Mentors in the Managing Committee of Chapters where there are no Ex officio members for better governance & guidance.

F. FACILITATION AND STANDARDIZATION

PLACEMENT OPPORTUNITIES

- *HANDLING REQUIREMENTS FOR CS RELATED POSITIONS AT VARIOUS GOVERNMENT OFFICES*

  More than 160 placement requirements were received from offices of the Ministry of Company Affairs/CPSE/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.

- *CAMPUS PLACEMENT DRIVES:*

  The Campus Placement Programme of the Institute provides a unique opportunity to corporates to peruse the profiles of qualified young and experienced Company Secretaries and students, interview them and select those ones whoever suits their requirement.

For Members	For Students
Aarti Industries Limited	ICSI IIP
Apex Group	Morgan Stanley
Axis Trustee Services Ltd.	National Industrial Corridor Development Corporation Ltd.
Exim Bank of India	Paschimanchal Vidyut Vitran Nigam Ltd
GIC Housing Finance Ltd.	Power Transmission Corporation of Uttarakhand Lt
GIC of India	RoC Goa, Daman & Diu
GMR Group	RoC Guwahati
LTIMindtree	RoC, Delhi
MCA, Mumbai	ROC-Cum-OL, Bilaspur, Chhattisgarh
MCA, Kolkata	Tata Chemicals
Tata Power	Tata Sons
Vedanta Limited	TP Southern Odisha Distribution Limited
Yes Bank	Uttarakhand Jal Vidyut Nigam Limited

- *Mega Placement Drives* conducted on 20th May 2023 at Kolkata, Mumbai and New Delhi. More than 25 Organizations and 120+ members participated.
- *Implementation of minimum CTC* for posting jobs (for freshers) on the ICSI Placement Portal at Rs. 4.00 – 5.00 lakhs.
- *REGISTRATIONS AND POSTINGS AT PLACEMENT PORTAL*

Registered Users			Total No. of Vacancies		
Members	Students	Corporates	Jobs	Trainings	Government & others
1522	3108	781	830	479	87

DELIVERY MECHANISM OF CHARTERED SECRETARY JOURNAL REVAMPED

The delivery mechanism of Chartered Secretary Journal was revamped and accordingly following options were made available to Members:

- Option 1: CSJ by Ordinary Post - No change in Membership Fee.
- Option 2: CSJ by Speed Post/ Registered Post - Rs.500/- will be charged additionally towards postage charge.
- Option 3: Opt-out from receipt of printed copy of CSJ - Reduction of Rs.500/- (exclusive of GST) on annual membership fee (ACS/FCS).
- More than 50% members opted for the opt out scheme taking us a step ahead towards paper-less knowledge sharing and sustainable practices.

UNIFORM NOMENCLATURE FOR ALL RESEARCH AND TRAINING CENTRES

The ICSI Council accorded approval for uniform nomenclature for all Research and Training Centres of the Institute as "Centre for Corporate Governance, Research and Training (CCGRT)".

SCARF FOR FEMALE MEMBERS

EXTENSION OF DATE FOR OBTAINING MANDATORY CPE CREDITS FOR THE YEAR 2022-23

Last date for obtaining mandatory CPE credits was extended till June 30, 2023 for the year April 1, 2022 to March 31, 2023. Further, in view of critical maintenance activities on the ICSI portal, the last date was further extended till July 31, 2023.

SUGGESTED FORMATS PURSUANT TO RECOGNITIONS UNDER IFSCA REGULATIONS

ICSI has issued suggested formats for certifications, pursuant to the recognitions accorded to the Company Secretaries in Practice under:

- IFSCA (Insurance Intermediary) Regulations, 2021
- IFSCA (Registration of Insurance Business) Regulations, 2021
- IFSCA (Insurance Web Aggregator) Regulations, 2022

REVISION/ISSUANCE OF GUIDELINES

- Amended ICSI Formation, Recognition and Functioning of Study Circle Guidelines, 2019 issued in April, 2023
- Amended ICSI (Continuous Professional Education) Guidelines, 2019 effective from April 10, 2023.
- ICSI National Programme Guidelines - 2023 effective from May 30, 2023.
- ICSI (Guidelines for PCS Orientation Programme), 2023 effective from April 1, 2023.

MEMORANDUM OF UNDERSTANDING WITH LEMON TREE HOTELS LIMITED

A Memorandum of Understanding was executed on 26th June, 2023 between Lemon Tree Hotels Limited and ICSI to provide 15% discount on best available rates at the Lemon Tree official website on Lodging to members, employees and students of ICSI.

BEST REGIONAL COUNCIL AND BEST CHAPTER AWARDS FOR THE CALENDAR YEAR 2021

The Best Regional Council Award and Best Chapter Award for the year 2021were conferred upon the winners at the 24th National Conference of Practising Company Secretaries, organized during June 16-17, 2023:

Category of Awards	Winners
Best Regional Council	Southern India Regional Council of ICSI
National Best Chapter	Hyderabad Chapter of SIRC of ICSI
Best Chapter in "Diamond" Grade	Hyderabad Chapter of SIRC of ICSI
Best Chapter in "Platinum" Grade	Indore Chapter of WIRC of ICSI
Best Chapter in "Gold" Grade	Bhubaneswar Chapter of EIRC of ICSI
Best Chapter in "Silver" Grade	Mysuru Chapter of SIRC of ICSI
Emerging Chapter	Palakkad Chapter of SIRC of ICSI

SENSITIZATION FOR PMLA AND AML

- FIU-India has implemented the AML & CFT Guidelines which are effective w.e.f. June 19, 2023 wherein ICSI has been accorded the role of Supervisory Regulatory Body (SRB) for its professional members
- Bulk mail to all Company Secretaries in Practice to identify existing reporting entities undertaking financial transactions and requesting them to register themselves as Reporting Entity, where applicable, through google form. 86 responses received.
- Dedicated email id created i.e. pmla@icsi.edu for information sharing between Reporting Entities and Nodal Officer, as provided under the guidelines on which 59 replies received so far.
- Crash course on Prevention of Money Laundering Act (PMLA) and Anti Money Laundering Act (AML) organized to provide a comprehensive understanding of AML laws and regulations. The crash course was attended by total 321 members.
- Webinar on Prevention of Money laundering Act, 2002 on June 01, 2023 in the presence of Joint Secretary (Revenue), Ministry of Finance.

ICSI - GROUP MEDICLAIM POLICY - EXPRESSION OF INTEREST SOLICITED

The ICSI, in its continuous endeavour to support its Members for their well-being, is in the process of launching a "Group Mediclaim Health Insurance Policy". The policy may be availed by all the Members on a Voluntary basis with an option to choose the sum insured for INR 3 Lakhs/5 Lakhs from base plan and INR 10 Lakhs/15 Lakhs from the Top up plan by making requisite payment.

G. ENHANCING BRAND EQUITY

To promote the brand ICSI, various image-building initiatives are being undertaken regularly. ICSI News and Events are covered throughout the country via Press Releases, Press Conferences, Media Interactions, Digital Platforms, etc.

Particulars	Number
Press Coverage of ICSI events, announcements	250
Press Conferences	8
Exclusive Interview and Write-ups of ICSI Spokesperson in Print Media	8
Coverage in Electronic Media	15
Number of Videos Created for Brand Promotion	12
Half-hour special episodes	1

ICSI Student / Corporate Advertisements and various Tenders, Classified, and Appointment Advertisements were also issued.

SOCIAL MEDIA PRESENCE

Over 350 Posts have been shared across all social media handles. Videos of ICSI Webinars, Crash Courses & other branding activities have been uploaded on ICSI YouTube Channel. Placed below is a table of ICSI reach in terms of followers, on social media:

Social Media Portals	Followers (till 31st July, 2023)
Facebook https://www.facebook.com/ICSI	1,28,000
X (earlier Known as Twitter) https://twitter.com/icsi_cs	89,026
LinkedIn https://www.linkedin.com/in/theicsi/	31,064
Instagram https://www.instagram.com/theicsi/	59,628
YouTube https://www.youtube.com/user/TheCsInstitute	84,000
YouTube (Students) https://www.instagram.com/theicsi/	27,700

H. INITIATIVES FOR STUDENTS

STUDY MATERIAL UNDER NEW SYLLABUS 2022 LAUNCHED

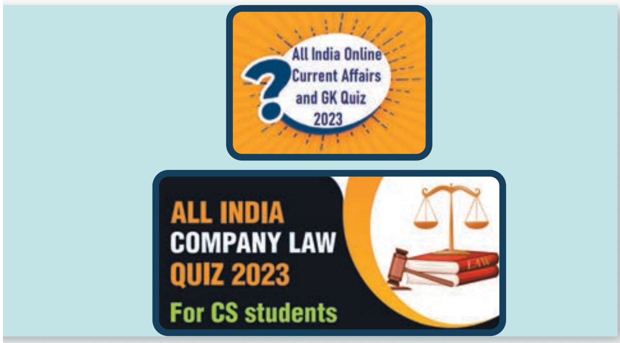
- Executive Programme (7 Papers) launched at 5th ICSI Leadership Summit held on February 13, 2023.
- Professional Programme (14 Papers) launched at National Conference of Corporate CS at Goa held on July 27-28, 2023.

ALL INDIA COMPANY LAW QUIZ-2023

With the objective to upgrade the knowledge level of students in Company Law and allied areas and to generate interest among the students for in-depth study of the subject including greater conceptual clarity, the ICSI is organizing the next edition of **All India Company Law Quiz - 2023.**

QUIZ ON CURRENT AFFAIRS AND GENERAL KNOWLEDGE 2023

The Institute for creating awareness about the profession is organising Online Quiz on Current Affairs & General Knowledge for Students pursuing 11&12 class of any stream/ Students passed 12th/ pursuing Graduation. Quiz will be conducted in three rounds - prelims, semi-final and final on different dates and the winners in each Category will be awarded with cash prizes.



MOTIVATIONAL WEBINAR FOR CS STUDENTS BY MR. AVI PRASAD, IAS

ICSI conducted a motivational webinar on 22nd May 2023 for CS students. Mr. Avi Prasad, IAS was the chief guest on the occasion. He motivated and guided the students virtually.

RECIPROCAL EXEMPTIONS WITH THE INSTITUTE OF COST ACCOUNTANTS OF INDIA (ICOAI)

An MoU with the Institute of Cost Accountants of India (ICoAI) was signed to provide 'Reciprocal Exemptions' in view of ICSI New Syllabus 2022 and Syllabus 2022 of ICoAI.

CS MEGA TRAINEE DRIVE

- *Mega CS Trainee Drives conducted on 25th March 2023 at ICSI Regional Offices. More than 225 students and 100 Companies/ Firms registered.*
- *CS Mega Trainee Drive scheduled across 46 locations at pan India basis in July 2023. More than 250 Companies/ PCS Firms and 650 Students registered.*

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 sessions, various Heads of Directorates resolve grievances of students pertaining to various aspects. The ICSI organized 10 (Ten) Samadhan Diwas during the period.

INTRODUCTION OF CORPORATE LEADERSHIP DEVELOPMENT PROGRAMME (CLDP)

The Institute in order to provide wider opportunities to Professional pass students who have completed all the training requirements (except CLDP) has introduced CLDP in two phases i.e.:

- *15 days through Online Mode (LMS Portal); and*
- *15 days through Classroom Mode (Non-Residential/ Residential)*

STUDENT MONTH CELEBRATED PAN INDIA IN JULY 2023

Student month was celebrated in the month of July and the same has garnered a lot of appreciation from the student fraternity. New activities were added in the student month focusing on issues of social causes.

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

- *CSEET conducted for May and July Session through remote proctored mode*
  - *CSEET May 2023 session was successfully held on 6th & 8 May 2023.*
  - *CSEET July session was held on 30th July & 1st August 2023.*
- *CSEET classes and Mock tests*
- *Relaxations for CSEET Students*
  - *Exemption to Graduates and Post Graduates from appearing in CSEET*
  - *Provisional registration in Executive Programme for CSEET passed candidates*
  - *Facility to opt out & carry forward of CSEET fees for candidates of May session*
- *CSEET Guide released at 24th PCS Conference on June 16-17, 2023 at Vishakhapatnam.*
- *CSEET Reference Reading Material uploaded on ICSI website.*

KNOWLEDGE ENRICHMENT INITIATIVES

- *Classes, Crash Courses, Free Half Day Programme Every month by ROs /Chapters*
- *Recorded video lectures*
- *Info Capsule- A Daily update for members and students, covering latest amendments*
- *Guideline Answers, Subject wise Monthly Updates and Supplements*
- *Monthly Student Company Secretary, CS Foundation E-Bulletin and CSEET Communique*
- *Info Capsule series (Total 14 till date) covering latest updates.*

- *Research Tab under Academic Portal to sensitize students on emerging issues. As a maiden initiative, a brief research study on* ***'Exploring Financial Cataclysm of Silicon Valley Bank (SVB) and Analysing Credit Suisse Fiasco Tangentially' is uploaded.***
- *Work in progress on various Publications*

OTHER INITIATIVES

- *FAQs on queries received to give clarity and real time guidance.*
- *Professional Programme Pass Certificate of ICSI available in Digilocker.*
- *Transcripts & Education Verification for applying for Foreign Courses/immigration based on CS Qualification.*

AMOUNT OF STIPEND PAYABLE TO STUDENTS DURING TRAINING REVISED

The Institute in order to bring about uniformity in the amount of stipend being paid to the students of the CS course has revised the minimum stipend for the students (both Executive & Professional Programme) registering for Training (Company/PCS/other entities) on or after 01st August, 2023 at Rs. 5,000 per month.

I. ICSI REGISTERED VALUERS ORGANISATION

- **Online 50 Hours of Educational Courses : 4** Online Educational Course conducted
- **Continuous Educational Programme (CEP): 8 (Eight)** CPEs conducted during the period
- **Certificate of Practice (COP) Programme** conducted for RVs on **February 22, 2023**
- **Joint Webinars:** 2 Joint Webinars with ICSI-IIP and RICS were conducted.
- **MoU signed with RICS – March 21, 2023** ICSI RVO inked an MoU with Royal Institution of Chartered Surveyors (RICS) India Pvt. Ltd. on March 21, 2023 to facilitate joint research & capacity-building programmes for growth & development of members of both institutions.
- **Certificate Course on Valuation of Securities/ Financial Assets:** The ICSI jointly with ICSI RVO launched Online Certificate Course on Valuation of Securities/Financial Assets. The third batch started from August 8, 2023.

J. ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS

- **Enrolment of Insolvency Professionals**

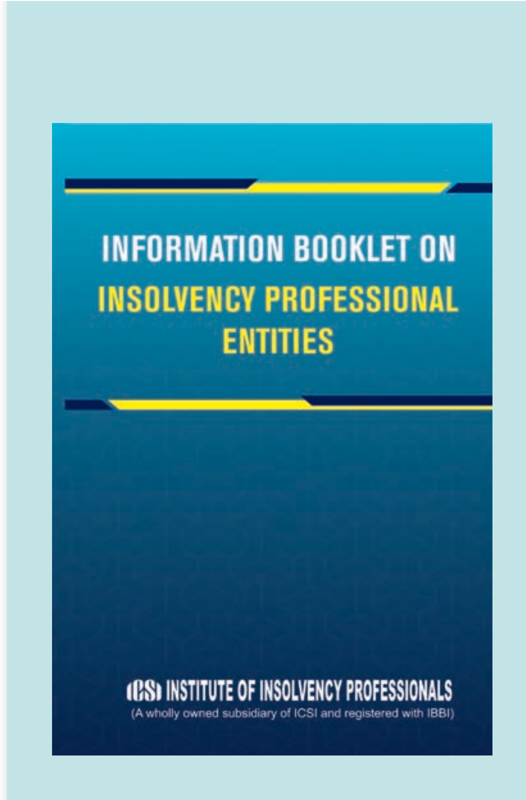
  As on date 1196 (One thousand one hundred and ninety-six) professional members are enrolled with ICSI IIP.
- **Monitoring of Performance of Members** through
  - o a) Desktop Monitoring and b) Inspection (includes routine inspection and event-based inspection)
  - o Apart from desktop monitoring on regular basis, Four (4) inspections conducted till date.
- **Pre-Registration Educational Courses**

  ICSI IIP, jointly with other IPAs conducted 2 batches of pre-registration educational courses.
- **Webinar Series on Insolvency and Bankruptcy Code, 2016**

A total of **14** webinars conducted under the series during the period.

- **Round Table Discussions:** One Physical and One virtual Roundtable Discussion held during the period.
- **Interactive Meet:** Two meets under the aegis of **Let's Connect** were conducted.
- **Workshops**

  A total of **20** webinars conducted under the series during the period.
- **Joint Initiatives**
  - o IBBI, in association with all three IPAs, conducted an IP Conclave on 20-01-2023 in Chennai.
  - o ICSI IIP jointly with RIPA conducted Residential Refresher Course on February, 10-12, 2023.
  - o ICSI IIP jointly with ICSI Chandigarh Chapter conducted seminar on the theme "Voluntary Liquidation under IBC and Practical Aspects of Resolution Plan in IBC with latest Judgements" on 29-04-2023.
- **KNOWLEDGE INITIATIVES**
  - o Information Booklet on Insolvency Professional Entities (Publication)
  - o E-Journal
  - o Daily Learning Curves



K. ICSI INTERNATIONAL ADR CENTRE

WEBINAR SERIES ON ALTERNATE DISPUTE RESOLUTION

Basics of Arbitration and related provisions	Dr Pundla Bhaskara Mohan Former Judicial Member, NCLT	July 15, 2023	www.youtube.com/live/eo7Fl5xM0ig?si=WB5NnOcVoAUfHBBs
Basics of Mediation, Conciliation & related provisions	Mr. Krishna Grandhi Senior Advocate	July 21, 2023	www.youtube.com/live/KOGTwD9LzW4?si=TjhqdxlDhJD8QhKf
Interplay of various laws with Arbitration provisions	Mr. Chirag Balyan, Asst. Prof. (Law), Maharashtra National Law University, Mumbai	August 04, 2023	www.youtube.com/live/4r424opgfPA?si=IS-gTWxnp3B6sFCX
Arbitral Award	Mr. Ramasubramanian MD, Adroit ADR Consultants	August 11, 2023	www.youtube.com/live/jTGG0A9sm4Y?si=06AM2wWi5AX3FcA6

MEGA CONFERENCE ON ALTERNATE DISPUTE RESOLUTION

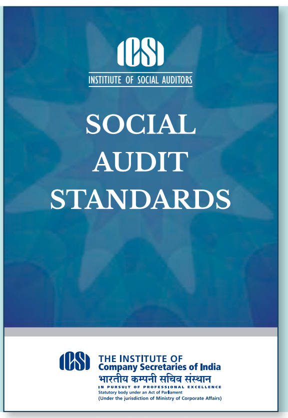
The ICSI-NIRC in association with the ICSI International ADR Centre organized a Mega Conference on Alternate Dispute Resolution on July 22, 2023 at SCOPE Complex, Lodhi Road, New Delhi. Justice Ms. Rekha Palli, Hon'ble Judge, Delhi High Court presided over as Chief Guest, Dr. Rajiv Mani, Additional Secretary, Ministry of Law and Justice, Government of India was the Guest of Honour and Shri P.K. Malhotra, Advocate & Legal Consultant, (Former Union Law Secretary) was the Key Note Speaker at the Inaugural Session. Shri Chirag Balyan, Assistant Professor (Law), Maharashtra National Law University, Mumbai was the Guest Speaker for technical session on "Practical insights, challenges and way forward of ADR".

APPROVAL FOR FIRST ADR CENTRE GRANTED

The Council in its 298th meeting held on July 13, 2023 accorded approval for conversion of 7th floor, ICSI House, C-36, Institutional Area, Sector 62, Noida-201309 as Alternate Dispute Resolution' (ADR) Centre.

L. ICSI INSTITUTE OF SOCIAL AUDITORS

ICSI SOCIAL AUDIT STANDARDS



The 'ICSI Institute of Social Auditors or the ICSI-ISA' is a Section 8 Company under the Companies Act, 2013 incorporated by the Institute of Company Secretaries of India with the objective to register Social Auditors, lay down criteria/ norms for empanelment as well standards of professional conduct for the registered Social Auditors. The Institute has also issued the ICSI Social Audit Standards (ICSI SAS 1 - ICSI SAS 16) to provide guidance to conduct Social Audit of Social Enterprises. The ICSI-ISA has commenced the empanelment of Social Auditors (SAs) who have obtained the requisite NISM Certification. The empanelment was opened at the Inaugural Ceremony of 2nd International Conference of the ICSI Overseas Centre in London, United Kingdom.

CRASH COURSE ON SOCIAL AUDIT

The Institute in association with the ICSI Institute of Social Auditors conducted Crash Course on Social Audit from June 12-16, 2023 for the members of ICSI as a capacity building initiatives covering various aspects w.r.t Social Stock Exchange and Social Impact Assessment.'

M. ICSI FLAGSHIP EVENTS

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). 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.

1ST NATIONAL WOMEN'S CONFERENCE

Date: March 23-24, 2023

Theme: Empowered Women: Inspiring a better Tomorrow

Venue: Hotel Westin, Kolkata, West Bengal

Chief Guest: Smt. Chandrima Bhattacharya, Hon'ble Minister of State (I/C) for Finance & Programme Monitoring and Minister of State for Health & Family Welfare, Land, Land Reforms & Refugee Relief and Rehabilitation and Planning and Statistics, Government of West Bengal.

Delegates: 3750 delegates in physical and virtual mode.

CAPITAL MARKETS WEEK, 2023

Theme: Learnings from G20: Journey towards Sustainable, Competitive and Holistic Capital Markets
Dates: April 22-29, 2023
Venue: 4 Mega programmes at Mumbai, Chennai, Delhi and Kolkata, sessions by ROs and Chapters Inaugural Mega Programme: on April 22, 2023 at NSE of India Limited, Mumbai.
Guest of Honour: Ms. Priya Subbaraman, Chief Regulatory Officer, NSE of India Limited.

PCS DAY 2023

Every year on June 15, the Institute celebrates achieving first milestone of the Profession, when Company Secretaries in Practice were accorded recognition for certifying the Annual Return under the erstwhile Companies Act, 1956. This year PCS Day was celebrated on 15th June, 2023, Pan-India on the theme "Company Secretary: Stepping Beyond Boundaries" through all the Chapter and Regional Offices.

24TH NATIONAL CONFERENCE OF PRACTISING COMPANY SECRETARIES

Date: June 16-17, 2023

Theme : Company Secretary: Stepping Beyond Boundaries

Venue: Hotel Novotel Varun Beach, Visakhapatnam

Chief Guest: Shri Gudivada Amarnath, Hon'ble Minister for Industries, Infrastructure, Investment & Commerce, Information Technology, Handlooms & Textiles, Government of Andhra Pradesh.

Delegates: 3400 delegates in physical and virtual mode.

4TH NATIONAL CONFERENCE OF CORPORATE CS

Date: July 27-28, 2023

Theme: Governance for Sustainability: Curating Excellence

Venue: Bogmallo Beach Resort, Goa

Guest of Honour: Shri Jaspal Singh, IPS, Director General of Police, Goa

Keynote Speaker Shri Shrinivas V. Dempo, Chairman, Dempo Group of Companies

Distinguished Guest: Smt. Avelina D'sa E Pereira, Under Secretary, Dte. of Higher Education

Delegates: 2600 delegates present in-person and connected virtually.

ICSI CONVOCATIONS

Convocation	Date	City	No. of Members
NIRC (2nd for FY 22–23 & 1st for FY 23-24)	May 6, 2023	Delhi	640 Associate members 65 Fellow members
SIRC (1st for FY 23-24)	June 24, 2023	Chennai	106 Associate members 9 Fellow members
WIRC (1st for FY 2023–24)	July 29, 2023	Goa	230 Associate members 5 Fellow members

ICSI NATIONAL AWARDS FOR EXCELLENCE IN CORPORATE GOVERNANCE, 2023 - NEW SEGMENT INTRODUCED

The applications for the ICSI National Awards for Excellence in Corporate Governance for the year 2023 were solicited from corporations and professionals. The Award categories include:

- 23rd ICSI National Awards for Excellence in Corporate Governance
- 8th ICSI CSR Excellence Awards
- 2nd ICSI BRS Awards
- 5th ICSI Best SAR Award
- 3rd ICSI Best PCS Firm Award

To provide a level playing field for SMEs, this year a new category has been added, i.e., SME Listed wherein MSMEs listed on SME Exchange with Turnover < Rs. 250 Cr.

N. WORKFORCE WELFARE AND ENRICHMENT

Month	Major activities conducted
January 24, 2023	Webinar on Joint Pains at Workplace/Care + Precautions by Dr. Reddy's Foundation
January 27, 2023	Cardiopulmonary Resuscitation (CPR) Training by Medanta Hospital
January 31, 2023	Organized a Training Programme on "Customer Orientation"
February 14, 2023	Webinar on by Dr. Reddy's Foundation
February, 2023	ERP training for RDs and required personnel of HQ

Month	Major activities conducted
March 7, 2023	Women's Day celebrated by giving gifts to all female employees of ICSI
March 7, 2023	webinar on Women's health by Fortis Escorts Hospital
March 9, 2023	Cricket match for employees
March 17, 2023	Health check up by Fortis Escorts Hospital at Noida
March 23, 2023	Webinar Healthy Lifestyle For Healthy Kidneys / Care + Precautions" by Dr Reddys Foundation
March 28-29 2023	Workshop on Meditation and Breath by Art of Living Foundation
April 07-09, 2023	Picnic for employees
April, 18 2023	Webinar on Health for all
April 27, 2023	General Heath Check up by Siram Bhartia Institute of Science at HQ Lodi Road
May 10, 2023	General Heath Check up by Siram Bhartia Institute of Science at Noida HQ
May 19, 2023	Webinar on Joint pains at Workplace by Dr. Reddy's CSR Foundation.
June 23, 2023	Webinar on Diabetes by Reddy's CSR Foundation on.
19-20 Jun 2023	Training of select employees at MDI Gurgaon
12&13 June 2023	Training of select employees on POSH Act by Institute of Good Governance
Jul-23	Employees Medical Hospitalisation Trust Rules amended
25 July, 2023	webinar on Digital Stress by Dr. Reddy's Foundation on
	DPC Training for DD and below
	Catered to manpower requirements of various Regulatory Authorities

O. ICSI SOCIAL INITIATIVES

74th REPUBLIC DAY

74th Republic Day was celebrated on January 26, 2023 through the flag hosting at the Head Quarters, Regional Offices and Chapters Pan India.

INTERNATIONAL WOMEN'S DAY 2023

Dte. of HR celebrated the International Women's Day on 7th March, 2023. Gifts were presented to all the female employees of ICSI. On this occasion an exclusive webinar related to the health issues of women was organized by Fortis Escorts Heart Institute, New Delhi. Dr. Madhu Goel, Director, Obs & Gynae took the session. Apart from this, celebrations around 8th March, 2023 were held with great fervour across various Chapters and Regional Offices of the Institute.

GST DAY 2023

GST Day is observed on 1st July every year to celebrate the implementation of Goods and Service Tax regime. This year, the GST Day was celebrated through Regional and Chapter offices of the Institute where members were sensitized through panel discussions, seminars, study circle meetings, webinars, etc. on the topics relating to GST.

ICSI ACADEMIC CONNECT

During the period MoUs under the Academic Collaborations with Universities and Academic Institutions initiative of ICSI, were signed with the following institutions:

- Kalinga University, Raipur on February 28, 2023
- Chitkara University, Rajpura, Punjab April 05, 2023
- Nalsar University of Law, Hyderabad on May 07, 2023
- Jagannath University, Bahdurgarh Road, Jhajjar, Haryana on July 14, 2023

ICSI STUDY CENTRE

- A total of 6 MoUs were signed for new Study Centres and 7 MoUs were renewed with existing ones.

CAREER AWARENESS PROGRAMMES

- ICSI organised a session on "Corporate Restructuring" and Career Awareness Programme at Sharda University, Greater Noida under "Academic connect Initiative" of ICSI on 21st February 2023.
- ICSI participated in a mega Career Carnival at Pragati maidan from 6th & 7th May, 2023. More than 70 universities form across India participated in the fair.
- Felicitation of winners of "International Commerce Olympiad" of ICSI by Science Olympiad Foundation on 28th May, 2023.

- ICSI participated in a mega Career Carnival at Pragati maidan from 10th and 11th June, 2023. Around 5000-6000 students, parents and teachers from Delhi and NCR participated in the fair.

MOUs INKED

- MoU with Humming Bird Education Limited on May 30, 2023 for conducting "ICSI Commerce Olympiad" for class 11th and 12th students.

- MoU with International Olympiad Foundation (IOLYMPIAD LLP) on July 11, 2023 for conducting "ICSI Commerce Olympiad" for class 11th & 12th Students.

- MoU with Higher Education Department, Goa on July 27, 2023 in Goa for conducting extensive CAPs for the students of Class XI and XII of the schools under the jurisdiction of Goa Higher education Department to sensitise them about CS Profession.

9TH INTERNATIONAL DAY OF YOGA, 2023

In alignment with the theme of the year, International Yoga Day was celebrated at ICSI Regional Offices & Chapters on June 21, 2023, in the presence of Yoga Experts, Teachers, and Demonstrators.

SHAHEED KI BETI

The ICSI in continuation of its endeavours presented a cheque for Rs. 5,00,000 under the Shaheed ki Beti initiative for the education of girl children of the martyrs to Shri Rajnath Singh, the Hon'ble Minister of Defence and General Manoj Pande, Chief of the Army Staff.

P. ICSI-CCGRTs

COMMENCEMENT OF CONSTRUCTION OF ICSI-CCGRT AT IMT MANESAR

The Institute is embarking on commencement of construction of ICSI-CCGRT Manesar to provide research and training avenues readily accessible to the members, students and other stakeholders of the ICSI. The commencement of construction was held on May 20, 2023 at Plot No. 3, Sector 2, IMT Manesar, Gurugram at the hands of Hon'ble Rao Inderjit Singh Ji, Union Minister of State (I/C), Ministry of Statistics and Programme Implementation, Ministry of State (I/C), Ministry of Planning and MoS for Ministry of Corporate Affairs, Government of India. A one of its kind research facility, the ICSI-CCGRT, Manesar intends to add value to the existing ocean of knowledge and contributing towards our stakeholders in the Northern part of the Country.

ICSI-CCGRT HYDERABAD

ICSI CCGRT organised the following programs during the period:

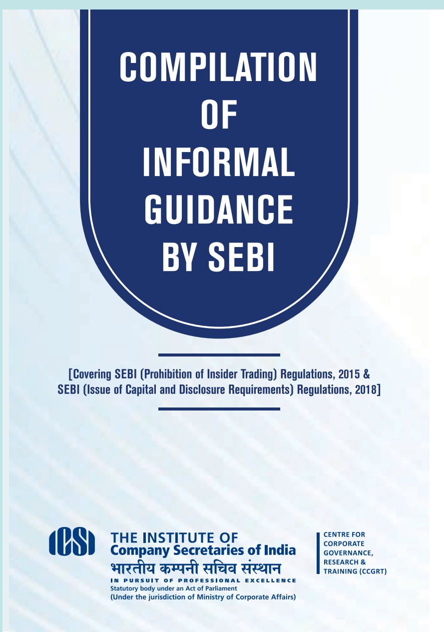
- 2 Residential CLDP for professional pass students
- Three days Basic Level Certificate Program on Commercial Arbitration (Online Mode).
- Two days Training Program on Effective Advocacy Strategies (Physical Mode).
- One-day Conference on Alternative Dispute Resolution. (Physical Mode)
- One-day Workshop on Career Conversations & Engagement. (Physical Mode).
- 4 (Four) Member Programmes for capacity building and knowledge enrichment.

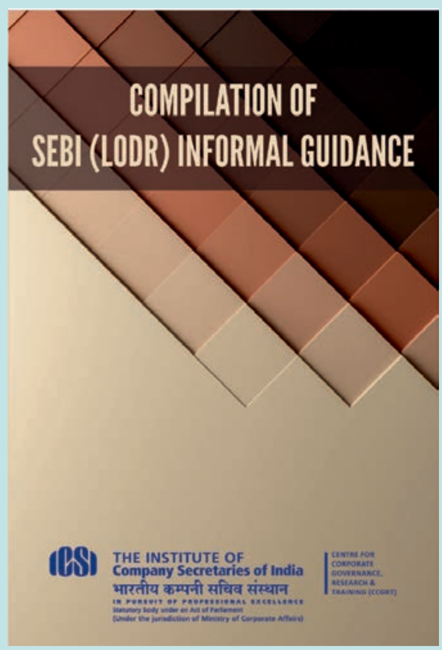
ICSI-CCGRT KOLKATA

- Received Approval on April 26, 2023 from Ministry of Power - Central Electricity Authority, to energize 400 Amp Compact Substation & 140 KVA DG.
- Received Approval on May 29, 2023 from Ministry of Power - Central Electricity Authority, to energize Electrical Installation associated with one 10 Passenger Lift and two 15 Passenger Lift.
- Received Fire Safety Certification (FSC) on August 11, 2023 from West Bengal Fire & Emergency Services department.
- Application has been done on August 19, 2023 to NKDA (under Government of West Bengal) for issuing the Building Occupancy Certificate.

ICSI-CCGRT MUMBAI

- A total of 10 workshops were conducted during the period on topics like RPTs, IBC, SEBI (LODR), ASCR, etc.
- *2 Residential MSOPs held*:
  - o 81st RMSOP: From March 21, 2023 to April 05, 2023
  - o 82nd RMSOP: From April 12-27, 2023
- *Three online CLDPs held-*
  - o From December 27, 2022 to January 31, 2023
  - o From January 27, 2023 to March 02, 2023
  - o From March 04, 2023 to April 04, 2023
- *9th Residential CLDP (30 Days)*: From February 15, 2023 to March 18, 2023
- *15 days Residential CLDP*
  - o 11th : From May 24, 2023 to June 08, 2023
  - o 12th : From July 11, 2023 to July 26, 2023
- Five (05) ODOPs conducted during the period.
- *Research Publications*:
  - o Compilation of SEBI (LODR) Informal Guidance
  - o Compilation of Informal Guidance by SEBI: Covering SEBI (Prevention of Insider Trading) Regulations, 2015 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018





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Articles Part-I

ESG and Role of Company Secretaries
74

Dr. Ritu Gupta

Company Secretaries play a central role in integrating ESG issues effectively into board governance. They facilitate discussions, provide information and maintain records related to ESG matters. Additionally, they help establish and uphold robust governance practices that align with ESG principles, promoting transparency, accountability and ethical behaviour within the organization. Their work contributes to the long-term sustainability and responsible business practices of the company, fostering trust and confidence among stakeholders.

From Tradition to Transformation: ESG Initiatives in Indian Corporate Landscape
81

CS Vidhi Agrawal, ACS

Environmental, Social, and Governance (ESG) criteria have become increasingly important in the corporate world, reflecting a growing awareness of sustainability and responsible business practices. In the context of India, this article aims to comprehensively analyze the initiatives undertaken by Indian companies to incorporate ESG principles into their operations. The present research has explored the motivations behind these initiatives, the challenges faced, and the impact of ESG integration on both companies and society. By examining the efforts towards ESG by several Companies, this research seeks to provide insights into the current state of ESG adoption among Indian companies and its implications for India's corporate landscape.

Is ESG Really a "Value Proposition" or Simply "Greenwashing"?
88

Demystifying the "ESG" in India with Surgical Precision

CS (Prof.) Divyesh Patel, FCS and Dr (Prof.) Naresh Patel

It is a proven fact that organizations that have performed well within the parameters of sustainable development have been successful throughout the ages. From the point of view of value investment, investors should recognize these environmental, social and management factors when choosing a company as a long-term investment target, not only to expect stable long-term returns, but also to contribute by promoting Sustainable development.

Role of Company Secretary in Environmental, Social, and Governance (ESG)
93

Dr. M. Sumathy, D.Litt. and J. Sneha Jayalakshmi

Businesses must adhere to ESG standards and have a strong ESG compliance framework in place. Since they are in charge of overseeing and putting these standards into practice at the board level, the company secretary plays a critical role in ensuring compliance with legislative obligations connected to ESG. The Corporate Social Responsibility (CSR) Rules, 2014, are one of the ESG compliance standards that the MCA has released for businesses. According to these regulations, businesses that reach a specific level of revenue or net profit are obligated to devote a minimum portion of their earnings to CSR initiatives.

Exploring the Nexus of CSR and ESG: Unveiling Key Similarities and Differences
97

CS Sandhya Aggarwal, FCS

This article offers valuable insights into the world of CSR (Corporate Social Responsibility) and ESG (Environmental, Social, and Governance). It explores their influence on businesses, delves into their unique features, and highlights their shared objectives. Discover how ESG benefits society, corporations, and the environment, living beings while aligning with Sustainable Development Goals. Learn about the synergy between ESG and CSR and the impact of mandatory compliance on businesses. In a dynamic world, this article serves as your comprehensive guide to the advantages of responsible and sustainable business practices.

BRSR: Creating the Non-Financial Rulebook 103

CS Aditya Tillu, ACS

The disclosure also needs to be provided with regard to material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business of entity, rationale for identifying the same and approach to adapt or mitigate the risk along-with its financial implications. This mainly focus on impact of material responsible for business conduct on people, planet and profit.

ESG Board's Responsibility – India and Globally 111

CS Rajiv Jha, FCS

Both CSR and ESG continue to coexist in India, due to certain peculiar connotations of CSR under Indian emerging legal landscape, the regulatory focus has shifted more towards ESG in recent years. It is clear that nowhere has CSR acquired a more prescriptive status than in India where the basic corporate statute, the Companies Act 2013 is elaborate about the obligations of companies to act in a manner that benefits the broader society, apart from shareholders.

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Cognitive Bias in Judicial Decision Making 117

Dr. Amreen Ameer Mailanchi and
Prof (Dr.) S. Vinod Kumar

The purpose of abiding by the principles of natural justice is prevention of failure of justice. And that's what doctrine of bias says, "nobody should be a judge in his own cause or in which he is interested". Justice Bhagwati (1978) stated that natural justice is fair play in action. Similarly, the two principles of natural justice which are rule against law and the rule of fair hearing both makes it clear that the judiciary must be free from bias and has to deliver pure and impartial justice.

Research Corner P - 125

Concentration of Real Estate Development in The Vicinity of Metropolitan Cities: Reasons, Benefits, Challenges, Impact on Future Generations & Sustainable Development 126

Research Team under the aegis of ICSI-CCGRT Navi Mumbai

In November 2018, the MCA constituted a Committee on Business Responsibility Reporting (the Committee) to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the NGRBC.Through its 'Report of the Committee on Business Responsibility Reporting' (the Committee Report), the Committee recommended that BRR be replace by BRSR, where disclosures are based on ESG parameters, compelling organisations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting.

Legal World P-137

- **LMJ 10:10:2023** The suit or proceeding instituted without leave of the Court may, in our judgment, the regarded as ineffective until leave is obtained but once leave is obtained the proceeding will be deemed instituted on the date granting leave.[SC]
- **LW 68:10:2023** A balance sheet acknowledging debt is also a document relevant for calculating the limitation.[SC]
- **LW 69:10:2023** A public announcement of the CIRP through newspapers would constitute deemed knowledge on the appellant. In any case, their plea of not being aware of newspaper pronouncements is not one which should be available to a commercial party.[SC]
- **LW 70:10:2023** We have no hesitation in observing that in the present case there is no real pre-existing disputes discernible from given facts and all other requisite conditions necessary to trigger CIRP under Section 9 stands fulfilled.[NCLAT]
- **LW 71:10:2023** In our considered view, the appellant has not been able to demonstrate as to why the provisions contained in Article 25 of DTAA and Article 8 (bis) of the Omani Tax Laws would not be applicable.[SC]

- **LW 72:10:2023** We find no error in the view taken by the High Court that the appellant–insurer had no right to claim fees of Rs.250/- for recording the endorsement of assignment or transfer.[SC]

- **LW 73:10:2023** There is no room for doubt that in view of the agreement between the parties that venue of arbitration shall be Bangalore and there being no contrary indicia, the stated venue is the juridical seat of arbitral proceedings, and this Court has no jurisdiction to entertain the present petition.[Del]

- **LW 74:10:2023** A trust and its trustee can be prosecuted for the offence of cheque dishonour [Ker]

- **LW 75:10:2023** Thus, in the facts of the present case, to permit the Appellant to press into service the provisions of the MSMED Act would in fact not only amount to putting a premium on dishonesty but also result in a gross abuse of the salutary provisions of the MSMED Act.[Bom]

From The Government P-145

- Clarification on holding of Annual General Meeting (AGM) and EGM through Video Conference (VC) or Other Audio Visual Means (OAVM) and passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with Rues made thereunder -Extension of timeline-reg
- Constitution of the Company Law Committee
- Limited Liability Partnership (Second Amendment) Rules, 2023
- Nomination for Mutual Fund Unit Holders – Extension of timelines
- Extension of timelines (i) for nomination in eligible demat accounts and (ii) for submission of PAN, Nomination and KYC details by physical security holders; and voluntary nomination for trading accounts
- Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform
- Regulatory Reporting by AIFs
- Board nomination rights to unitholders of Real Estate Investment Trusts (REITs)
- Board nomination rights to unitholders of Infrastructure Investment Trusts (InvITs)
- Clarification regarding investment of Mutual Fund schemes in units of Corporate Debt Market Development Fund
- Mechanism for Sharing of Information by Credit Rating Agencies (CRAs) to Debenture Trustees (DTs)
- Change in Mode of Payment w.r.t. SEBI Investor Protection and Education Fund Bank A/c
- New format of Abridged Prospectus for public issues of Non-Convertible Debt Securities and/ or Non-convertible Redeemable Preference Shares'
- Display of information - Secured assets possessed under the SARFAESI Act, 2002
- Master Direction - Reserve Bank of India (Prudential Regulations on Basel III Capital Framework, Exposure Norms, Significant Investments, Classification, Valuation and Operation of Investment Portfolio Norms and Resource Raising Norms for All India Financial Institutions) Directions, 2023
- Data Quality Index for Commercial and Microfinance Segments by Credit Information Companies
- PM Vishwakarma Scheme
- Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal[1] Loans
- Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023
- Reserve Bank of India Act, 1934 - Section 42(1A) - Requirement for maintaining additional CRR
- Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI)

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Governance and Compliance: Need for Standardisation

Both Compliance and Governance have become the buzz words of the modern India Inc. As the Government of India makes clear its intent to promote ease of doing business by doing away with archaic laws and unnecessary formalities to make way for ease of compliance - the idea is to provide corporates with the opportunity to pursue the remaining compliances with greater efficiency and effectiveness.

It goes without saying that Compliance is a continuous process and not just a one-time activity, thus encouraging the entire operational framework of the companies to function well and be accountable for meeting various requirements of the laws.

With the Indian corporate scenario flooded with companies of all sizes and structural differences, each has a different set of laws to comply with and even within the same laws have their unique sets of exemptions and qualifications - bringing forth the need for standardisation of compliance practices.

To understand these needs and to work upon them in a better way, the ICSI has formulated Task Forces to focus on different areas of Corporate functioning.

In view of the same and more, we are pleased to inform you that the November 2023 issue of Chartered Secretary Journal will be devoted to the theme **"Governance and Compliance: Need for Standardisation"** covering inter alia the following aspects:

Call For ARTICLES

Call for Articles for Publication in Chartered Secretary Journal – November 2023

- **Governance and Compliance Standards : The future ahead**
- **Risk assessment and mitigation : Significance in governance**
- **Digital transformation and standardisation : Exploring the unexplored**
- **Governance Policies, Risk management and Regulatory compliance: Handling interdependencies**
- **Indian laws and standardisation**
- **Standardising foreign exchange laws : FEMA and beyond**

And many more...

Members and other readers desirous of contributing articles may send the same latest by Sunday, October 22, 2023 at cs.journal@icsi.edu for November 2023 issue of Chartered Secretary Journal.

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

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

Regards,

Team ICSI

Articles in Chartered Secretary

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1

ARTICLES

Articles
Part-I

ESG and Role of Company Secretaries

Company Secretaries in India have a multifaceted role in preparing accurate, transparent and compliant ESG reports that provide relevant information to stakeholders. They act as intermediaries between the company and regulatory authorities, ensuring adherence to ESG reporting requirements. Their responsibilities are integral to demonstrating the company's commitment to ESG principles, promoting transparency and building trust with investors, regulators and the public.

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INTRODUCTION

Company Secretaries in India play a pivotal role in advancing Environmental, Social and Governance (ESG) principles within organizations. Their multifaceted responsibilities encompass ESG reporting, ethical governance, stakeholder engagement and training and education initiatives. By effectively executing these roles, Company Secretaries contribute to a company's commitment to sustainability, regulatory adherence, transparency and ethical business practices. In this context, we will explore the integral functions performed by Company Secretaries in fostering ESG excellence.

HERE'S HOW CS CONTRIBUTE TO ESG IN INDIA

A. Understanding and Ensuring Regulatory Compliance:

Company Secretaries (CS) in India play a pivotal role in navigating the complex landscape of Environmental, Social and Governance (ESG) regulations. Their responsibilities encompass understanding and ensuring regulatory compliance, preparing ESG reports, maintaining accuracy and transparency and engaging with various stakeholders. CS serve as a bridge between the company and regulatory authorities, facilitating adherence to ESG reporting requirements and fostering transparency and trust.

CS must possess a profound understanding of the evolving ESG regulatory landscape in India. They need to stay updated on regulatory changes and ensure the company's adherence to environmental, social and governance standards. This involves reporting and disclosing ESG information to meet compliance requirements.

A.1. ESG Reporting Preparation: In-depth knowledge of ESG metrics is vital for CS. They must understand the specific metrics and indicators relevant to their company's industry, including key performance indicators related to environmental impact, social responsibility and governance practices. CS also oversee data collection and verification processes, collaborating with different departments to ensure accurate data gathering. They work to integrate this data into a standardized format for reporting.

A.2. Ensuring Accuracy and Transparency: CS play a crucial role in quality control, verifying the accuracy, reliability and consistency of ESG data through validation processes and internal audits. Transparency is a cornerstone of their work, encompassing both positive and negative aspects of the company's ESG performance. They align ESG reports with globally recognized standards and frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).

A.3. Compliance with Reporting Requirements: CS stay informed about ESG reporting regulations in the jurisdictions where the company operates. They meticulously plan and coordinate to ensure timely reporting, meeting submission deadlines set by regulatory authorities.

A.4. Stakeholder Engagement: Acting as liaisons, CS communicate the company's ESG performance, initiatives and goals to stakeholders, including investors, regulators, customers, suppliers and the public. They respond to inquiries and requests for information, demonstrating transparency and accountability, even addressing questions from shareholders and ESG rating agencies.

A.5. ESG Report Publication: CS oversee the distribution and publication of ESG reports through various channels, such as the company's website, regulatory filings and industry-specific platforms. They ensure accessibility to these reports, complying with accessibility standards and providing clear links on the company's website.

A.6. Internal Coordination: Internal collaboration is essential for CS. They work with various departments, including legal, finance, sustainability and communications, to gather ESG data and insights. Furthermore, they engage with the Board of Directors to ensure that the Board understands the significance of ESG performance for long-term value creation and risk management.

So, Company Secretaries in India have a multifaceted role in preparing accurate, transparent and compliant ESG reports that provide relevant information to stakeholders. They act as intermediaries between the company and regulatory authorities, ensuring adherence to ESG reporting requirements. Their responsibilities are integral to demonstrating the company's commitment to ESG principles, promoting transparency and building trust with investors, regulators and the public.

B. Board Governance: Company Secretaries (CS) hold a pivotal role in the realm of Board Governance and Environmental, Social and Governance (ESG) issues. Their responsibilities encompass agenda setting, information dissemination, maintenance of Board records, ESG updates to the Board and establishing and maintaining strong governance practices.

B.1. Involvement in Board Meetings: CS are responsible for shaping the agenda of Board meetings, ensuring that ESG issues are consistently featured. They emphasize the significance of ESG within the context of sustainability and responsible business practices. They diligently distribute relevant materials to Board Members in advance, ensuring that the board is well-informed about ESG matters. During Board meetings, CS act as facilitators, encouraging open discussions on ESG issues, answering queries and providing clarifications to help Board Members make informed decisions regarding ESG-related policies and strategies.

B.2. Maintenance of Board Records: CS play a critical role in maintaining accurate and up-to-date Board records. This involves recording minutes of Board Meetings, documenting decisions and archiving important ESG-related documents. Their role in compliance documentation is pivotal as they ensure that all ESG-related decisions, policies and actions taken by the Board are well-documented, which is crucial for regulatory compliance and transparency.

B.3. ESG Updates to the Board: CS provide the board with regular updates on the company's compliance status with respect to ESG regulations and standards. This encompasses reporting on the company's adherence to environmental laws, social responsibility guidelines and governance best practices. They keep the Board abreast of changes in ESG regulations and reporting requirements, helping the Board proactively adapt the company's strategies. Furthermore, CS provide insights into emerging ESG trends and developments, sharing information about industry-specific ESG challenges and opportunities that could impact the company's long-term sustainability and competitive position.

B.4. Establishing and Maintaining Strong Governance Practices: CS contribute significantly to Board composition by evaluating and recommending potential board members. They assess candidates' skills, experience and diversity to ensure that the Board is well-equipped to address ESG challenges and responsibilities. Ensuring Board independence is a critical facet of their role, as they work to establish and maintain independence to avoid conflicts of interest that could compromise impartial decision-making on ESG matters. CS also strive to enhance transparency in Board processes and decisions, facilitating open communication between the Board and stakeholders, including shareholders and the public, regarding the company's ESG performance and practices. They assist in the development and periodic review of governance codes, policies and guidelines that govern the Board's behaviour and responsibilities, often incorporating ESG principles to guide the Board's actions.

B.5. Reporting and Compliance: CS bear the responsibility of ensuring that the Board's Governance practices, including those related to ESG, comply with local and international regulations. They keep the Board informed about any legal obligations linked to ESG governance. Moreover, CS may conduct assessments of Board effectiveness, including ESG governance, to identify areas for improvement and ensure the board operates efficiently in its oversight role.

Company Secretaries play a central role in integrating ESG issues effectively into Board Governance. They facilitate discussions, provide information and maintain records related to ESG matters. Additionally, they help establish and uphold robust governance practices that align with ESG principles, promoting transparency, accountability and ethical behaviour within the organization. Their work contributes to the long-term sustainability and responsible business practices of the company, fostering trust and confidence among stakeholders.

C. **Environmental Initiatives:** Company Secretaries (CS) in India play a vital role in ensuring their companies' compliance with environmental laws and regulations while promoting responsible environmental stewardship as part of Environmental, Social and Governance (ESG) performance.

C.1. Emissions Monitoring: CS oversee the implementation of emission monitoring systems to accurately measure and record emissions of pollutants in compliance with environmental regulations, ensuring adherence to greenhouse gas, particulate matter and volatile organic compounds emission limits.

C.2. Waste Disposal Compliance: They collaborate with relevant departments to establish proper waste management procedures, including the handling, transportation and disposal of hazardous waste, ensuring compliance with environmental laws and awarding waste disposal contracts to authorized providers.

C.3. Resource Consumption Tracking: CS monitor resource consumption, such as water, energy and raw materials and work with departments to implement strategies that minimize the environmental impact of these activities, aligning operations with environmental standards.

C.4. Environmental Impact Assessments (EIAs): In industries with significant environmental impacts, CS ensure compliance by conducting EIAs, assessing and mitigating the environmental consequences of projects, aligning them with legal requirements.

C.5. Compliance Audits: They organize periodic compliance audits, assessing the company's adherence to environmental laws. Audit findings are reported to the Board and Management, promoting transparency and accountability.

C.6. Environmental Policy Development: CS collaborate with management to formulate and update environmental policies, setting targets and objectives for environmental performance and ensuring alignment with regulatory requirements.

C.7. Regulatory Reporting: They are responsible for submitting mandatory environmental reports to regulatory bodies, including data on emissions, waste generation and other environmental performance metrics, ensuring accurate and timely reporting to avoid regulatory penalties.

C.8. Stakeholder Engagement: CS facilitate engagement with environmental stakeholders, organizing public consultations and meetings to address concerns, gather input for environmental impact assessments and promote community involvement.

C.9. Environmental Compliance Training: To ensure employee awareness of environmental compliance responsibilities, CS organize training programs on environmental laws, regulations and company policies.

C.10. Environmental Management Systems (EMS): They assist in implementing EMS frameworks like ISO 14001, establishing a structured approach to environmental management and procedures to address environmental aspects and impacts.

C.11. Crisis Management: In the event of environmental incidents, CS coordinate the company's response, ensuring compliance with legal reporting requirements and working to minimize reputational damage.

Hence, Company Secretaries actively engage in activities that help companies in India meet their environmental compliance obligations and promote responsible environmental stewardship, an integral component of ESG performance. Their roles encompass emissions monitoring, waste disposal compliance, resource consumption tracking, EIAs, compliance audits, policy development, regulatory reporting, stakeholder engagement, employee training, EMS implementation and crisis management. CS contribute to the company's commitment to environmental sustainability and regulatory adherence, ultimately enhancing ESG performance.

D. **Social Responsibility Guidelines:** Company Secretaries (CS) in India play a crucial role in integrating social responsibility into the broader framework of Environmental, Social and Governance (ESG). This involves developing and implementing policies and initiatives related to employee welfare, community development and ethical sourcing that align with a company's social responsibility goals while adhering to guidelines and laws.

D.1. Identifying Social Responsibility Goals: CS collaborate closely with management to assess the company's existing social responsibility efforts and pinpoint areas for enhancement. They evaluate current practices concerning employee welfare, community engagement and ethical sourcing. Subsequently, CS aid in setting clear and measurable social responsibility objectives aligned with the company's ESG goals. These objectives may encompass reducing the company's environmental footprint, enhancing labour practices, or supporting local communities.

D.2. Developing Social Responsibility Policies and Strategies: CS are instrumental in formulating social responsibility policies and strategies that outline the company's commitment to various social responsibility aspects. They facilitate engagement with stakeholders, including employees, customers, communities and non-governmental organizations, to ensure that these policies are comprehensive and inclusive of all relevant interests. Additionally, CS ensure that the policies adhere to applicable laws, regulations and international standards, staying abreast of changes in labour laws, environmental regulations and ethical sourcing guidelines.

D.3. Implementing Social Responsibility Programs: Once policies are established, CS collaborate with management to design and execute specific social responsibility programs. These initiatives can encompass areas such as employee health and safety, diversity and inclusion, philanthropy and sustainable sourcing. CS also play a role in allocating resources, including budgets and personnel, to support these programs, ensuring they receive the necessary funding and manpower. Furthermore, they establish monitoring mechanisms, including key performance indicators (KPIs) and regular assessments, to track the impact of these initiatives on both the company and its stakeholders.

D.4. Ensuring Alignment with ESG Goals: CS ensure seamless integration of social responsibility programs into the company's overall ESG strategy, demonstrating a holistic commitment to sustainability and responsible business practices. They are responsible for reporting on the company's social responsibility efforts, including progress toward meeting objectives, typically included in ESG reports and disclosed to stakeholders. CS also focus on continuous improvement of these programs, incorporating feedback, adapting to changing circumstances and staying updated on evolving best practices in the field of ESG.

Consequently, Company Secretaries in India play a pivotal role in the development and implementation of social responsibility guidelines and programs within the ESG framework. They ensure alignment with broader ESG goals, compliance with relevant laws and regulations and a positive social impact on employees, communities and society at large. Their efforts are instrumental in promoting ethical and sustainable business practices in the corporate sector.

E. Ethical Governance: Company Secretaries (CS) in India have a critical role in promoting ethical governance as a crucial aspect of Environmental, Social and Governance (ESG) principles. They establish strong governance structures, define codes of conduct and implement mechanisms for ethical behaviour while ensuring transparency and alignment with global best practices.

E.1. Establishing Ethical Governance Structures: CS centralize the development, implementation and communication of a comprehensive code of conduct for the organization. This code covers ethical principles and standards, including conflict of interest, bribery, corruption and responsible business practices. Additionally, they assist in formulating and updating governance policies and guidelines related to Board composition, Director independence, executive compensation and risk management, ensuring alignment with global governance best practices and local regulations.

> Company Secretaries actively engage in activities that help companies in India meet their environmental compliance obligations and promote responsible environmental stewardship, an integral component of ESG performance. Their roles encompass emissions monitoring, waste disposal compliance, resource consumption tracking, EIAs, compliance audits, policy development, regulatory reporting, stakeholder engagement, employee training, EMS implementation and crisis management.

E.2. Ethical Behaviour Promotion: CS organize training programs and workshops to educate employees, executives and directors about the company's ethical standards and the importance of ethical decision-making. They facilitate transparent communication of ethical standards throughout the organization and work with leadership to ensure executives and Directors serve as role models for ethical behaviour.

E.3. Whistle blower Mechanisms: CS are responsible for implementing and managing confidential whistle blower mechanisms within the organization. These mechanisms provide a secure channel for reporting unethical behaviour and ensure the confidentiality and protection of those who report violations. CS also coordinate the investigation and resolution of reported ethical breaches, collaborating with relevant departments.

E.4. Governance Oversight: CS actively support the Board in addressing ethical governance during meetings and provide necessary documentation. They monitor the company's compliance with its governance policies and ethical standards, including adherence to the code of conduct and governance guidelines. CS may offer recommendations to improve governance and ethics within the organization based on best practices and emerging trends.

E.5. Reporting and Transparency: CS include information related to ethical governance in the company's ESG reports, which is essential for stakeholders, including investors, assessing ethical practices as part of ESG evaluations. They emphasize transparency in all governance matters, building trust among stakeholders and reinforcing the company's commitment to ethical governance.

Company Secretaries in India play a fundamental role in establishing and maintaining robust ethical governance structures within organizations. They ensure alignment with ESG principles, promote ethical behaviour, provide mechanisms for reporting and addressing ethical violations and enhance transparency. CS contribute to fostering a culture of integrity and responsible governance, which is fundamental to ESG performance and long-term sustainability.

F. Stakeholder Engagement: Company Secretaries (CS) in India have a pivotal role in managing stakeholder communication, including shareholders, regulators and the public, concerning Environmental, Social and Governance (ESG) matters. Their active involvement in Board Governance and ESG integration includes:

F.1. Involvement in Board Meetings:

- **Agenda Setting:** CS set Board Meeting agendas, ensuring regular inclusion of ESG issues, underlining their significance for sustainability and responsible practices.
- **Information Dissemination:** They distribute pertinent materials and reports to Board Members ahead of meetings, guaranteeing well-informed decision-making on ESG-related matters.
- **Facilitation:** During board meetings, CS facilitate ESG discussions, fostering open dialogue and providing clarifications to guide Board Members in their decisions.

F.2. Maintenance of Board Records:

- **Record Keeping:** CS maintain precise and up-to-date Board records, including Meeting Minutes, decisions and vital ESG-related documents.
- **Compliance Documentation:** They ensure thorough documentation of all ESG-related decisions, policies and actions taken by the Board, crucial for regulatory compliance and transparency.

F.3. ESG Updates to the Board:

- **Compliance Status:** CS provide regular updates to the Board on the company's ESG compliance including adherence to environmental laws, social responsibility guidelines and governance best practices.

- **Regulatory Changes:** They keep the Board informed about any alterations in ESG regulations and reporting requirements, aiding the Board in staying compliant and adjusting strategies accordingly.
- **Emerging Trends:** CS offer insights into emerging ESG trends and developments, sharing information on industry-specific challenges and opportunities that may impact the company's long-term sustainability and competitiveness.

F.4. Establishing and Maintaining Strong Governance Practices:

- **Board Composition:** CS evaluate and recommend potential Board Members, considering their skills, experience and diversity to ensure the Board is well-equipped to address ESG challenges.
- **Independence:** They assist in establishing and preserving Board independence, a critical aspect of Good Governance and ensuring Board Members are free from conflicts of interest that could compromise impartial decision-making on ESG matters.
- **Transparency:** CS enhance transparency in Board processes and decisions, facilitating open communication between the Board and stakeholders, including shareholders and the public, concerning the company's ESG performance and practices.
- **Governance Codes and Policies:** They contribute to developing and periodically reviewing governance codes, policies and guidelines that govern Board behaviour and responsibilities. These often incorporate ESG principles to guide Board actions.

F.5. Reporting and Compliance:

- **Regulatory Compliance:** CS ensure the Board's Governance practices, including those related to ESG, comply with local and international regulations, keeping the board informed about legal obligations pertaining to ESG governance.

- **Board Effectiveness:** They may conduct assessments of Board effectiveness, including ESG governance, identifying areas for improvement and ensuring the board efficiently fulfil its oversight role.

Hence, CS play a central role in seamlessly integrating ESG issues into board governance. They facilitate discussions, provide information and maintain records related to ESG matters while assisting in establishing and maintaining strong governance practices aligned with ESG principles. Through these efforts, CS contribute to promoting transparency, accountability and ethical behaviour within the organization, fostering its long-term sustainability.

G. **Training and Education:** Company Secretaries (CS) in India are instrumental in organizing training and education programs focused on Environmental, Social and Governance (ESG) issues within organizations. These programs are essential for fostering a culture of ESG awareness, aligning stakeholders with ESG goals and ensuring regulatory compliance. Here's a detailed overview of the CS's role in organizing ESG training and education:

G.1. Needs Assessment:

- **Identifying Knowledge Gaps**: CS begin by identifying knowledge gaps among employees and Directors related to ESG issues. This includes areas such as sustainability, ethical practices, diversity and inclusion and governance standards.

- **Assessing Regulatory Changes:** They stay updated on ESG regulations, including recent changes in environmental laws, social responsibility guidelines and governance standards that may affect the organization.

G.2. Program Development:

- **Curriculum Design:** CS collaborate with stakeholders like HR, legal and subject matter experts to design the training program's curriculum. They ensure it covers a broad spectrum of relevant ESG topics tailored to the organization's needs.

- **Learning Objectives:** Clear learning objectives are defined for each program, helping participants understand what they will gain and how it aligns with the company's ESG objectives.

- **Resource Allocation:** They work with management to allocate resources, including budgeting for materials, instructors and facilities.

G.3. Program Implementation:

- **Instructor Selection:** CS may hire qualified instructors or trainers, whether internal or external experts, with expertise in ESG topics to lead the training sessions.

- **Scheduling and Logistics:** Coordination of training session schedules is crucial, ensuring convenience for participants, along with managing logistical aspects such as venue selection and technology requirements.

- **Participant Engagement:** During sessions, active participant engagement is encouraged through discussions, case studies and interactive activities to deepen understanding of ESG issues.

G.4. Culture Building:

- **Promoting ESG Awareness:** The primary aim of these programs is to raise ESG awareness and emphasize its relevance to the organization's mission and values.

- **Embedding ESG in Culture:** CS work towards creating a culture of ESG awareness within the organization. ESG should become an integral element of the company's culture and decision-making processes.

- **Aligning with Values:** They stress how ESG principles align with the company's values, mission and strategic goals, fostering a deeper connection between employees and ESG.

G.5. Regulatory Compliance:

- **Ensuring Legal Compliance:** Training programs also cover regulatory compliance, making participants aware of their responsibilities regarding ESG-related laws and regulations.

- **Documentation:** CS maintain records of training sessions, attendance and materials provided. This documentation can be crucial during regulatory audits, demonstrating the organization's commitment to ESG education and compliance.

G.6. Evaluation and Feedback:

- **Assessment:** Post-training, CS collect feedback from participants to assess program effectiveness. This feedback informs the refinement of future programs.

- **Continuous Improvement:** Feedback is used to continuously enhance the quality and relevance of ESG training programs. The curriculum and teaching methods are adapted based on participant suggestions and evolving ESG trends.

G.7. Reporting:

- **Reporting to Stakeholders:** CS report on the success and impact of ESG training programs in the company's ESG reports. This demonstrates to stakeholders, including investors and customers, that the organization actively invests in ESG education.

  Company Secretaries in India play a vital role in organizing ESG training and education programs. These programs serve as a cornerstone for creating ESG awareness, aligning stakeholders with the organization's ESG objectives and ensuring compliance with ESG regulations. Prioritizing education and awareness equips companies to seamlessly integrate ESG principles into their operations and decision-making processes, thereby contributing to long-term sustainability and responsible business practices.

H. Continuous Monitoring: Company Secretaries (CS) in India play a crucial and multifaceted role in the continuous monitoring and improvement of Environmental, Social and Governance (ESG) initiatives within organizations. ESG is an ongoing commitment and CS ensure that companies remain aligned with their sustainability objectives while meeting the evolving demands of ESG stakeholders. Here's an overview of their responsibilities in this context:

H.1. Continuous Monitoring of ESG Goals: CS are responsible for tracking and measuring progress toward ESG goals, covering environmental, social and governance aspects. They establish SMART Key Performance Indicators (KPIs) to evaluate progress regularly and prepare reports summarizing achievements and areas needing attention.

H.2. Internal Audit Mechanisms: CS collaborate with internal auditors to develop audit plans that include ESG-related audits. They oversee audit execution, assessing compliance with ESG regulations and internal policies while identifying ESG-related risks and proposing mitigation strategies.

H.3.Compliance Monitoring: Ensuring ongoing compliance with ESG-related laws and regulations is a key duty. CS keep organizations up-to-date with changes in ESG legislation and verify adherence to internal ESG policies, including code of conduct, social responsibility guidelines and governance principles.

H.4.Identifying Improvement Opportunities: Gap analyses are performed to identify areas where companies fall short of ESG standards or objectives. Recommendations for improvements are made based on audit findings and gap analyses. CS help implement these recommendations efficiently and effectively.

H.5.Reporting and Transparency: CS include ESG audit outcomes, compliance status and improvement initiatives in ESG reports, demonstrating the company's commitment to continuous improvement and accountability. They also engage with stakeholders, fostering trust and transparency.

In India, Company Secretaries are pivotal in maintaining ongoing ESG commitment. They help companies stay aligned with sustainability goals, meet compliance requirements and enhance transparency. This continuous monitoring and improvement cycle is vital for companies to remain in line with sustainability objectives and satisfy the evolving expectations of ESG stakeholders.

CONCLUSION

Therefore, Company Secretaries are instrumental in shaping an organization's ESG journey in India. They bridge the gap between regulatory requirements and company objectives by ensuring ESG reporting accuracy, ethical governance and stakeholder engagement. Additionally, their role in ESG training and education helps cultivate a culture of awareness and responsibility within the organization. These efforts collectively enhance transparency, accountability and sustainability, aligning the company with global ESG standards and fostering trust among stakeholders. As ESG continues to evolve, the contributions of Company Secretaries remain central to responsible corporate practices and long-term success.

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From Tradition to Transformation: ESG Initiatives in Indian Corporate Landscape

Environmental, Social, and Governance (ESG) criteria have become increasingly important in the corporate world, reflecting a growing awareness of sustainability and responsible business practices. In the context of India, this article aims to comprehensively analyze the initiatives undertaken by Indian companies to incorporate ESG principles into their operations. The present article has explored the motivations behind these initiatives, the challenges faced, and the impact of ESG integration on both companies and society. By examining the efforts towards ESG by several Companies, this research seeks to provide insights into the current state of ESG adoption among Indian companies and its implications for India's corporate landscape.

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INTRODUCTION

The importance of ESG considerations in business has gained significant attention globally, driven by increasing awareness of environmental issues, social inequalities, and Corporate Governance failures. (Eccles & Serafeim, 2013; Linnenluecke, M. K. (2022).In the context of India, a similar awakening is taking place within the corporate landscape. Companies operating in India are increasingly recognizing the imperative nature of aligning their strategies and operations with ESG principles (Maji, S. G., & Lohia, P., 2023). This shift represents a significant departure from traditional business practices, highlighting a big transformation in the Indian business environment.

While there is a widespread discussions and research going on ESG at the Global level but there is a limited understanding of how Indian companies are following this transformative journey. This research aims to highlight the specific ESG initiatives taken by Indian companies and, more importantly, has highlighted the implications of these initiatives within the unique socio-economic and regulatory context of India.

By homing in on the Indian experience, this research paper offers a distinct perspective on the challenges, opportunities, and strategies that companies in this diverse and rapidly growing market employ to embrace ESG philosophy. The present research may be valuable resource for Indian businesses seeking guidance on ESG integration and offer insights to policymakers and stakeholders interested in shaping the ESG landscape in India.

MOTIVATIONS FOR ESG ADOPTION

Regulatory Environment

Regulatory bodies in India, such as the Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs (MCA), play a crucial role in promoting Environmental, Social and Governance (ESG) reporting and integration into corporate practices.

SEBI as the primary regulatory authority for the securities market in India has taken several initiatives to promote ESG reporting and compliance among publicly listed companies. For example for FY2022-23, which ended on March 31, 2023,SEBI has made it mandatory for India's top 1,000 listed companies based on market capitalization to file Business Responsibility and Sustainability Report (BRSR). This requirement was introduced through a circular issued in May 2021[1]. These companies are required to include a Business Responsibility and Sustainability Report (BRSR) as part of their annual reports, delineating their ESG performance and initiatives.

Further to ensure that companies focus on ESG issues that are prominent for their specific industry and operations, SEBI encourages companies to conduct a materiality assessment to identify ESG factors that are most relevant to their business. Debnath, P., & Kanoo, R.(2021) This approach ensures a structured framework for ESG reporting and integration, including guidelines on content, format, and disclosure requirements in the BRSR.

SEBI's recognition of certain ESG rating agencies for scoring and verifying ESG disclosures contributes to the reliability, transparency and comparability of ESG data. This boosts

1. *https://www.sebi.gov.in/media/press-releases/may-2021/sebi-issues-circular-on-business-responsibility-and-sustainability-reporting-by-listed-entities-_50097.html*

investor confidence in the accuracy and credibility of ESG information, which can influence investment decisions and, consequently, encourage companies to improve their ESG performance.

On the other hand, the Ministry of Corporate Affairs (MCA) has also contributed in promoting ESG practices. The mandate under the Companies Act, 2013, requires companies meeting specific financial thresholds to mandatorily allocate a portion of their profits to Corporate Social Responsibility (CSR) activities. Majumdar, A. B. (2014) While not identical to ESG, CSR and ESG are closely interlinked Gillan et al. (2021), and this mandate has led companies to consider their social and governance responsibilities more seriously. Further, MCA has issued National Guidelines on Responsible Business Conduct to encourage companies to align their strategies with sustainable development goals and incorporate ESG considerations into decision-making.[2] These guidelines provide a broader framework for ESG integration beyond reporting, influencing companies to integrate ESG principles into their business operations Mahajan, R. (2023) Additionally, requiring companies to report their CSR activities and expenditures in their annual reports enhances transparency and accountability regarding social initiatives. This reporting requirement ensures that companies fulfill their CSR commitments and provides stakeholders with visibility into their social efforts. Finally, the Corporate Governance codes issued by the MCA indirectly influence ESG adoption by emphasizing Board composition, transparency, and ethical conduct. These aspects are closely linked to governance and are integral components of ESG considerations.

Global Trends and Investor Pressure

In recent years, institutional investors' pressure and global ESG (Environmental, Social, and Governance) developments have had a big impact on Indian companies. Sharma.& Dangwal, (2020). Indian enterprises' are trying their best to follow the ESG norms and practices. This change is being brought about by the necessity to live up to the expectations of international investors Twinamatsiko, E (2022). who adhere to global ESG frameworks like the Sustainable Development Goals (SDGs) and the UN Principles for Responsible Investment (PRI). Indian businesses understand that adhering to these criteria makes them more appealing to a wider investment base.

Additionally, the desire of global money has evolved into a driving force. Indian companies seeking foreign investments and access to international capital markets are aware of the importance of proving outstanding ESG performance. Bodhanwala, S., & Bodhanwala, R. (2019). ESG factors are becoming more important to institutional investors around the world when making investment decisions. Indian businesses are driven to demonstrate their dedication to sustainability and ethical business practices in order to draw these investors and obtain foreign finance.

The emphasis on risk reduction is another significant factor. According to Galaz et al.(2012), Global ESG trends have highlighted possible hazards related to governance shortcomings as well as environmental and social challenges. These risks are now more fully understood by Indian businesses, who are also aware of the serious financial and reputational repercussions they may have. These businesses are responding by acting proactively to address ESG challenges, improve governance procedures, and increase risk management tactics. This strategy not only guards against potential problems, but it also fits in with the larger push towards sustainable and ethical business practises.

Impact of Global ESG frameworks and rating agencies on Indian corporations

Global ESG (Environmental, Social, and Governance) frameworks and rating agencies have exerted a profound influence on Indian corporations, shaping their ESG practices in several ways. Firstly, these international frameworks, including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), have played a pivotal role in standardizing ESG reporting among Indian companies. The impact is significant as it has prompted these corporations to adopt consistent as well as structured approaches to reporting their ESG integration and performance. This standardization has resulted in more transparent and comparable ESG data, which is vital for both investors and stakeholders in assessing a company's sustainability efforts. Further, the presence of international rating agencies specializing in ESG assessments has had a prominent effect on Indian corporations. Companies recognize that their ESG ratings can directly influence investor sentiment and access to global capital markets. Consequently, they are increasingly inclined to improve their ESG performance for securing favorable ratings. This not only enhances their attractiveness to international investors but also aligns with the broader trend of ESG integration into investment decisions globally.

In the present turbulent business scenario, the Indian corporations are increasingly aware of the reputational and operational risks associated with poor ESG performance on the international stage. International rating agencies often evaluate these risks and emphasize on the areas where companies need to improve. This resulting scrutiny has encouraged Indian corporations to proactively address ESG deficiencies to protect their reputations. Therefore, international ESG frameworks and rating agencies have played a crucial role in expanding the focus of Indian corporations beyond compliance to genuine sustainability efforts. Companies in India are focusing on meaningful sustainability initiatives that align with global sustainability goals and address environmental and social challenges effectively.

ESG INITIATIVES IN INDIAN COMPANIES

Indian enterprises are increasingly adopting Environmental, Social, and Governance (ESG) initiatives, underscoring their efforts and commitment to

2. *https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf*

sustainability and responsiveness to evolving stakeholder demands. These multifaceted initiatives encompass a wide spectrum of areas reflecting their dedication to responsible corporate practices and long-term value creation

Environmental Sustainability

Indian companies have been taking a range of initiatives to address critical sustainability issues, including carbon emissions reduction, renewable energy adoption, waste management, and resource conservation. Tata Motors, a leading Indian automobile manufacturer, has made significant strides in renewable energy adoption. The company installed solar panels at its Pune plant, resulting in a substantial reduction in carbon emissions and energy costs[3]. Similarly, Wipro has set up large-scale solar power plants at its campuses to reduce its reliance on conventional energy sources [Wipro Sustainability Report 2020-21][4]. Firms like Tata Motors and Tata Power have entered into power purchase agreements with renewable energy providers to source a significant portion of their electricity from renewable sources[5].

Reliance Industries, one of India's largest conglomerates, has implemented energy-efficient technologies across its refining and petrochemical operations, reducing energy consumption and greenhouse gas emissions [6][Reliance Industries Annual Report 2020-21].

Several Indian companies are transitioning from traditional fossil fuels to cleaner and more sustainable energy sources. For instance, Mahindra & Mahindra, a leading automobile manufacturer, has been working on electric vehicle technology and has introduced electric cars to reduce carbon emissions. Companies like Infosys and Tata Steel have implemented energy-efficient technologies and practices in their operations. Infosys, for instance, has reduced its per capita electricity consumption through innovative building design and energy-efficient systems in its campuses [7](Infosys 2023)

Some companies, including ITC Limited, engage in carbon offsetting initiatives by planting trees and investing in reforestation projects to compensate for their carbon emissions[8] [ITC Sustainability Report 2022].

Companies like HUL (Hindustan Unilever) have implemented zero-waste initiatives, aiming to send zero

> The desire of global money has evolved into a driving force. Indian companies seeking foreign investments and access to international capital markets are aware of the importance of proving outstanding ESG performance. Bodhanwala, S., & Bodhanwala, R. (2019). ESG factors are becoming more important to institutional investors around the world when making investment decisions.

waste to landfills. HUL's program involves recycling and reusing waste materials and promoting responsible disposal practices [9].

Tech companies like Wipro have robust e-waste management programs that ensure proper disposal and recycling of electronic waste generated from their IT operations Companies in water-intensive industries such as Tata Steel have adopted water-efficient technologies and practices. Tata Steel's initiatives include rainwater harvesting and recycling water within its operations [10][Tata Steel Integrated Report 2021-22].

Larsen & Toubro (L&T), an engineering and construction conglomerate, focuses on resource efficiency in its construction projects by optimizing material use and minimizing waste generation[11] [L&T Integatred Report 2021-22].

The aforementioned proactive sustainability measures carried out by Indian businesses demonstrate a thorough dedication to ecologically friendly practises, encompassing a wide spectrum of green behaviours. To lessen their impact on the environment, they are adopting renewable energy options like solar panels and taking part in carbon-offsetting activities like planting trees. Additionally on the agenda are waste reduction techniques and a focus on resource efficiency, with businesses implementing cutting-edge technologies to reduce waste production and maximise resource utilisation. In India, where businesses are not only prospering economically but also promoting a greener, healthier world for future generations, this coordinated effort demonstrates a growing commitment to environmental responsibility and is helping to shape a more sustainable corporate landscape.

Social Initiatives

A company's commitment to moral and sustainable business practises includes initiatives related to Corporate Social Responsibility (CSR), community involvement, and labour practises. Numerous businesses in India have

3. *https://www.tatamotors.com/press/tata-power-to-develop-4mwp-solar-project-at-tata-motors-pune-plant/*
4. *https://www.wipro.com/content/dam/nexus/en/sustainability/sustainability_reports/sustainability-report.pdf*
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11. *https://investors.larsentoubro.com/pdf/IR%202022.pdf*

launched initiatives to solve various social challenges after realising the significance of these factors. These businesses demonstrate a wide variety of CSR initiatives, demonstrating their commitment to addressing urgent social concerns in India and making a constructive contribution to society. For example ITC Limited, a prominent Indian conglomerate, has been actively engaged in community development through its Social Investments Program. This initiative focuses on rural development, providing livelihood opportunities, and supporting agricultural practices[12] .Similarly, The Tata Group stands out for its enduring commitment to Corporate Social Responsibility (CSR). Through the Tata Trusts, they have consistently funded a plethora of social initiatives, encompassing healthcare, education, and rural development projects. Notable among their endeavors is Tata Consultancy Services' (TCS) "Adult Literacy Program," aimed at promoting education among adults in rural areas. The organisation invested INR 1,095 crore in CSR activities in FY19, which had a positive impact on 11.7 million lives.[13] Further adding to the list of prominent industries, Infosys, a leading IT company, focuses on education, rural development, healthcare, and sustainability through its Infosys Foundation, which supports underprivileged students with scholarships and constructs sanitation facilities in rural areas. Reliance Industries (RIL) actively participates in CSR projects in the areas of rural development, healthcare, and education. One such project is the Sir H.N. Reliance Foundation Hospital, which provides high-quality, reasonably priced healthcare. During the recent Annual General Meeting of Reliance Industries Limited (RIL), Chairman Mukesh Ambani revealed the allocation of a substantial amount of Rs 1,271 crore towards Corporate Social Responsibility (CSR) initiatives[14]. With its "Swachh Aadat, Swachh Bharat" campaign, Hindustan Unilever (HUL) encourages sustainability, hygiene, and sanitation while also empowering women in rural regions[15]. Rural development and environmental sustainability are prioritised by ITC Limited, with programmes like the "e-Choupal" network helping farmers. [16]For making a meaningful impact on society, a company like Mahindra & Mahindra is also committed to Corporate Social Responsibility (CSR) and sustainability. Their comprehensive approach encompasses skill development, healthcare, and environmental conservation, and they prioritize the promotion of girl child education through their impactful "Nanhi" program.[17]

The highlighted instances from these corporate entities demonstrate a diverse range of Corporate Social Responsibility (CSR) initiatives signifying the persistent commitment of the prominent companies in India for tackling crucial social challenges. These companies are not only profit-seeking entities, but also active promoters of social improvement, focusing on initiatives that promote positive change. Through subsidy programs, affordable health care, sanitation, hygiene campaigns, sustainable procurement practices and supporting girls' education, they exhibit a holistic approach to Corporate Social Responsibility that transcends commercial interests and ultimately fostering a more equitable and prosperous society.

Governance Initiatives

Corporate Governance in India has undergone significant reforms in recent years. The Companies Act, 2013, represents a landmark legislative overhaul, introducing crucial provisions aimed at enhancing transparency and accountability. These include the mandatory appointment of independent Directors, the strengthening of audit committees, and stricter disclosure requirements. Additionally, the Securities and Exchange Board of India (SEBI) has introduced listing regulations for listed companies, mandating practices such as the separation of the roles of chairman and CEO, the establishment of risk management committees, and the enhancement of the role of independent Directors. The establishment of the National Financial Reporting Authority (NFRA) further reinforces governance by overseeing financial reporting quality and auditor independence.

Board diversity has emerged as a pivotal aspect of Corporate Governance in India. Rao, K., & Tilt, C. (2016) Efforts are underway to bring diverse perspectives and expertise to boardrooms. Notably, the Companies Act, 2013, has introduced provisions to encourage diversity by mandating the appointment of at least one woman Director on the board. Further, the Securities and Exchange Board of India (Sebi) has mandated that effective 1 April 2020, each of the top 1,000 listed companies by market capitalization must have a woman Board Member who is also an independent Director. [18]This measure aims to address gender imbalances in corporate leadership. Singh, G. (2020). While progress has been made in this regard, there is growing recognition of the need for broader diversity, including in terms of skills, backgrounds, and experiences, to enrich board decision-making processes. Several leading companies in India are increasingly acknowledging the importance of Board diversity in Corporate Governance. Major examples include Wipro, which appointed its first woman director Ireena Vittal[19], Tata Group companies such as Tata Motors with additional and independent Director like Usha Sangwan[20], HDFC Bank's long-standing commitment to diversity with Renu Karnad as a Non-Executive Director[21], Infosys with its diverse Board composition, and a recent Indian Railway appointment of Jaya Verma Sinha [22]as a CEO and chairperson of the

12. *https://www.itcportal.com/sustainability/sustainablity-initiatives.aspx*
13. *https://www.tatasustainability.com/SocialAndHumanCapital/CSR*
14. *https://thecsrjournal.in/csr-report-reliance-industries-limited/*
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22. *https://indianexpress.com/article/india/jaya-verma-sinha-first-woman-head-railway-board-8919382/*

Railway Board. These examples demonstrate a rising appreciation for the value of varied viewpoints and backgrounds in top leadership in India, which reflects a wider movement towards diversity in India's corporate landscape.

Enhancing transparency is a fundamental pillar of Corporate Governance in India. Regulatory authorities, market forces, and investor expectations have driven efforts to improve disclosure and transparency. SEBI listing regulations, for instance, impose stringent disclosure norms on listed companies. Moreover, institutional investors and proxy advisory firms have taken on more active roles in engaging with companies on Environmental, Social, and Governance (ESG) matters and voting on resolutions, thereby advocating for greater transparency and accountability. The establishment of the NFRA has bolstered efforts to ensure the quality of financial reporting and auditor independence, further reinforcing transparency in corporate operations. Tata Consultancy Services (TCS), India's largest IT services firm, has consistently emphasized transparency and accountability in its governance practices. The company discloses comprehensive ESG-related information in its annual reports, providing stakeholders with a clear view of its sustainability initiatives [TCS Annual Report 2020-21].[23]

DATA COLLECTION AND REPORTING-CHALLENGES

In India, companies encounter specific challenges when collecting and accurately reporting Environmental, Social, and Governance (ESG) data, shaped by the country's unique socio-economic and regulatory context. Dissanayake et al. (2021) A primary obstacle is the quality and availability of ESG data. Many Indian businesses, particularly those in sectors historically less focused on ESG metrics, struggle with gathering reliable data on environmental impact, social performance, and governance practices due to diverse data sources, limited historical data, and variations in data collection methods.[24] The regulatory environment makes ESG reporting more difficult. Even though India has implemented programs like the Business Responsibility and Sustainability Reporting (BRSR) framework, compliance issues arise since no one industry has a uniform, standardized reporting system[25]. Companies must manage numerous reporting obligations, which could lead to uncertainty and uneven reporting. Integrating ESG data into existing technology infrastructure is another hurdle. Legacy systems may not be equipped to handle the sophisticated data collection and reporting needs of ESG, necessitating costly investments in new technology solutions and data management systems.Stakeholder engagement and disclosure pose unique challenges in India's diverse social

23. *https://www.tcs.com/content/dam/tcs/investor-relations/financial-statements/2021-22/ar/annual-report-2021-2022.pdf*

24. *https://www.livemint.com/companies/news/indian-firms-improving-on-esg-scores-many-still-below-average-crisil-11652950701136.html*

25. *https://timesofindia.indiatimes.com/blogs/agyeya/brsr-revolutionizing-sustainability-reporting-for-indian-companies/*

landscape. Companies must handle the varied degrees of employee and stakeholder awareness and comprehension of ESG issues. It might be tricky in this situation to strike a balance between the requirement for transparency and worries about data privacy and security. Cultural and societal aspects have an impact on the gathering of ESG data. The willingness and capacity to gather correct data across the business may be affected by variances in attitudes and knowledge regarding ESG that companies may run across. Furthermore, tracking and reporting ESG performance across the supply chain can be difficult for businesses with complicated supply chains, especially in industries like manufacturing and agricultural. Another level of complication is added by ensuring that vendors and subcontractors adhere to ESG guidelines. Despite these difficulties, numerous Indian businesses see the value of ESG reporting for long-term sustainability and are actively attempting to implement it.

Need for standardized ESG reporting frameworks in India

Standardized Environmental, Social, and Governance (ESG) reporting frameworks are crucial for India's corporate landscape. They provide a standardized and common platform for companies to report their sustainability efforts consistently, allowing stakeholders to assess and compare performance effectively. This standardization promotes transparency and enables the businesses to recognize and address ESG challenges. In addition, it supports in streamlining the regulatory compliance, reducing reporting complexities. Standardized ESG reporting enhances risk assessment and management, which is beneficial for both investors and companies. From global perspective, it's worth noting that standardized ESG (Environmental, Social, and Governance) reporting frameworks are in place across several nations, and positively influencing the growth and operations of companies in these Countries Park et al., (2021). The research by Busco et al. (2020) showed how corporations have been encouraged to report on industry-specific ESG measures since the US Sustainability Accounting rules Board (SASB) rules were introduced. This has helped companies enhance their transparency regarding sustainability and ESG factors. While SASB standards were initially voluntary, many U.S. companies have recognized that robust ESG reporting could improve their reputation, attract socially responsible investors, and mitigate risks associated with ESG issues. Similarly, In Europe, the EU Non-Financial Reporting Directive (NFRD) has been a catalyst for ESG reporting. The implementation of Directive 2014/95/EU (also known as the "Non-financial Reporting Directive") on the disclosure of non-financial and diversity information put the EU on a clear path towards increased corporate transparency and accountability on social and environmental issues. The Commission stated its intention to evaluate the NFRD as part of the strategy to improve the foundations for sustainable investment on December 11, 2019, in its announcement on the European Green Deal.[26].The study conducted by Krueger et al.,(2021). revealed the need for mandatory ESG disclosures across the world .In order to survive, companies around the world are now required to establish ESG frameworks. Adopting a standardized reporting structure could help India, a developing country, improve its reputation in the world of commerce. This would make it easier to interact with international stakeholders who place a high value on ESG adoption and consideration. Policymakers in India must take specific actions that could enable the standardisation of ESG reporting.

RECOMMENDATIONS

To further promote ESG (Environmental, Social, and Governance) adoption in India, several policy measures can be considered:

- The regulatory body may extend the requirement for ESG reporting beyond the top 1,000 listed companies to cover all publicly traded companies. This would enhance transparency and comparability across the entire market and encourage smaller companies to embrace ESG practices.

- The government may announce the tax incentives, such as deductions or credits, to companies that invest in ESG initiatives, renewable energy projects, or sustainable technologies. This can incentivize businesses to allocate resources towards sustainability efforts.Further, the issuance of green bonds and sustainable financial products can be encouraged by offering tax benefits or subsidies to companies raising capital for environmentally responsible projects. This would boost sustainable investments.

- There should be clear cut guidelines for ESG disclosure for private companies, making it voluntary initially and gradually moving towards mandatory disclosure. This would extend the adoption of ESG practices beyond publicly traded firms.

- Independent audits of ESG reports must be introduced to ensure accuracy and reliability of data. Companies found to be providing inaccurate or misleading ESG information should face penalties.

- Public awareness campaigns can be launched to educate consumers, investors, and businesses about the benefits of ESG adoption and its positive impact on sustainability and long-term profitability.

CONCLUSION

In a rapidly changing business world where sustainability and responsible business practices are of paramount significance, India's adoption of ESG principles has positioned it in a good place to compete on the global level. The consideration and adoption of Environmental, Social, and Governance (ESG) principles in India highlights a transformative shift in the corporate sector. Although, Indian companies are taking comprehensive ESG initiatives, addressing environmental challenges, engaging in meaningful social activities, and enhancing

[26] *https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/654213/EPRS_BRI(2021)654213_EN.pdf*

governance practices but still there are several formidable challenges that persist. The complexities in data collection and reporting systems, weak regulatory and enforcement frameworks, and the pressing need for technological infrastructure upgrades are the few obstacles that are creating difficulty in ESG reporting for Indian companies. To overcome these obstacles and for further advancing ESG adoption, standardized reporting of ESG principles is crucial in India. Policymakers may play a crucial role in driving this transformation through targeted measures and actions. First and foremost, creation of a robust regulatory framework is crucial. Such regulations should mandate companies to transparently disclose their ESG-related data, thereby ensuring that ESG considerations are an integral part of corporate operations. There must be clear and comprehensive reporting guidelines, aligned with international standards, to provide companies with a blueprint for consistent and meaningful ESG reporting. To equip businesses with the necessary knowledge and tools, the regulatory bodies must invest in training programs and capacity-building initiatives. These programs will educate companies about the importance of ESG adoptions and guide them on how to effectively incorporate these aspects into their reporting systems. Furthermore, investment in the development of data infrastructure and technology platforms is crucial now. These investments will facilitate in streamlined data collection, analysis, and reporting, and will contribute in enhancing the accuracy and reliability of ESG disclosures. These small initiatives form the bedrock for fostering transparency, accountability, and sustainability within India's corporate sector. They will not only enable businesses to succeed on the global stage but also empower them to meaningfully contribute in addressing the critical societal and environmental challenges.

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ARTICLE

Is ESG Really a "Value Proposition" or Simply "Greenwashing"?

Demystifying "ESG" in India with Surgical Precision

ESG came to light with the UN PRI report of 2006 that consisted of the fresh field Report and the Conference report "Who Cares wins". The acronym ESG was officially born within the Global Compact Initiative of the United Nations (UN, 2004), where each three-letter word summarizes certain issues and measures a certain evaluation objective. The environmental pillar focuses on issues related to air pollution, biodiversity, biocapacity and ecosystem quality, climate change, energy resources and management, land use, natural disasters, and natural resources.

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INTRODUCTION

India is country with healthy natural resources [i.e. Environment perspectives (E)], social diversity 'Sanatana dharma' on which our society thrived for thousands of years [i.e. Social perspectives(S)] and No society can exist without economic activities subject to fairness, transparency, and justice in economic activities that concept of fairness and justice is known as governance [i.e. Governance perspectives(G)]. Three pillars of sustainable practices are namely Environment (E), Social (S), and Governance (G). Sustainability is not only about giving back to society, but also touches on the company's three core concepts. County India is with healthy People, Profit and Planet. At this stage it is stated that if our children are happy, then the world is a happy place. ESG stands for Environmental, Social and Governance and refers to the non-financial aspects of a company's operations that can affect its long-term financial performance and sustainability. In addition, the pandemic instability of international financial markets and their close relationships have drawn attention to other non-financial parameters (e.g. ethical assessment, corporate sustainability assessment). Business firms around the world are increasingly facing a new breed of risks that have never been recognized earlier. Global challenges such as climate change, regulatory pressure to comply with management rules, social and demographic changes, terrorism, privacy and information security increasingly create new risks that make business operations uncertain, if an organization does not take them into account in its business models. So, we're in business to save our home planet. In today's business landscape, ESG factors are no longer merely a matter of Corporate Responsibility — they have become pivotal drivers of business success and resilience. In India, 41941 Institutions cases filed with National Green Tribunal (NGT), a specialized body equipped with effective and expeditious disposal, relating to environmental protection and conservation of forests and other natural resources as on 31.07.2023. It ignites the need of ESG in India. Here, NGT plays vital role towards ESG as India has witnessed Bhopal gas disaster in way back.

ESG came to light with the UN PRI report of 2006 that consisted of the Fresh field Report and the Conference report "Who Cares wins". The acronym ESG was officially born within the Global Compact Initiative of the United Nations (UN, 2004), where each three-letter word summarizes certain issues and measures a certain evaluation objective. The environmental pillar focuses on issues related to air pollution, biodiversity, bio capacity and ecosystem quality, climate change, energy resources and management, land use, natural disasters, and natural resources. Thus, the environmental pillar evaluates the efforts of the state in the management and control of greenhouse gases, waste, water resources, energy consumption and efficiency, etc. The social pillar covers human rights, food security, public health, demographic change, and crime and security issues. Finally, the governance pillar examines the country's efforts to improve corruption control, institutions, and rule of law, accountability, political rights, and civil liberties. Furthermore, it is a proven fact that organizations that have performed well within the parameters of sustainable development have been successful throughout the ages. From the point of view of value investment, investors should recognize these environmental, social and management factors when choosing a company as a long-term investment target, not only to expect stable long-term returns, but also to contribute by promoting Sustainable development. This article addresses the following questions:

- What is the ESG landscape globally and in India?
- What are the major challenges?
- Are ESG issues financially material?
- Which ESG rating to choose?
- Is ESG really a "Value Proposition" or simply "Greenwashing"?

WHAT ARE THE TARGETS ESG LANDSCAPE GLOBALLY AND IN INDIA?

The UN Climate Change Conference in Glasgow (COP26), Indian Hon'ble PM Shri Narendra Modi announced 5 (five) goals for addressing climate change crisis (termed as "Panchamrit")

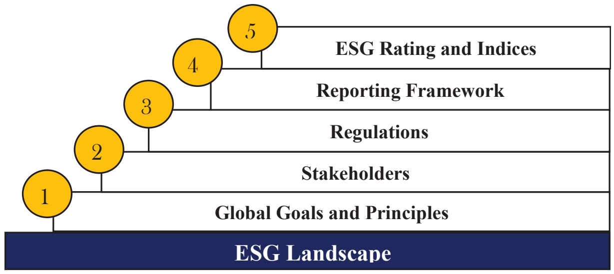
1. Achieving target of net zero by 2070.
2. Carbon emission to be reduced by one billion by 2030.
3. By 2030, 50% of our total energy requirement shall be met by renewable energy component.
4. Carbon intensity to be reduced by 45% by 2030.
5. Non-fossil energy capacity shall be increased to reach 500 GW by 2030 and Panchamrit added fuels more towards ESG practices in India.

So, in order to understand concept of ESG, we need to understand its landscape at global level and in India.

ESG Landscape (At Global Level)

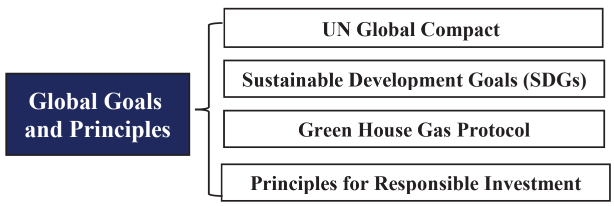
For proper execution and implementation of ESG, there need to be proper "ESG Landscape" which refers to the general environment or framework in which ESG factors are considered, managed, reported and integrated into business, investment, and decision-making processes. It basically includes Goals and Practices, Stakeholders, Regulations, reporting framework and ESG rating and indices which is depicted in figure-1.

Figure-1 ESG Landscape



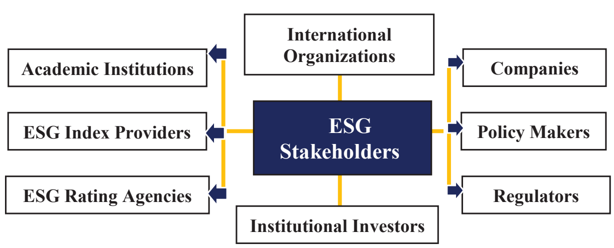
Global Goals and Principles highlights the interconnected ESG aspects of sustainable development by placing sustainability at their heart which is presented in Figure-2. There are certain and mainly followed namely UN Global Compact, Sustainable Development Goals (SDGs), Green House Gas Protocol, Principles for Responsible Investment etc. which calls on companies to align their strategies and actions with universal goals & principles related to ESG, and to take actions that promote social goals and the implementation of Sustainable Developments.

Figure-2 Global Goals and Principles



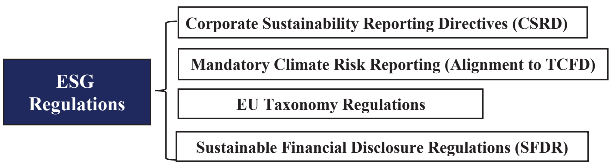
ESG ecosystem consists of several important **ESG stakeholders** which can be broadly categorized into Companies, Institutional investors (*Like Mutual funds, Hedge funds, and Banks, PEs, or Insurance companies*), Policy makers *(Like MCA, Ministry of Environment, Forests and Climate Changes, Ministry of Rural Developments, Ministry of Finance, Ministry of Labor etc.)*, Regulators *(Like SEBI, RBI etc.)*, ESG rating agencies and Index providers *(Like CRISIL, DJSI, MSCI etc.)*, Academic Institutions *(Like ICSI, ICAI, ICMAI, IIMs, etc.)* and International organizations *(Like SASB, GRI, TCFD, CSDB, ISSB etc.)*. These stakeholders play pivotal role and act as powerful force to change organization by raising awareness about sustainability issues and encourage others to get involved in the effort and make sure that everyone has a voice and that your ESG agenda reflects the priorities of those who matter will support the long-term success of your strategy which are depicted in Figure-3.

Figure-3 ESG Stakeholders



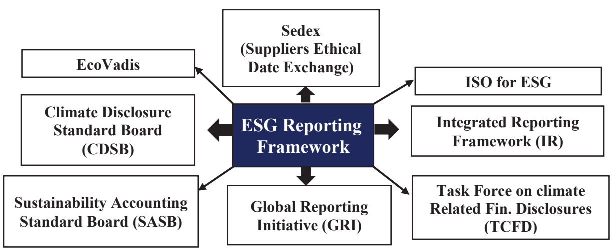
ESG regulations is one of the important parts of the ecosystem. There are several ESG regulations which modernises and strengthens the rules concerning the social and environmental information that companies have to report and to ensure that the effects of climate change are routinely considered in business namely Corporate Sustainability Reporting Directives (CSRD), Mandatory Climate Risk Reporting (Alignment to TCFD), EU Taxonomy regulations and Sustainable Financial Disclosure Regulations (SFDR) which are highlighted in Figure-4. The regulations will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities arising from climate change and other sustainability issues.

Figure -4 ESG Regulations



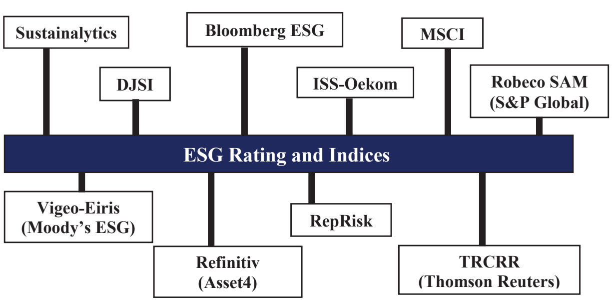
The number of standards, frameworks and ESG related organizations has doubled within the last 5 years. Currently there are approximately 140 ESG standards and frameworks in use. The most prominent among them are Sedex, ISO, IR, TCFD, GRI, SASB, CDSB, EcoVadis etc. which are depicted in Figure-5. It is found that about 75 countries use the Integrated Reporting Framework as per Global Reporting Framework report.

Figure- 5 ESG Reporting Framework



Every stakeholders wants some level of ESG measurement in their processes, as the global push for cleaner environment, equity across stakeholders and governance gets stronger. There are number of ESG Rating and Indices available across the globe which are presented in Figure-6.

Figure-6 ESG Rating and Indices



> For proper execution and implementation of ESG, there need to be proper "ESG Landscape" which refers to the general environment or framework in which ESG factors are considered, managed, reported and integrated into business, investment, and decision-making processes.

ESG Landscape (India)

Regulations:

The emphasis on ESG factors embarked in India in 2007 with the issuance of a letter by the Reserve Bank of India (RBI) advising all scheduled commercial banks regarding their role and responsibility on sustainable development, Corporate Social Responsibility (CSR), and non-financial disclosure. This was the initial move towards integrating the notion of business responsibility and sustainability into business activities. Subsequently, in 2009, the Ministry of Corporate Affairs (MCA) pioneered ESG reporting in India by issuing voluntary guidelines on CSR. Henceforth, the ESG reporting scenario in India has come a long way with the release of several other guidelines, including Business Responsibility Report (BRR), Integrated Reporting (IR), National Guidelines on Responsible Business Conduct (NGRBC) but there is not a single report made mandatory by the Government or SEBI to disclose all the information together in a single report. Here lies the significance of 'Sustainability Reporting'. Hence the Securities and Exchange Board of India (SEBI) introduced Business Responsibility Report (BRR) converging to Business Responsibility and Sustainable Report (BRSR) on May 10, 2021 (Pr. No. 18/2021) as an initiative towards ensuring investors' access to standardized disclosures on ESG parameters. Top 1000 listed enterprises (by market capitalization) shall file BRSR mandatorily from the financial year 2022- 23 and voluntarily for the financial year 2021-22.

In addition to that The Social Audit for the Impact Assessment has become mandatory for the class of the Companies required to make expenditure on a project by the Social Auditor.

Reporting Framework (BRSR):

Whether BRSR be able to accurately provide all the information to ESG stakeholders for comparison between companies as there is no uniform guideline to prepare report?

So, Answer is Yes but needs to update based on circumstances and situations. India has also attempted a move towards a 'Universal Standard' through BRSR as introduced by SEBI in 2021. The BRSR is a prominent development in ESG in India, particularly because it draws on globally accepted frameworks and mandates an ESG lens in disclosures. It has drawn lessons from internationally accepted frameworks namely TCFD and NGRBC principles. In nutshell, the BRSR framework is built on a strong foundation of international good practices, and that would certainly reflect in the upcoming disclosures. The new reporting standard lays emphasis on quantitative as well as qualitative metrics to make it more transparent which also segregates essential and leadership indicators. Key snippets of BRSR presented in Table-1.

Table-1 Key snippets of BRSR

Reporting Areas	Annexed & submitted to	Point of Focus (Disclosure of)	Reporting Format
1. General Disclosures 2. Management & processes 3. Principle-wise performances disclosures	Annual Report and MCA Portal	• Qualitative • Quantitative • Essential indicators • Leadership indicators	1. **BRSR Lite** (For new companies to understand requirements) 2. **BRSR Comprehensive** (For experienced companies

There is few scopes for improvement in BRSR. First, as it has Yes/ No format of reporting non-financial information which may lead to companies being paper compliant but may have inadequate or inefficient policies. Second, it should provide benchmark for reported indicators for proper assessment and last it should incorporate Company cum Plant specific disclosures. So, in nut shell, Indian ESG reporting and disclosure is now rapidly moving towards global international standards and timely regulatory push by SEBI can trigger the chain reaction to further strengthens the ESG ecosystem.

ESG Ratings and Indices (India)

Which ESG rating to choose?

Different firms use different methods to provide ratings. ESG data is getting generated and disclosed by firms or provided by data providers. There is serious challenge of consistency, transparency, standardisation and comparison of ESG data; if they have are bias then it may lead to greenwashing (Yang, 2019). The unregulated ESG ratings provider with lack of transparency is a concern for whole ESG ecosystem. On 24th Jan 2022, SEBI published a consultation paper related to ESG rating agencies. The paper pointed out several issues related to ESG rating like lack of standard ESG terminology, ambiguity lack of transparency related to ESG methodology and lack of standardisation of ESG data. The major cause of concern is third party ESG data provider. There is thus a need to regulate the ESG rating agencies. IOSCO report on ESG rating suggested the principle based regulation where more focus should be on transparency, governance, prevention of conflict of interest and due diligence instead checking correctness of ESG methodology. After receiving inputs and discussion with Policy Makers namely MCA, Ministry of Environment, Forests and Climate Changes, Ministry of Rural Developments, Ministry of Finance, Ministry of Labor *(Plays a vital role in ESG in India's Governance depicted in Table-2,* SEBI in its consultation paper suggested the accreditation of ESG rating agencies. It is further proposed that the net worth of entity which wants to be SEBI accredited ESG rating agency should have net worth of rupees 10 crores. The rating is highly knowledge based and hence the SEBI proposes that the rating agency should have one specialist related to data analytics, finance, IT, Law and sustainability. In India many agencies like CRISIL, Edelweiss, Acuite Ratings etc. are there to provide rating services. In nut shell, SEBI accredited ESG rating agencies focusing on "Delta Rating" *(which captures trend)* rather than "Absolute ESG Rating" which is blend of qualitative as well quantitative parameters.

Table-2 ESG in India's Governance

Ministries	Bodies
• Ministry of Corporate Affairs (MCA) • Ministry of Environment, Forests and Climate Changes • Ministry of Rural Developments • Ministry of Finance • Ministry of Labor	• SEBI • RBI • National Green Tribunal (NGT)

WHAT ARE THE CHALLENGES? HOW'S INDIA RESPONDING?

Challenges:

Inconsistency in the definition of ESG causes many challenges as highlighted below:

- Data hygiene, validity and reliability at the time of Monitoring, implementation and enforcement as ESG data is voluntary in nature and the lack of standardization reporting format in the ESG data landscape. For that assurance of sustainability reporting by third party is required.
- The reporting framework only covers company-specific data, which is not factory-specific, because organizations/companies operating in several different sectors may have the opportunity to green-wash by hiding their polluting activities through the activities of their non-polluting sectors.
- Segmented/Siloed view has been found in ESG regulations, reporting and ratings globally (i.e. Lack of 'fluid intelligence' it means the capacity to think flexibly across boundaries.)
- Ambiguous and overlapping standards and framework.
- Lack of human resources in terms of ESG-related skills and knowledge.
- Indian Environment Governance is residue centric and hence there should be nexus between Resources Efficiency and Resources Sufficiency.

How's India response towards ESG?

Government of India has set target of India Net Zero (i.e. Carbon Neutral) by 2070. With the efforts of policy makers and regulators, companies are incorporating decarbonization and

climate risk in appraisals their business planning. Ministry of New and Renewable Energy of India has launched & approved the National Green Hydrogen Mission with an outlay of Rs. 19,744 crore from FY 2023-24 to FY 2029-30 with an objective to make India a global hub for production, usage and export of Green Hydrogen and its derivatives. Adoption of Mission Circular Economy by NITI Ayog with view to minimize waste, maximize resource efficiency, and promote sustainability (i.e. Transition from Linear to Circular Economy). Prime Minister Shri Narendra Modi at COP26 shared that Misson LiFE – "LiFEStyle For Environment" with an objective with the objective to mobilise at least 1 billion Indians and other global citizens to take individual and collective action for protecting and preserving the environment in the period 2022 to 2027 and recognizing them as 'Pro Planet People'. Moreover, launching of Social Stock Exchange, empathizing Green Investment and Infrastructure, drafting of Sustainable Taxonomy by Ministry of Finance, Government of India.

Most importantly India has also attempted a move towards a 'Universal Standard' through BRSR as introduced by SEBI in 2021 providing Guidance to EST Rating Providers (ERPs) and developing regulatory framework for ESG mutual funds also.

WHETHER ESG ISSUES ARE FINANCIALLY MATERIAL?

It is material and ESG materiality assessment is required as both companies and investors are spending more resources on ESG issues. ESG materiality assessment involves understanding the influence ESG risks have on your organization and its effects on both internal and external stakeholders. The lack of a standard materiality framework made comparing firm performance on many of the issues deemed material by individual firms challenging for investors and other stakeholders. SASB addressed this issue by adopting a standard setting approach towards industry-specific materiality (SASB, 2017). In fact, SEBI has considered on priority based and incorporated in BRSR as principal feature in guidance note where Companies need to disclose material ESG-related information based on a principles-based approach, considering the company's size, sector, and business model.

APPRECIATION AND SUGGESTIONS TO ICSI

The efforts and proactiveness of The Institute of Company Secretaries of India (ICSI) is appreciated towards ESG practices and Compliances. In fact, in line with the ESG, The ICSI has already initiated and developed in 2017 "The Model Governance Code for Meetings of Gram Panchayats" as social initiative to facilitate the implementation of standard practices extended to Gram Panchayats. This initiative of The ICSI is intended to focus on decision making of Gram Panchayats and bring this section of the nation at par with the mainstream governance structure of the country. It is suggested to The ICSI to extend the ESG practices not only to Business or corporate level, but it is advocated to extend to Gram Panchayats, Municipality, Nagarpalikas, Hospitals, Trusts, other rural bodies etc. also. So that, benefits of the same can be extended to society at large.

CONCLUSION

ESG in India is also emerging but is in the initial and transition phase. It can transform your sustainability objectives into measurable impact. ESG goals benefiting not just some stakeholders selectively but all the stakeholders in a balanced and inclusive manner. Here members of academia and professionals have a great role to play in highlighting the need to ensure that the world is a better place to live. The efforts from across the globe and especially from India will definitely make ESG – A Value Proposition i.e. promise of value stated by a company that summarizes how the benefit of the company's product or service will be delivered, experienced, and acquired. But only thing to keep in mind is the "Positive Thought Process" to serve Environment (E), Society (S) in line with Governance (G). There should be provision to appoint Chief Sustainability Officer (CSO) and to create ESG policy budget. Moreover, Role of Professional Institutions and Regulators especially SEBI, RBI and National Green Tribunal (NGT) plays a vital role and suggested to implement ESG practices not only to Business or corporate level but it is advocated to extend to Gram Panchayats, Municipality, Nagarpalikas, Hospitals, Trusts, other rural bodies etc. also. There should be proper and easy "Grievance Redressed" plan in "Tick Box" towards assessment of ESG. Role of Professional and Academic institutions are very important to ESG ecosystem by providing research insights and trained human resources to evaluate different dimensions of corporate sustainability, ESG integrations, impact assessment, new research methodology, performance evaluation, developing case studies & ESG courses and for Training & capacity building as per the requirements of ESG ecosystem stakeholders. Make ESG as a compelling case and default strategy of every organization to be future ready. At the two concluding remarks, firstly, it is researched that ESG has transited "Shareholder Capitalism" to "Stakeholder Capitalism" and secondly ESG commitments from all stakeholder in India as well as across the globe are required and that commitments can drive smart sustainable growth and long term sustainable Value Proposition (Creation).

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Role of Company Secretary in Environmental, Social, and Governance (ESG)

In the wake of growing global concerns about Environmental, Social, and Governance (ESG) issues, the role of Company Secretaries has gained prominence as a linchpin in driving sustainable business practices. The expanding responsibilities of Company Secretaries have pivotal role in shaping and implementing ESG strategies within organizations.

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INTRODUCTION

ESG is a methodology for assessing a company's activities for their sustainability and ethical impact. It takes into account a variety of things, including executive salaries, labour norms, community effects, and greenhouse gas emissions. The significance of Environmental, Social, and Governance (ESG) concerns has recently gained more attention in the business world. Stakeholders are paying more attention to ESG performance, and companies are expected to prioritize ESG in their business operations and decision-making procedures. As a result, the Company Secretary's position in ESG is now more crucial than ever. This article discusses the role of the Company Secretary in ESG. In the wake of growing global concerns about Environmental, Social, and Governance (ESG) issues, the role of Company Secretaries has gained prominence as a linchpin in driving sustainable business practices. This article discusses the expanding responsibilities of Company Secretaries and their pivotal role in shaping and implementing ESG strategies within organizations.

IMPORTANCE OF ESG

ESG is significant for various reasons:

- **Risk management**: Organizations that prioritize ESG are better able to detect and manage possible risks such as those posed by the environment, the supply chain, and their reputation. This can assist businesses in avoiding detrimental effects on their financial performance.
- **Reputation:** Businesses that place a high priority on ESG can enhance their standing as good corporate citizens, which can draw in socially conscious investors and clients. Employers who emphasize moral behaviour and environmentally friendly business operations may benefit from this as well.
- **Innovation:** Organizations that place a high priority on ESG can promote innovation by creating new goods and services that tackle pressing Social and Environmental issues. This can generate new business prospects and support the competitiveness of businesses.
- **Long-term value creation:** By putting ESG policies into practice, businesses may generate value for all parties involved, including communities, employees, and shareholders. Companies that place a higher priority on ESG can gain from a more sustainable business model that emphasizes long-term value creation rather than short-term advantages.

HOW DO THE BUSINESSES ADOPT ESG PRINCIPLES?

Businesses can adopt ESG practices by:

- **Evaluating their ESG performance:** Businesses should evaluate their existing ESG performance and pinpoint opportunities for improvement. This entails evaluating their Social, Environmental, and Corporate Governance practices.

- **Setting objectives:** Organizations should create objectives to enhance their ESG performance. This entails establishing goals for lowering their carbon footprint, enhancing labour standards, and boosting board diversity.

- **Creating ESG policies and procedures:** Businesses should create policies and procedures that address ESG issues and are consistent with their entire company strategy. This includes creating policies for corporate governance, social responsibility, and the environment.

- **Executing and observing ESG Practices**: ESG practices should be implemented by businesses, and their effectiveness should be tracked. This involves creating procedures for tracking and reporting on ESG performance, as well as making sure the business is accomplishing its ESG objectives.

- **Engaging stakeholders**: Businesses should discuss ESG issues with stakeholders. To guarantee that the business is fulfilling its ESG obligations and addressing issues, this includes communicating with investors, consumers, employees, and the larger community.

INDIAN REQUIREMENTS FOR ESG COMPLIANCE

Several regulatory agencies in India, including the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), and the National Stock Exchange (NSE), enforce laws relating to ESG compliance.

Indian listed firms are required to disclose their ESG policies and practices in their annual reports under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These disclosures must include details on Social Responsibility, Environmental effects, and governance methods.

The Corporate Social Responsibility (CSR) Rules, 2014, are one of the ESG compliance standards that the MCA has released for businesses. According to these regulations, businesses that reach a specific level of revenue or net profit are obligated to devote a minimum portion of their earnings to CSR initiatives.

Additionally, the NSE has launched several programs to encourage ESG compliance among exchange-listed companies. These programs include the NSE ESG Index, which gauges a company's performance based on its ESG policies.

Companies must also abide by rules and regulations about the environment, labour, and human rights, such as the Air (Prevention and Control of Pollution) Act of 1981, the Factories Act of 1948, and the Minimum Wages Act of 1948.

Several regulatory agencies in India, including the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), and the National Stock Exchange (NSE), enforce laws relating to ESG compliance.

Investor confidence may be lost, there may be legal repercussions, and there may be reputational harm from failing to comply with ESG regulatory standards. Therefore, businesses must adhere to these standards and have a strong ESG compliance framework in place. Since they are in charge of overseeing and putting these standards into practice at the board level, the company secretary plays a critical role in ensuring compliance with legislative obligations connected to ESG.

Merits of ESG

- **Enhanced reputation:** Employing ESG principles can aid businesses in enhancing their reputation as ethical corporate citizens. Customers, investors, and employees who value ethical and sustainable business practices may become more attracted as a result.

- **Risk reduction:** ESG practices can assist businesses in identifying and reducing possible risks, including those related to the environment, the supply chain, and reputation.

- **Saving money**: Using ESG practices can save money in areas including energy use, waste reduction, and employee retention.

- **Long-term value creation:** By putting ESG policies into practice, businesses may generate value for all parties involved, including communities, employees, and shareholders.

Demerits of ESG

- **Costs associated with implementation:** Small and medium-sized businesses, who may lack the financial resources to invest in sustainable practices, may find it particularly expensive to implement ESG principles.

- **Lack of standardization:** Because there is currently no agreed-upon framework for ESG practices, it can be challenging for businesses to assess and benchmark their performance.

- **Focus on the short term:** Some businesses may place a higher priority on immediate financial results than on long-term sustainability objectives, which can lead to a lack of dedication to ESG standards.

Despite the growing significance of ESG, some opponents contend that it has little overall impact on society and the environment, particularly in sectors that are already intrinsically socially or environmentally problematic.

REASONS FOR ADOPTING ESG IN BUSINESS PRACTICES

- **Improved brand recognition and image:** The beneficial impact ESG practices may have on a company's reputation and brand image is one of the main advantages of implementing them. End users and investors are growing more concerned about the effects of business on people and their environment in today's socially conscious world. More and more, they are opting to support businesses that place a high value on sustainability and social responsibility. As a result, by demonstrating your dedication to making a contribution that will benefit both your local community and the environment, implementing ESG practices can help your business establish a good reputation and enhance your brandimage.

- **Suitable for Investors:** Investors, who seek to invest in businesses that place a priority on ESG aspects that are compatible with their own, are also growing more and more dependent on ESG principles. Investors understand that businesses with sound ESG policies are better equipped to handle economic downturns and produce steady, long-term returns. By utilizing ESG metrics, your business can demonstrate to investors that it is dedicated to ethical and sustainable business practices and that it is in a strong position to succeed in the long run.

- **Improved recruitment and retention of employees:** ESG practices can assist your business in increasing staff retention and recruitment in addition to making it more appealing to investors and clients. Nowadays, a lot of workers are searching for organizations that share their beliefs and are dedicated to bringing about positive change in the world. As a result, employing ESG strategies can assist businesses in luring top talent, keeping them on Board, and creating a supportive workplace environment that values sustainability and social responsibility.

- **Enhanced operational effectiveness:** Prioritizing ESG issues in business operations can enhance supply chain management, waste reduction, and energy efficiency. Lower operating expenses, lower risk, and better overall performance are possible outcomes of these measures.

- **Governmental regulations:** Governments are enacting new laws and regulations in several nations to encourage businesses to embrace ESG practices. The organization can comply with these new laws and standards by creating and implementing a corporate ESG strategy. This can lessen the possibility of legal or regulatory action and help businesses establish a reputation for being ethical and sustainable enterprises.

THE SIGNIFICANT ROLE OF CS IN ESG

The Company Secretary is in charge of ensuring that the Board of Directors functions properly and that the firm complies with all legal and regulatory obligations. The Company Secretary is crucial in helping the organization prioritize and incorporate ESG factors into its operations and decision-making processes when it comes to ESG.

Source:*https://blog.researchandranking.com/esg-fund-in-india/*

The Company Secretary can support the firm's ESG initiatives in several specific ways, which are listed below:

Making sure the company complies with all applicable ESG rules and regulations is the responsibility of the Company Secretary. This could involve managing stakeholder interaction and reporting on ESG performance.

- **Facilitating ESG integration:** To make sure that ESG factors are included in the firm's strategy, risk management, and decision-making processes, the company secretary can collaborate with the Board of Directors and other stakeholders. Company Secretaries are uniquely positioned to facilitate the integration of ESG principles into the core operations of a company. They play a vital role in collecting, collating, and reporting on ESG-related data. This includes overseeing the preparation of ESG disclosures and ensuring compliance with relevant reporting frameworks, such as GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board).

- **Handling ESG Communication:** Managing stakeholder communication about ESG performance and efforts is something the Company Secretary can assist with. This can entail creating ESG reports, answering questions from stakeholders, and taking part in ESG-related activities. Engaging with stakeholders is a fundamental aspect of ESG strategy. Company Secretaries are instrumental in fostering transparent and meaningful communication between the company and its various stakeholders, including investors, customers, employees, and the wider community. They help in articulating the company's ESG commitments, achievements, and future goals.

- **Supporting ESG education**: To educate and train the Board of Directors and other staff members about ESG concerns and best practices, the Company Secretary can be a valuable resource.

- **ESG performance monitoring:** The Company Secretary can assist in tracking the company's ESG performance and pointing out potential areas for development. This may entail keeping track of ESG measures and comparing them against competitors in the market.

- **Advising the Board:** Company Secretaries can help the board understand the risks and possibilities associated with ESG and help pinpoint areas where the business can enhance its ESG performance. Additionally, they can offer advice on legal obligations about ESG compliance and assist in making sure the business complies with them. Company Secretaries act as a bridge between the Board of Directors and executive management. In the context of ESG, they play a critical role in providing the Board with the necessary information and resources to make informed decisions regarding sustainability initiatives. This includes keeping the Board abreast of emerging ESG trends, regulatory changes, and best practices.

- **ESG policy development:** CS can collaborate with the Board and management to create ESG policies and practices that are consistent with the company's overarching business strategy. This entails creating Corporate Governance, Social Responsibility, and Environmental policies. Company Secretaries play a key role in drafting and implementing ESG policies and procedures. This involves working collaboratively with various departments to embed ESG considerations into day-to-day operations. They ensure that ESG policies align with the company's overall strategic objectives and are consistently applied throughout the organization.

- **Risk Management and Compliance:** Identifying and mitigating ESG-related risks is a crucial function of Company Secretaries. They work closely with legal and compliance teams to ensure that the company adheres to relevant laws, regulations, and industry standards about ESG. This includes monitoring evolving ESG disclosure requirements and implementing necessary changes in Corporate Governance practices.

- **Advocating for Long-term Value Creation:** Incorporating ESG principles is not just a compliance exercise; it is an essential aspect of long-term value creation. Company Secretaries advocate for sustainable practices that not only benefit the environment and society but also contribute to the company's resilience and competitiveness in a rapidly changing business landscape.

Company Secretaries can aid businesses in enhancing ESG compliance, luring in more socially conscious investors, and generating long-term value for stakeholders. Company Secretaries can make sure that ESG policies and procedures are ingrained into the organization's culture and operations and that ESG is taken into account in all decision-making processes thanks to their knowledge of Corporate Governance and regulatory compliance.

According to Jillian O'Sullivan, head of the Chartered Governance Institute, the function of the Company Secretary has received more attention since the value of sound Corporate Governance has become increasingly important in today's business environment.

Company Secretaries play an important role in management teams today and have crucial roles inside their organizations.

The Business Act of 2014 kept the necessity for a company secretary in both private and public businesses, and the job's duties have expanded to include responsibility for the corporate governance of the organization.

According to O'Sullivan, "the duties and range of expertise required of a company secretary have grown exponentially over the years, making it a diverse and ever-changing career option for students."

CONCLUSION

In the current business environment, ESG is now a crucial factor for organizations to take into account. Companies that embrace ESG can gain several advantages as investors and stakeholders call for increased openness and accountability from businesses about their social and environmental impact. Improved risk management, reputation, innovation, and long-term wealth development are a few of these advantages. Implementing ESG practices necessitates a thorough strategy that includes evaluating ESG performance, establishing goals and objectives, creating rules and procedures, putting ESG practices into place keeping an eye on them, and interacting with stakeholders. Companies can develop a more sustainable business model that focuses on generating long-term value for all stakeholders, such as shareholders, employees, and communities, by giving ESG a higher priority. In general, ESG is a crucial factor for businesses trying to flourish in the current business environment.

The evolving role of Company Secretaries in ESG initiatives underscores their significance as catalysts for positive change within organizations. Their multifaceted responsibilities in ESG integration, reporting, governance, stakeholder engagement, risk management, and policy implementation are instrumental in driving sustainable business practices. As ESG considerations continue to shape the corporate landscape, the role of Company Secretaries will undoubtedly remain pivotal in steering organizations towards a more sustainable and responsible future.

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Exploring the Nexus of CSR and ESG: Unveiling Key Similarities and Differences

The correlation between CSR and ESG is evident in their shared commitment to responsible business practices. When implemented synergistically, ESG criteria can enhance CSR initiatives by providing data-driven insights into sustainability performance. This integration benefits society by fostering environmentally responsible business practices, promoting social welfare and ensuring ethical governance.

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INTRODUCTION

In today's global business landscape, two acronyms have gained substantial prominence - ESG and CSR. These acronyms represent critical frameworks that guide organizations towards responsible business practices and sustainable growth. ESG, standing for Environmental, Social, and Governance, and CSR, short for Corporate Social Responsibility, have their unique features, but also share common objectives and principles. In this article, we delve into the essence of ESG and CSR, highlighting their respective characteristics, drawing out similarities, and unveiling the key differences between them. We will also explore how these two frameworks are interconnected and the profound benefits they offer to society.

UNDERSTANDING CSR AND ESG

1. **Corporate Social Responsibility (CSR): A Holistic Approach to Business Ethics**

CSR regulations vary by country and some nations have made CSR mandatory for certain businesses based on financial criteria. For example, in India, the Companies Act, 2013[1], mandates that companies meeting specific financial thresholds must allocate a portion of their profits to CSR activities. They are required to report on these initiatives in their annual reports. While CSR can be mandated by law in some jurisdictions, many companies voluntarily embrace CSR principles. They do so for various reasons:

1. **Ethical Values**: Many organizations have a genuine commitment to ethical values and believe in giving back to society.
2. **Reputation and Brand Building**: CSR initiatives enhance a company's reputation and build a strong brand image. Customers are more likely to support businesses they perceive as socially responsible.
3. **Stakeholder Expectations**: Shareholders, consumers, employees, and other stakeholders increasingly expect companies to be socially responsible. Failing to meet these expectations can have negative consequences.
4. **Risk Mitigation**: CSR helps mitigate various risks, including legal, regulatory, and reputational risks. Ethical conduct and sustainability practices can reduce exposure to adverse events.
5. **Competitive Advantage**: CSR can be a source of competitive advantage. It can differentiate a company in the market and attract socially conscious consumers and investors.

To draw a final thought, CSR initiatives encompass a wide range of activities, including but not limited to:

- **Environmental Sustainability**: Implementing eco-friendly practices, reducing carbon emissions, and conserving natural resources.
- **Community Development**: Supporting education, healthcare, infrastructure, and socio-economic development in local communities.
- **Ethical Labour Practices**: Ensuring fair wages, safe working conditions, and promoting diversity and inclusion. Philanthropy: Donations and contributions to charitable organizations and causes.

In summary, CSR is a holistic approach that goes beyond profit-making and embodies a company's commitment to Ethical, Social, and Environmental Responsibility. It can be both a legal requirement and a strategic choice that enhances a company's reputation, mitigates risks, and contributes positively to society. Corporate Social Responsibility (CSR) is a long-standing concept that emphasizes an organization's ethical obligations towards society. At its core, CSR encapsulates the idea that businesses should not solely focus on profit maximization but also consider their impact on the environment, community, and stakeholders. CSR initiatives encompass a wide range of activities, including philanthropy, sustainability efforts, ethical labour practices, and community engagement.

Environmental, Social, and Governance (ESG): A Framework for Responsible Business

Environmental, Social, and Governance (ESG) is a framework that assesses a company's performance in three key areas:

1. **Environmental**: Evaluates the company's impact on the environment, including efforts to reduce carbon emissions, manage waste, and conserve natural resources.

2. **Social**: Focuses on the company's treatment of employees, labour practices, diversity and inclusion, community engagement, and adherence to human rights.

3. **Governance**: Examines the company's internal governance structures, transparency, ethical leadership, and adherence to legal and regulatory requirements.

ESG is characterized by several core features:

1. **Metrics-Driven**: ESG involves quantifiable metrics and standards for assessing a company's performance in the three ESG dimensions. These metrics enable investors and stakeholders to make data-driven assessments. In the context of Environmental, Social, and Governance (ESG) principles, being matrix-driven signifies a structured and data-centric approach to assessing and managing sustainability and ethical considerations. This approach involves the creation of matrices and frameworks that systematically evaluate a company's performance across various ESG dimensions. These matrices not only aid in identifying risks and opportunities but also facilitate transparent reporting and informed decision-making. By being matrix-driven, companies emphasize the importance of data-driven insights, stakeholder engagement, and the integration of ESG factors into their overall business strategy. This approach aligns with the broader goal of ESG—to foster responsible and sustainable practices within the corporate world, ultimately benefiting both businesses and the broader society.

2. **Investor Focus**: Investor Focus is a crucial feature of Environmental, Social, and Governance (ESG) principles, signifying the growing emphasis on ESG factors by investors in their decision-making processes. In recent years, there has been a notable shift in the investment landscape, with investors increasingly recognizing that ESG factors can significantly impact a company's financial performance and long-term sustainability. This shift reflects a broader understanding that environmental practices, social responsibility, and governance structures are not just ethical considerations but also integral to risk assessment and potential returns. Companies that embrace ESG principles and transparently disclose their ESG performance are more likely to attract investment capital, as investors seek businesses that demonstrate a commitment to responsible practices and alignment with global sustainability goals. Thus, Investor Focus within ESG underscores the pivotal role of responsible investment in driving positive change and fostering a more sustainable and ethical corporate landscape.

3. **Regulatory Pressure**: Regulatory bodies in various countries are increasingly pushing for ESG disclosure, making it a more standardized and mandatory practice. This reflects the growing importance of ESG in the business world. Regulatory pressure is a significant feature of Environmental, Social, and Governance (ESG) considerations, reflecting the evolving legal and compliance landscape. Governments and regulatory bodies worldwide are increasingly introducing laws and standards that mandate ESG reporting and accountability. This pressure compels companies to align their operations with sustainability and ethical guidelines, not only to avoid legal penalties but also to remain competitive and gain market access. Regulatory pressure underlines the importance of ESG as a critical aspect of modern business, emphasizing the need for businesses to proactively integrate ESG practices into their strategies and operations to stay compliant and resilient in an ever-changing regulatory environment.

4. **Long-Term Perspective**: ESG encourages companies to adopt a long-term perspective by considering the environmental and social impacts of their actions, thereby contributing to long-term sustainability. ESG considerations prioritize the well-being of

future generations, prompting companies to make decisions that not only benefit shareholders today but also contribute to long-term viability. This feature underscores the importance of addressing pressing global challenges like climate change, social inequality, and ethical governance with a forward-looking approach. By adopting a long-term perspective, businesses commit to creating lasting positive impacts, aligning their strategies with global sustainability goals, and ensuring their operations remain resilient in the face of evolving environmental and societal dynamics. In essence, ESG's long-term focus redefines success by evaluating not just short-term profits but also the enduring value and legacy a company leaves for future generations and the planet.

5. **Risk Management**: Companies that adhere to ESG principles are better equipped to identify and manage risks related to Environmental, Social, and Governance issues, reducing potential liabilities. Risk management is a fundamental feature of Environmental, Social, and Governance (ESG) principles, reflecting the imperative of identifying and mitigating potential risks associated with sustainability and ethical practices. ESG risk management involves a comprehensive assessment of Environmental, Social, and Governance factors that could impact a company's operations, reputation, and financial stability. By proactively addressing these risks, businesses can enhance their resilience and minimize the potential for adverse events, such as environmental disasters or social controversies. ESG-driven risk management not only safeguards against potential liabilities but also contributes to long-term sustainability, aligning with the broader goal of responsible and accountable corporate practices in an ever-changing global landscape.

In conclusion, ESG is a vital framework that evaluates a company's performance in key areas of Environmental Responsibility, Social welfare, and Ethical Governance. It provides a structured approach to assessing and promoting responsible business practices, aligning with the values of sustainability and ethical conduct.

SIMILARITIES BETWEEN CSR AND ESG

Despite their differences, CSR and ESG share several commonalities:

1. **Social Responsibility**: Both CSR and ESG are grounded in the concept of Social Responsibility, highlighting the importance of businesses contributing positively to society.

2. **Long-term Sustainability**: Both frameworks promote sustainable practices that consider the long-term impact of business operations.

3. **Stakeholder Engagement**: Both CSR and ESG acknowledge the significance of engaging with stakeholders to build trust and enhance reputation.

> CSR initiatives often include measures to reduce a company's environmental footprint through sustainable practices and resource conservation. ESG criteria place a strong emphasis on environmental responsibility. Companies that align with ESG principles often adopt sustainable practices, reducing their ecological footprint and contributing to conservation efforts.

DIFFERENCES BETWEEN CSR AND ESG

While CSR and ESG are complementary in many aspects, they also differ in significant ways:

1. **Purpose**: CSR primarily focuses on ethical and philanthropic actions driven by a company's values, whereas ESG is centered on assessing and disclosing sustainability-related risks and opportunities for investors.

2. **Voluntary vs. Mandatory**: CSR initiatives are voluntary, while ESG is increasingly becoming mandatory due to regulatory requirements and investor demands.

3. **Scope**: CSR has a broader scope, encompassing a wide array of social and environmental activities, while ESG criteria are more specific and metric-driven.

CORRELATION AND BENEFITS

The correlation between ESG and CSR is evident in their shared commitment to responsible business practices. When implemented synergistically, ESG criteria can enhance CSR initiatives by providing data-driven insights into sustainability performance. This integration benefits society by fostering environmentally responsible business practices, promoting social welfare, and ensuring ethical governance.

Let's delve deeper into the correlations and benefits of ESG (Environmental, Social, and Governance) on various facets of society, corporations, the environment, and living beings. We will also explore how ESG and CSR (Corporate Social Responsibility) intersect to create a more holistic impact.

Correlation and Benefits of CSR and ESG on Society

1. **Enhanced Social Welfare**: CSR initiatives, as part of ESG efforts, encourage companies to prioritize social factors like diversity, inclusion, and fair labor practices. This not only creates a more equitable

workplace but also fosters social cohesion and harmony.

2. **Community Engagement**: CSR programs, integrated into ESG strategies, often involve community outreach and development. These activities contribute to improved living standards and infrastructure in local communities, positively impacting society at large.

3. **Ethical Consumerism**: CSR practices and ESG reporting empower consumers to make informed choices about ethically produced goods and services. This drives market demand for ethically produced goods and services, promoting responsible consumption.

Correlation and Benefits of CSR and ESG on Corporations

1. **Enhanced Reputation and Brand Value**: Companies engaging in CSR initiatives demonstrate responsible business practices, improving their reputation and brand value. Prioritizing ESG factors contributes to perceptions of ethical and responsible behavior, enhancing brand reputation and building customer loyalty.

2. **Risk Mitigation**: CSR efforts often involve addressing Social and Environmental risks, helping companies mitigate potential challenges. ESG-compliant companies proactively assess and manage Environmental and Social risks, reducing the likelihood of financial and operational disruptions.

3. **Access to Capital**: Companies with strong CSR records can attract socially responsible investors and philanthropic funding. ESG performance is increasingly important to investors, and companies excelling in ESG factors may have easier access to capital and secure financing at favorable terms.

Correlation and Benefits of CSR and ESG on the Environment

1. **Reduced Environmental Impact**: CSR initiatives often include measures to reduce a company's environmental footprint through sustainable practices and resource conservation. ESG criteria place a strong emphasis on environmental responsibility. Companies that align with ESG principles often adopt sustainable practices, reducing their ecological footprint and contributing to conservation efforts.

2. **Climate Resilience**: CSR programs can include efforts to address climate change, such as reducing greenhouse gas emissions and promoting renewable energy use. ESG reporting typically includes climate-related disclosures. Companies that address climate risks are better prepared for the challenges posed by climate change, ensuring business continuity and protecting ecosystems.

3. **Biodiversity Conservation**: CSR initiatives may encompass activities aimed at preserving biodiversity and protecting ecosystems affected by a company's operations. ESG encourages companies to consider the impact of their operations on biodiversity. This can lead to initiatives aimed at protecting and restoring ecosystems, preserving vital habitats for various species.

Correlation and Benefits of CSR and ESG on Living Beings

1. **Human Well-being**: CSR initiatives prioritize workplace safety, employee well-being, and fair treatment, directly benefiting the quality of life for employees and their families. ESG principles encompass social factors like workplace safety, diversity, and fair labour practices, ensuring that human well-being is a central consideration in corporate decision-making.

2. **Animal Welfare**: CSR practices can extend to ethical treatment of animals within industries like agriculture and research, fostering a commitment to minimizing harm to animals. ESG's focus on ethical and sustainable practices often includes considerations for animal welfare, encouraging companies to adopt ethical standards that reduce harm to animals and promote responsible treatment.

Correlation and Benefits of CSR and ESG with Sustainable Development Goals (SDG's)

1. **Alignment with SDG's**: CSR initiatives often align with specific Sustainable Development Goals (SDGs) as they seek to address societal and environmental challenges through responsible actions. ESG factors provide a practical pathway for businesses to align their operations with the SDGs, addressing global challenges while ensuring responsible and ethical conduct.

2. **Win-Win Scenerio**: CSR efforts contribute to societal and environmental well-being, reflecting responsible corporate behavior. The synergy between ESG and the SDGs represents a win-win scenario where responsible corporate behavior not only benefits society and the environment but also strengthens a company's competitive position and long-term sustainability in the global marketplace.

3. **Business Resilience and Innovation**: Engaging in CSR can enhance a company's reputation, foster stakeholder trust, and promote long-term sustainability, aligning with SDG 9 (Industry, Innovation, and Infrastructure) and SDG 17 (Partnerships for the Goals). Companies that prioritize ESG factors are more likely to identify emerging opportunities and risks, driving innovation and business resilience, which is crucial for addressing SDG 9.

4. **Synergy for Positive Impact**: CSR programs can directly support and advance SDGs by focusing on areas such as poverty alleviation, education, healthcare, and environmental conservation. ESG principles encompass a holistic approach to sustainability, addressing environmental, social, and governance factors. When integrated into a company's strategy, ESG can contribute significantly to the realization of multiple SDGs simultaneously.

In conclusion, the correlation and benefits of Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) principles underscore their profound impact on businesses, society, and the environment. CSR initiatives, driven by ethical considerations, enhance a company's reputation, contribute to the well-being of communities, and address pressing societal challenges. ESG factors, on the other hand, offer a comprehensive framework for responsible business conduct, aligning corporate strategies with global sustainability goals, and promoting long-term success through ethical practices. Together, CSR and ESG not only strengthen a company's competitive position but also play a pivotal role in creating a more sustainable and inclusive world, where responsible corporate behavior benefits both business and society.

CSR AND ESG: A SYNERGISTIC APPROACH

CSR and ESG are not isolated concepts; they complement each other in achieving overarching societal benefits. The synergy between CSR and ESG is evident in several ways:

1. **Shared Values**: Both CSR and ESG are rooted in the values of responsible business conduct, ethical practices, and positive societal impact.

2. **Stakeholder Engagement**: CSR and ESG both emphasize engagement with stakeholders, acknowledging their importance in shaping a company's impact on society.

3. **Data-Driven Decision-Making**: ESG metrics provide valuable data that can inform CSR initiatives. For example, ESG data may reveal that a company has a high carbon footprint, prompting them to invest in CSR activities aimed at reducing emissions.

4. **Long-term Sustainability**: The integration of CSR and ESG fosters long-term sustainability, ensuring that businesses thrive while simultaneously contributing to societal well-being and environmental conservation.

In short, ESG is a multifaceted framework that not only benefits society, corporations, the environment and living beings individually but also serves as a catalyst for positive change when integrated with CSR. Together, they create a holistic approach to responsible business conduct, promoting a world where economic prosperity coexists harmoniously with societal well-being and environmental preservation. This synergy is not just a business imperative; it's a commitment to a better future for all.

Mandatory compliances in CSR and ESG have several implications on businesses:

Mandatory compliance in Corporate Social Responsibility (CSR) and Environmental, Social, and Governance (ESG) has become a pivotal aspect of contemporary business operations. These regulations and standards have far-reaching implications that span various dimensions of a company's activities. In this discussion, we will delve into the multifaceted implications of mandatory CSR and ESG compliance on businesses.

- ***Reputation and Brand Value***: CSR and ESG compliance significantly impact a company's reputation and brand value. A commitment to social and environmental responsibility can enhance a company's image, making it more appealing to conscious consumers and investors. Conversely, failure to comply with these standards can lead to reputational damage, which can be costly and challenging to recover from.

- ***Access to Capital***: Companies adhering to CSR and ESG guidelines often find it easier to secure capital. Many investors, including institutional ones, prioritize businesses that demonstrate sustainability and ethical practices. Access to sustainable finance options can be crucial for growth and expansion.

- ***Risk Mitigation***: CSR and ESG compliance help mitigate various risks. Environmental risks, such as climate change impacts, are now at the forefront. By adhering to ESG standards, businesses can better assess and manage these risks, reducing potential financial losses due to environmental disasters or regulatory penalties.

- ***Employee Attraction and Retention***: CSR and ESG practices play a vital role in attracting and retaining top talent. Employees increasingly seek organizations that align with their values. A strong CSR and ESG strategy can contribute to a positive workplace culture and employee engagement, reducing turnover and recruitment costs.

- ***Innovation and Competitive Advantage***: Compliance drives innovation. Companies forced to meet sustainability and ethical standards often seek novel solutions, leading to the development of more sustainable products and services. This innovation can provide a competitive edge, allowing businesses to capture market share in an evolving landscape.

- ***Regulatory Compliance and Legal Liabilities***: Mandatory CSR and ESG compliance ensure that businesses adhere to evolving legal and regulatory frameworks. Failure to meet these obligations can result in legal liabilities, fines, and penalties. It is essential for businesses to keep up with changing regulations to avoid legal repercussions.

- ***Supply Chain Resilience***: CSR and ESG compliance extend to supply chain management. Companies must assess and mitigate risks associated with their suppliers, ensuring that they also meet ethical and sustainability standards. A resilient and responsible supply chain is crucial for business continuity.

- ***Stakeholder Engagement***: CSR and ESG compliance necessitate active engagement with stakeholders, including shareholders, employees, customers, and communities. Businesses must be transparent in their reporting and consult stakeholders to ensure their actions align with societal expectations.

- ***Long-term Sustainability***: Sustainability is the core focus of CSR and ESG compliance. These practices encourage businesses to adopt sustainable practices that not only benefit the environment but also ensure their own long-term viability. Sustainable operations often lead to cost savings and improved resilience.

- ***Market Access and Expansion***: Companies adhering to CSR and ESG guidelines may find it easier to access international markets. Many countries and regions require compliance with these standards to enter their markets, making it a critical factor for global expansion.

- ***Adaptation to Megatrends***: CSR and ESG compliance help businesses adapt to megatrends like climate change, social justice, and technological disruption. By addressing these issues proactively, companies position themselves to thrive in a rapidly changing world.

- ***Reporting and Transparency***: Mandatory compliance necessitates thorough reporting and transparency. Companies must disclose their ESG performance and targets, providing stakeholders with insight into their efforts and progress.

To sum up mandatory CSR and ESG compliance have profound implications on businesses, ranging from reputation management and risk mitigation to innovation and market access. Companies that embrace these standards not only contribute to a more sustainable and ethical world but also position themselves for long-term success in an evolving business landscape. Compliance is no longer a choice but an imperative for organizations seeking to thrive in the 21st century.

CONCLUSION

ESG and CSR, though distinct, represent two sides of the same coin: responsible and sustainable business practices. Understanding their features, similarities, and differences is essential for businesses and investors alike. By harmonizing ESG and CSR, organizations can contribute to a more equitable and sustainable world, where profitability coexists with societal and environmental well-being. In doing so, they align with the vision of a socially responsible and environmentally conscious future.

It is being concluded that mandatory compliances in CSR and ESG are pivotal in shaping responsible corporate behavior. They not only ensure that businesses operate ethically and sustainably but also empower stakeholders with valuable information. By embracing these regulations and accounting disclosures, companies can thrive in a world where responsible business practices are not only encouraged but expected, paving the way for a brighter and more sustainable future.

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BRSR: Creating the Non-Financial Rulebook

In November 2018, the MCA constituted a Committee on Business Responsibility Reporting (the Committee) to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the NGRBC. Through its 'Report of the Committee on Business Responsibility Reporting' (the Committee Report), the Committee recommended that BRR be replace by BRSR, where disclosures are based on ESG parameters, compelling organisations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting.

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INTRODUCTION

APPLICABILITY OF BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR)

As per Regulation 34(2)(f) of SEBI (LODR), Regulations, 2015, the annual report shall contain a Business Responsibility and Sustainability Report on the Environmental, Social and Governance disclosures, in the format as may be specified by the Board from time to time. As of now, it is applicable to top 1000 listed entities based on market capitalization.

Provided that the assurance of the Business Responsibility and Sustainability Report Core shall be obtained, with effect from and in the manner as may be specified by the Board from time to time.

Provided further that the listed entities shall also make disclosures and obtain assurance as per the Business Responsibility and Sustainability Report Core for their value chain, with effect from and in the manner as may be specified by the Board from time to time.

Provided further that the remaining listed entities, including the entities which have listed their specified securities on the SME Exchange, may voluntarily disclose the Business Responsibility and Sustainability Report or may voluntarily obtain the assurance of the Business Responsibility and Sustainability Report Core, for themselves or for their value chain, as the case may be.

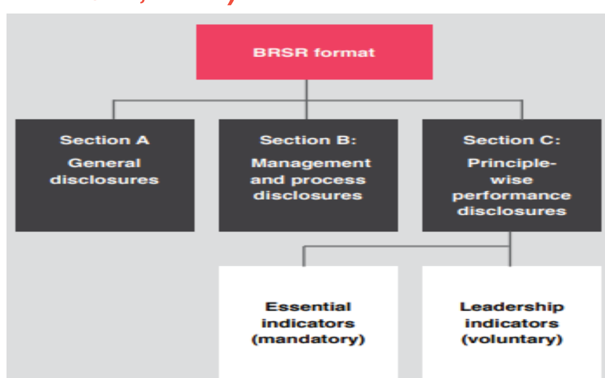
BACKGROUND OF BRSR

In November 2018, the MCA constituted a Committee on Business Responsibility Reporting (the Committee) to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the NGRBC.

Through its 'Report of the Committee on Business Responsibility Reporting' (the Committee Report), the Committee recommended that BRR be replace by BRSR, where disclosures are based on ESG parameters, compelling organisations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting.

SEBI vide Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 had prescribed the Business Responsibility and Sustainability Report (BRSR) which was subsequently incorporated in the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023. Based on the recommendations of the ESG Advisory Committee and pursuant to public consultation, the SEBI decided to introduce the BRSR Core for assurance by listed entities. The Board further decided to introduce disclosures and assurance for the value chain of listed entities, as per the BRSR Core.

BRIEF OF STRUCTURE OF BRSR (AS UPDATED VIDE SEBI CIRCULAR DATED 12TH JULY, 2023)



Section A: General disclosures

Following disclosures are required to be made under this section.

i) **Basic details** of listed entity including reporting boundary. Reporting boundary indicates that disclosures are made on a standalone or consolidated basis. In addition to above, the entity has to specify the name of assurance provider and type of assurance obtained.

ii) **Products/services** including details of business activities (accounting for 90% of the turnover) and Products/Services sold by the entity (accounting for 90% of the entity's Turnover).

iii) **Operations**: The number of plants and offices situated at national and international level. The Market served by the entity on national and international location. The contribution of exports as a percentage of the total turnover of the entity including brief of type of customers.

iv) **Employees:** The disclosure needs to be done with regard to employees and workers including those who are differently abled. Here the employees and workers are classified as i) Permanent and other than permanent and ii) Male and Female. This disclosure provides information of ratio of employment of differently abled employees/workers in the entity and also focus on participation, inclusion and representation of women in the Company including in the management of the entity. The trend of turnover rate for permanent employees and workers of last 3 years also need to be disclosed.

v) Details with respect to Holding, Subsidiary and Associate Companies (including joint ventures) need to be given.

vi) CSR details.

vii) Transparency and Disclosures Compliances.

This clause needs disclosure with regard to complaints/grievances received from various stakeholders such as communities, investors other than shareholders, Employees and workers, customers, value chain partners and others which are related directly or indirectly to the entity. The complaints/grievance are based on the principles under the National Guidelines on Responsible Business Conduct (NGRBC).

The disclosure also needs to be provided with regard to material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business of entity, rationale for identifying the same and approach to adapt or mitigate the risk along-with its financial implications. This mainly focus on impact of material responsible for business conduct on people, planet and profit.

Section B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The disclosure questions covers aspects such as Policy and management processes and Governance, leadership and oversight Policy and management process specify about formulation policies that covers principle and its core elements of the NGRBCs. The disclosure also needs to be done with regard to the Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by the entity and mapped to each principle which focus on labor welfare, health and safety, working hours, remuneration etc. The specific commitments, goals and targets set by the entity with defined timelines and performance of the same needs to be disclosed.

Governance, leadership and oversight specify about Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements. It also indicate review undertaken by Director/committee of the Board/Any other committee and its frequency. The review may be on annually or half yearly or quarterly or any other basis suitable for the entity.

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

The purpose of this section is to assist entities for showcasing their performance in integrating the Principles and Core Elements with key processes and decisions. The disclosure is categorized as "Essential" and "Leadership". While the essential indicators are mandatorily disclosed by every entity that, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be Socially, Environmentally and Ethically responsible.

BRIEF OF INDICATORS BASED ON NGRBC PRINCIPLES

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Sr. No.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Percentage coverage by training and awareness programmes on any of the Principles.	The awareness programmes conducted for value chain partners on any of the Principles during the financial year.
2.	Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.	The processes in place to avoid/ manage conflict of interests involving members of the Board.
3.	Details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.	-
4.	Details about an anti-corruption or anti-bribery policy, if any.	-
5.	Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.	-
6.	Details of complaints with regard to conflict of interest.	-
7.	The details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.	-
8.	Number of days of accounts payables.	-
9.	The details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties.	-

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Sr. No.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity.	The details in respect of Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry).
2.	The procedures in place for sustainable sourcing, if any.	Any significant social or environmental concerns and/or risks arising from production or disposal of the entity's products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, along-with action taken to mitigate the same.
3.	The processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.	Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
4.	If Extended Producer Responsibility (EPR) is applicable to the activities of entity, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	The details of the products and packaging reclaimed at end of life of products, amount (in mt) reused, recycled, and safely disposed.
5.	-	Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Sr. No.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Details of measures for the well-being of employees. The well-being indicators includes facilities such as health insurance, accident insurance, maternity benefits, paternity benefits and day care facilities. It is also classified into male & female employees and permanent & other than permanent employees.	Details of coverage of any life insurance or any compensatory package in the event of death of Employees and Workers.
2.	Details relating to retirement benefits such as PF, Gratuity, ESI etc.	The measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
3.	Accessibility of workplaces. Here the declaration needs to be given that whether the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	The number of employees/workers having suffered high consequence work related injury / ill-health / fatalities who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.
4.	Declaration whether the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016, if any.	The transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment, if any.
5.	Return to work and Retention rates of permanent employees and workers that took parental leave.	The details on assessment of value chain partners.
6.	Details in respect of a mechanism available to receive and redress grievances for permanent and other than permanent employees and worker.	The details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
7.	Membership of employees and worker in association(s) or Unions recognised by the listed entity.	-
8.	Details of training given to employees and workers.	
9.	Details of performance and career development reviews of employees and worker.	-
10.	Whether Health and safety management system is in place? If yes, the disclosure should be given of the system, its coverage, the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, processes for workers to report the work related hazards and to remove themselves from such risks, access to non-occupational medical and healthcare services.	-
11.	The safety related incidents which includes Lost Time Injury Frequency Rate, Total recordable work-related injuries No. of fatalities, High consequence work-related, injury or ill-health (excluding fatalities). Here the categories includes Employees and Workers including contact workforce.	-
12.	The measures taken by the entity to ensure a safe and healthy work place.	-
13.	The Number of Complaints on Working Conditions, Health & Safety made by employees and workers.	-
14.	Assessments for the year of Health and safety practices and Working Conditions.	-
15.	The details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.	-

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

SR NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	The processes for identifying key stakeholder groups of the entity.	The processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
2.	The List of stakeholder groups identified as key for the entity and the frequency of engagement with each stakeholder group.	If stakeholder consultation is used to support the identification and management of environmental, and social topics, the details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity needs to be mentioned.
3.	-	The details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

PRINCIPLE 5: Businesses should respect and promote human rights.

SR NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Employees and workers who have been provided training on human rights issues and policy(ies) of the entity.	The business process being modified / introduced as a result of addressing human rights grievances/complaints.
2.	Minimum wages paid to employees and workers.	The details of the scope and coverage of any Human rights due-diligence conducted.
3.	Details of remuneration/salary/wages such as Median remuneration / wages and Gross wages paid to females as % of total wages paid by the entity.	Declaration as to whether the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
4.	Details of focal point (Individual/ Committee), if any responsible for addressing human rights impacts or issues caused or contributed to by the business.	Assessments for the year relating to child and forced labour, sexual harassment, discrimination, wages etc. and details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments.
5.	Details of internal mechanisms in place to redress grievances related to human rights issues.	-
6.	The Number of Complaints on the Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour. Wages and Other human rights related issues.	-
7.	The details of complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.	-
8.	Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.	-
9.	The declaration whether human rights requirements form part of entity's business agreements and contracts?	-
10.	Assessments for the year relating to child and forced labour, sexual harassment, discrimination, wages etc. and details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments.	-

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

SR. NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Details of total energy consumption (in Joules or multiples) and energy intensity.	Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).
2.	If the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India, the entity has to disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.	The details of total Scope 3 emissions & its intensity.
3.	The disclosures related to water. The Water withdrawal by Surface water, Groundwater, Third party water, Seawater / desalinated water and others including the water consumption.	The details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
4.	The details related to water discharged to Surface water, groundwater, seawater, Sent to third-parties and others and discharged with treatment or without treatment.	Disclosure whether the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, as well as outcome of such initiatives.
5.	The coverage and implementation of a mechanism for Zero Liquid Discharge, if any.	Whether the entity have a business continuity and disaster management plan?
6.	The details of air emissions (other than GHG emissions) by the entity.	Any significant adverse impact to the environment, arising from the value chain of the entity. Details of mitigation or adaptation measures have been taken by the entity in this regard.
7.	The details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity.	The Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
8.	The details in respect of any project related to reducing Green House Gas emission, if any.	-
9.	The details related to waste management by the entity.	-
10.	The brief description of the waste management practices adopted in the entity's establishments. Describe the strategy adopted by the entity to reduce usage of hazardous and toxic chemicals in its products and processes and the practices adopted to manage such wastes.	-
11.	The disclosure relating to environmental approvals / clearances are required, if the entity has operations/ offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc).	-
12.	The Details of environmental impact assessments of projects undertaken by the entity based on applicable laws.	-
13.	The disclosure needs to be given whether the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances.	-

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

SR. NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Number of affiliations with trade and industry chambers/ associations and List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.	The details of public policy positions advocated by the entity.
2.	The details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

SR NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.	The details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments.
2.	The information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the entity.	The information on CSR projects undertaken by the entity in designated aspirational districts as identified by government bodies.
3.	The mechanisms to receive and redress grievances of the community.	If the entity have a preferential procurement policy where it give preference to purchase from suppliers comprising marginalized/ vulnerable groups. If yes, the details in respect of procurement from marginalized / vulnerable groups and its percentage.
4.	The Percentage of input material (inputs to total inputs by value) sourced from suppliers including MSME/small producers.	The details of the benefits derived and shared from the intellectual properties owned or acquired by the entity (in the current financial year), based on traditional knowledge.
5.	Job creation in smaller towns — Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) as % of total wage cost.	Details of any corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.
6.	-	Details of beneficiaries of CSR Projects.

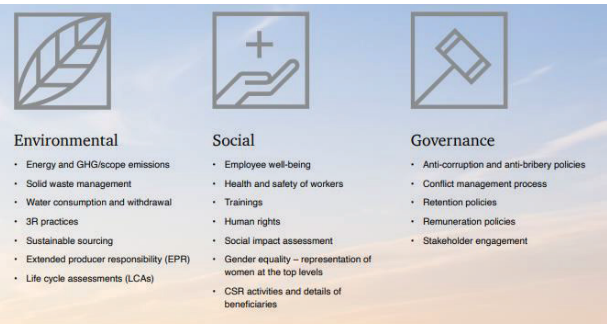
PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

SR. NO.	ESSENTIAL INDICATORS	LEADERSHIP INDICATORS
1.	The mechanisms in place to receive and respond to consumer complaints and feedback.	The Channels / platforms where information on products and services of the entity can be accessed.
2.	Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the Product, Safe and responsible usage Recycling and/or safe disposal.	Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
3.	The details in respect of Number of consumer complaints in respect of Data privacy, Advertising, Cyber-security, Delivery of Essential services, Restrictive Trade Practices, Unfair Trade Practices etc.	Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
4.	Details of instances of product recalls whether voluntarily or forced on account of safety issues.	If the entity displayed product information on the product over and above what is mandated as per local laws, provide details in brief. Details of the entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole, if any.
5.	The framework/ policy on cyber security and risks related to data privacy, if any.	-

6.	The details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.	-
7.	The disclosure relating to data breaches such as Number of instances of data breaches, percentage of data breaches involving personally identifiable information of customers, ompact, if any, of the data breaches.	-

Sustainable real estate is becoming more popular among developers, real estate agents, buyers, and tenants. Sustainable real estate development considers the entire life cycle of a project, from planning and construction to operation and maintenance.

KPIs OF BRSR WITH ESG PILLARS



BRSR Core

The BRSR Core is a sub-set of the BRSR, consisting of a set of Key Performance Indicators (KPIs) / metrics under 9 ESG attributes.

Keeping in view the relevance to the Indian / Emerging market context, few new KPIs have been identified for assurance such as job creation in small towns, openness of business, gross wages paid to women etc.

Further, for better global comparability intensity ratios based on revenue adjusted for Purchasing Power Parity (PPP) have been included.

BRIEF OF BRSR CORE

Listed entities shall mandatorily undertake reasonable assurance of the BRSR Core, as per the glide path specified in the following table:

Financial Year	Applicability of BRSR Core to top listed entities (by market capitalization)
2023 – 24	Top 150 listed entities
2024 – 25	Top 250 listed entities
2025 – 26	Top 500 listed entities
2026 – 27	Top 1000 listed entities

The disclosure is mainly based on Attribute, parameter, measurement, data & assurance approach.

CONCLUSION

BRSR is an effective compliance and communication tool for a company's non-financial disclosures and is the next step in mandatory ESG reporting in India.

The non-financial disclosures broadly covered in various indicators. As people are more becoming aware about ESG and India transforms its ESG landscape to be future-ready.

The India's Prime Minister committed to achieving net zero emissions by 2070. Accordingly, corporate entities must integrate ESG principles to safeguard the environment, the interests of various stakeholders, and business sustainability as a whole.

Motivated by a multi-trillion dollar global pool of ESG-driven capital, Indian companies are rapidly incorporating ESG into their holistic business strategy. They acknowledge that their responsibilities do not restrict to monetary returns but extend to etching a positive social and environmental impact. ESG adoption will boost corporate growth, enhance the public image, and help companies raise capital at lower costs. Hence, we can conclude that ESG has increased focus on non-financial reporting by many ways which helps the corporates to increase their value in a socially responsible manner.

REFERENCES:

i. *https://www.sebi.gov.in/legal/circulars/nov-2015/format-for-business-responsibility-report-brr-_30954.html*

ii. *https://www.sebi.gov.in/sebi_data/commondocs/may-2021/Business%20responsibility%20and%20sustainability%20reporting%20by%20listed%20entitiesAnnexure1_p.PDF*

iii. *https://www.sebi.gov.in/legal/circulars/jul-2023/brsr-core-framework-for-assurance-and-esg-disclosures-for-value-chain_73854.html*

iv. *https://www.pwc.in/assets/pdfs/consulting/esg/business-responsibility-and-sustainability-report.pdf#:~:text=BRSR%20is%20more%20a%20comprehensive,prepare%20themselves%20for%20the%20change.*

v. *https://timesofindia.indiatimes.com/blogs/voices/india-transforms-its-esg-landscape-to-be-future-ready/*

ESG Board's Responsibility – India and Globally

Forward-looking organisations started reporting their ESG performances complying with globally accredited frameworks such as GRI, TCFD and IR. Even unlisted companies voluntarily disclose their ESG measures based on the BRSR-lite format. Many large global investors have adopted well-defined ESG policies in their due diligence and investment monitoring processes. However, the Indian corporate ecosystem is still at a nascent stage of optimising its transition strategy, financing requirements and ESG profiles.

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In the words of Charles Darwin:

"It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change."

As per United Nation World Commission on Economic Development:

"Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

INTRODUCTION

In India, it used to be a matter of great inquisitiveness and debate as well to understand ESG once it started doing the rounds in regulators and corporate corridors of late, since India has made CSR mandatory (albeit a bit late) under law. Corporate analysts started scratching their heads around the new bird by the name "ESG" that how it is different from "CSR", as to them, if some corporates are already spending towards environmental projects and social projects under their CSR initiatives, why ESG is being imposed on them which has the environment and society engrained in this term.

To understand – It is easy to conflate these two terms - CSR and ESG - because, in reality, these are different angles of measuring the same thing – a company's impact on society. However, the main difference between CSR and ESG is that CSR is an internal initiative to fulfill a corporate purpose whereas ESG reflects a company's external impact.

Views expressed in this article are the personal views of the writer of this Article.

Broadly, the term ESG comprises of the following elements:

- **Environmental:** Pertains to corporate climate policies, greenhouse gas emissions, pollution, deforestation, biodiversity loss, energy efficiency, water management, treatment of animals and compliance with environmental regulations, etc.;
- **Social:** Pertains to corporate's relationship with internal and external stakeholders, viz. employee safety and health, working conditions, diversity, equity and inclusion, conflicts and humanitarian crises and in risk and return assessments in enhancing or otherwise customer satisfaction and employee engagement; and
- **Governance:** Pertains to ensuring that a company uses accurate and transparent accounting methods, pursuing integrity and diversity in selecting its leadership and is accountable to shareholders and dealing with prevention of bribery and corruption, cybersecurity and privacy practices and the manner in which the leadership responds to and interacts with the stakeholders viz. shareholders, auditors, internal controls, employees, regulators, and media.

While ESG is generally considered to be market-driven, corporate and securities regulators around the world are beginning to modulate the ESG-orientation through legal or regulatory instruments, especially when it comes to ESG reporting.

Secondly, as both CSR and ESG continue to coexist in India, due to certain peculiar connotations of CSR under Indian emerging legal landscape, the regulatory focus has shifted more towards ESG in recent years. It is clear that nowhere has CSR acquired a more prescriptive status than in India where the basic corporate statute, the Companies Act, 2013 is elaborate about the obligations of companies to act in a manner that benefits the broader society, apart from shareholders.

And thirdly, and owing to India's philanthropic bend, the CSR regime in India seemingly fails to focus on the negative externalities that got generated by the regular business operations of companies, which has conventionally been captured within the domain of CSR elsewhere. Given the conceptual and genesis dissatisfaction surrounding CSR in India, the emerging trend of ESG takes on greater importance.

Post COVID-19 pandemic, global ESG investing picked up momentum as investors perceived COVID-19 as the century's first "sustainability" crisis, and thus have started adopting specific data around ESG for evaluating the material risk that an organization is exposed to, based on the externalities it is generating.

The data produced can also be used within an organization as metrics for strategic and managerial purposes. Additionally, the investors may use ESG data beyond assessing material risks to the organization in their evaluation of enterprise value assessment and management of sustainability-related risks and opportunities leading to higher long-term risk-adjusted return.

Evolution of ESG Regulations in India

ESG reporting in India (in an expanded sense) commenced in 2009 with the Ministry of Corporate Affairs (MCA) issuing the Voluntary Guidelines on Corporate Social Responsibility. Ever since, the reporting framework has come a long way with the introduction of Business Responsibility Reporting ("**BRR**"), Corporate Social Responsibility (CSR), National Guidelines on Responsible Business Conduct (NGRBC) and the newly introduced Business Responsibility and Sustainability Report (BRSR) (*introduced through a SEBI circular dated 10 May 2021).*

The erstwhile Indian Companies Act, 1956, was carrying one of the first ESG disclosure requirements for companies by way of disclosures in Board's Report of details regarding conservation of energy, along with annual financial statement, and the same disclosure requirements have

continued in the Companies Act, 2013, in addition to certain other requirements.

The **SEBI** introduced the requirement of ESG reporting way back in 2012 and mandated that the top 100 listed companies by market capitalization shall file a BRR. This was later extended to the top 500 listed companies by market capitalization in 2015.

Further, in May 2021, SEBI introduced a new reporting requirement on ESG parameters under the Business Responsibility and Sustainability Report ("**BRSR**") by amending regulation 34 (2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("**LODR Regulations**"). The BRSR seeks disclosures from listed entities on their performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGBRCs) and reporting under each principle is divided into essential and leadership indicators. The essential indicators are required to be reported on a mandatory basis while the reporting of leadership indicators is on a voluntary basis.

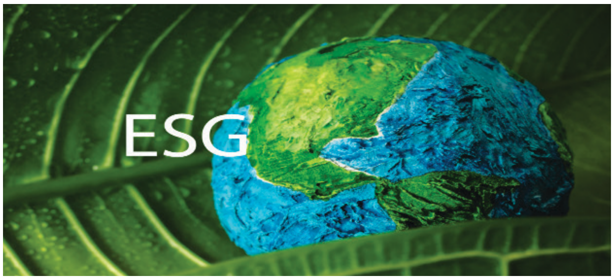
Such disclosures will be helpful for investors to make better investment decisions. The BRSR shall also enable companies to engage more meaningfully with their stakeholders, by encouraging them to look beyond financials and towards social, governance and environmental impacts.

With effect from the financial year 2022-2023, filing of BRSR has been made mandatory for the top 1000 listed companies (by market capitalization) and has replaced the existing BRR.

Further, the RBI is expected to issue guidelines for regulated entities to support green finance and mitigate climate-related financial risks, in the near future. As India, and the globe, works towards long term sustainability, there is no doubt that ESG is the future in all aspects of corporate and social endeavours.

ESG ON GLOBAL PLATFORM - REGULATIONS AND BEST PRACTICES

The Non-Financial Reporting Directive 2014/95/EU ("**NFRD**"), one of the major EU laws, requires (on "comply or explain" basis) public-interest entities with more than 500 employees to prepare and disclose a 'non-financial statement' (relating to diversity and non-financial information) in their annual management report.



In April 2021, the European Commission adopted a Corporate Sustainability Reporting Directive ("**CSRD**") which expands the scope of NFRD to all listed companies, including SMEs and introduces mandatory EU sustainability reporting standards for environmental, social and governance aspects. For financial years starting on or after 1st January 2024, CSRD will apply to companies that are already subject to NFRD, with the first report expected to be produced in the year 2025.

In the European Union, the Non-Financial Reporting Directive (NFRD) mandates insurance companies to publish reports on the policies they implement in relation to environmental protection, social responsibility, respect for human rights and anti-corruption and anti-bribery.

ESG regulation in Asia Pacific is accelerating as the need for greater transparency and tightened definitions for sustainable investment products moves with some urgency across the region. The 2X increase in the number of ESG policies in the region over the past 5 years has translated into increased corporate ESG disclosure across most APAC markets. Accompanying this are new and material cost considerations and an urgent need for upskilling by investors and corporates, as well as potential valuation implications for stocks based on levels of alignment with developing ESG standards.

The Singapore Exchange has made climate reporting mandatory for certain sectors, and all issuers are required to provide climate reporting on a "comply or explain" basis in their sustainability reports, while Hong Kong's Stock Exchange regulator has undertaken initiatives to introduce transparency, corporate governance and updated reporting guidelines to incorporate ESG focused requirements. In Japan, Government's Pension Investment Fund (PIF) has been functioning while keeping the ESG principles at its core. Indonesia and Taiwan have also changed their jurisdictions to promote green products and financing in line with ESG principles. China's Environmental Information Disclosure Act, 2008 mandates corporations to disclose environmental information. Annual resource utilization, pollution levels, waste generation, disposal method, and some other aspects can be disclosed voluntarily to gain more rights to grants and public support. A separate report with an environmental disclosure is also required from large companies listed on the Shanghai Stock Exchange.

As a continuum of Financial Services Development Council's (FSDC) efforts in driving the ESG agenda in Hong Kong, a comprehensive collateral is developed to accentuate key actors' concerted efforts in developing a robust sustainable infrastructure and investment ecosystem in Hong Kong. The Monetary Authority of Singapore (MAS), Singapore's central bank, recently launched the ESG Impact Hub, a new entity that seeks to promote collaboration on ESG finance. The launch comes shortly after the Singaporean government announced a roadmap to becoming a global leader in green finance and sustainable fintech. It seeks to spur the ESG ecosystem by facilitating engagement between fintech companies, financial institutions, investors, and other ESG stakeholders.

In March 2022, the US Securities and Exchange Commission (SEC) proposed rule changes that would require registered entities to include certain climate-related disclosures in their registration statements and periodic reports, including information about climate-related risks that are reasonably likely to have a material impact on their business, results of operations, or financial condition, and certain climate-related financial statement metrics in a note to their audited financial statements including greenhouse gas emissions, in order to assess their exposure to such risks.

Another sustainability reporting instrument by the New York Stock Exchange (NYSE) mandates that listed companies adopt and disclose a code of business conduct and ethics for Directors, officers and employees.

In addition to the above-mentioned regulations, global reporting standards such as the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board Standards (SASB) provide detailed industry-specific disclosure checklists and ESG-metrics which go beyond the general nature of BRSR.

INDIA - AT ESG CROSSROADS

In the Paris Agreement of the United Nations Climate Change Conference in 2021, India's Prime Minister committed to achieving net-zero carbon emissions by 2070.

Further, basis a multi-trillion-dollar global pool of ESG-driven capital, Indian companies are rapidly incorporating ESG into their holistic business strategy. They acknowledge that their responsibilities do not restrict to monetary returns only but also extend to carving a positive social and environmental impact.

Since then, ESG adoption is on the rise, fueled by clients' demand and a desire to make an impact. The ESG momentum continues to roll leading the investors to define, refine and evolve their strategies. This can be seen in the implementation arena, where investors are moving away from basic screening methods towards more targeted and sophisticated strategies, including thematic and impact investing. Thus, ESG integration remains the top implementation strategy showing how investors are taking a holistic approach as they look to comprehensively embed ESG into the investment process.

Socially Responsible Investing (SRI) is an investment strategy that highlights this one facet of ESG. SRI investors seek companies that promote ethical and socially conscious themes including diversity, inclusion, community-focus, social justice, and corporate ethics, in addition to fights against racial, gender, and sexual discrimination.

STATUS OF ESG IMPLEMENTATION IN INDIA

Forward-looking organisations started reporting their ESG performances complying with globally accredited frameworks such as GRI, TCFD, and IR. Even unlisted companies voluntarily disclose their ESG measures based on the BRSR-lite format. Many large global investors have adopted well-defined ESG policies in their due diligence and investment monitoring processes. However, the Indian corporate ecosystem is still at a nascent stage of optimising its transition strategy, financing requirements, and ESG profiles.

Post COVID-19 pandemic, India's banking and non-banking sectors have urgently switched focus to sustainable development. The RBI joined the Network for Greening the Financial System (NGFS) to contribute to global green finance and drive India's financial sector towards policy formation and climatic risk resilience development.

In the Insurance sector, since the insurance business has an intrinsic relationship with several environmental, social, and governance (ESG) factors, considering ESG factors in risk analysis and loss mitigation would prove beneficial to insurers trying to create their ground in the accountability towards a sustainable future and IRDA is cognizant about that fact.

An ESG indicator-driven insurance underwriting is inclined towards entities that hold up strongly on sustainability policies factors and ESG values that provide greater transparency into their practices and reputations. To merge all indicators of sustainability in insurance underwriting and risk analysis, it is important for insurers to efficiently analyze the large quantities of unstructured emerging dataset of a Company's ESG indicators.

CHALLENGES FOR ADOPTION OF ESG FOR CORPORATES

While ESG commitments stand on three pillars, the pillar 'S' is typically a missing link between business strategy and regulatory compliance.

SEBI's mandates not only look at the corporate's relationships with internal and external stakeholders but also give an insight into how the company protects its workers' well-being. Thus, a corporate's social indicators include employment opportunities, employee welfare, worker safety and training, human rights protection, social impact assessment, diversity, equity and inclusion. Similarly, private companies should also consider recruiting apprentices and diversifying workforces as a part of their CSR and ESG initiatives.

Developing a robust ESG architecture has become paramount in risk management, adaptation, accountability, and compliance from economic, social, and regulatory perspectives. Thus, India looks to integrate environmental and human health, collaboration and transparency, and transformation of various production modalities to honour its pledge of attaining net zero emissions in future.

Streamlining People and Processes is important in the ESG agenda of companies which must integrate reporting, strategy-making, and business transformation. It is predicted that Key and Senior Management Personnel will play vital roles in designing strategy, driving performance, reporting results, and leading a company's ESG transformation. It however becomes necessary to engage competent professionals to source and analyse data, create bespoke datasets, and deploy ESG data tools to streamline processes, supply chains, and customers.

Avoiding Greenwashing / ESG washing is another important matter in the implementation of the ESG agenda. Greenwashing basically involves making an unsubstantiated claim to deceive consumers into believing that a company's products are environmentally friendly or have a greater positive environmental impact than they actually do. It is generally performed through the use of environmental imagery, misleading labels, and hiding tradeoffs, which means using false information to intentionally hide wrongdoing, error, or an unpleasant situation in an attempt to make it seem less bad than it is. In addition, greenwashing may also occur when a company attempts to emphasise sustainable aspects of a product to overshadow the company's involvement in environmentally damaging practices. Businesses should consider and record ESG-driven risks and opportunities and address transparency issues to avoid accidental Greenwashing/ESG washing.

KICK-OFFS WITH ESG – APAC & INDIA

One study suggests that the six emerging ESG Policy Themes across Asia Pacific (APAC) region including India, Australia, China, Hong Kong, Japan, New Zealand, Singapore, and South Korea, are:

Theme 1: Green Taxonomies - a classification system for "green" economic activities which can be used to inform disclosures (viz. green revenue/capex tied to aligned activities) or for sustainable financing purposes (viz. bonds, loans).

Theme 2: TCFD-aligned climate related disclosures - Disclosure requirements aligned with the Task Force for Climate-Related Financial Disclosures (TCFD) recommendations on how climate risks are considered and embedded into a firm's strategy and processes. This covers the areas of Governance, Strategy, Risk Management, Metrics and Targets.

Theme 3: Carbon pricing schemes - National carbon pricing schemes through imposition of Carbon Taxes or Emissions Trading Schemes (ETS) which puts a direct cost on a company's carbon emissions, creating a direct incentive to de-carbonise.

Theme 4: Supply chain due diligence & transparency - Policies towards (i) establishing effective supply chain risk management systems and processes, (ii) including ESG risks in supplier due diligence (viz. human rights violations), and/or (iii) greater transparency and disclosure of risks, processes, and performance.

Theme 5: Corporate ESG disclosures - Requirements for companies to (i) publish a dedicated ESG or Sustainability report, and/or (ii) report on a specific list of ESG metrics and KPIs.

Theme 6: ESG Fund requirements - ESG-labelled financial products requirements which may mandate specific disclosures (viz. explaining how ESG is integrated into the investment process or mandating specific metric disclosures) and/or setting investment thresholds (like a minimum % of AUM invested in "ESG" stocks, etc.).

However, a general overview of progress across APAC region on these Policy Themes are summarised as under requiring serious action wherever lacking:

- Green Taxonomy development is less advanced, however, in a global context, the direction of travel is very positive.

- Considerable progress in mandating TCFD-aligned reporting positions APAC as a leader, globally.

- Many different carbon pricing schemes are in place now, however, application in some markets limits their impact.

- Corporate ESG disclosure requirements remain focused on emissions, energy, and diversity metrics.

- Greater supply chain risk management, due diligence, and transparency policies are needed.

- Policies mandating ESG fund requirements to accelerate are needed as the risk of greenwashing rises and as demand for more product-level transparency increases.

Post COVID-19 pandemic, global ESG investing picked up momentum as investors perceived COVID-19 as the century's first "sustainability" crisis, and thus have started adopting specific data around ESG for evaluating the material risk that an organization is exposed to.

Data suggests that Indian companies can lose around Rs.7 billion due to climate-related risks in the next 5 years if they do not prioritize building robust ESG frameworks. As a preventive measure, businesses should demonstrate climate resilience and strive to eliminate emissions to attract investors by:

- Utilising resources optimally - Environmentally responsible enterprises must focus on sustainable sourcing, resource allocation, and optimal utilisation of resources. They should pay attention to waste management, emissions, water consumption, 3-R practices, Extended Producer Responsibility (EPR), and Life Cycle Assessment (LCA) mandates.

- Switching to renewable energy solutions - best-in-class high-efficiency solar and wind energy products can deliver energy efficiency of up to 98%.

Directors' Duties and ESG Considerations

The principles of Corporate Governance lay a greater emphasis on long-term sustainable value as opposed to the pursuit of profits solely for the benefit of shareholders. Such ESG considerations have also received a thumbs up from the investor community on the basis that the longer-term interests of all the stakeholders enjoy a great deal of alignment. Under such a dispensation, companies and their directors bear a duty to act to protect the long-term sustainable value for a broader range of stakeholders beyond shareholders.

The mirroring of this approach is found in Section 166(2) of the Companies Act, 2013 which codifies directors' duties by stipulating that the directors shall act in good faith and in the best interests of the company, its employees, the shareholders, the community and for the protection of the environment.

An analysis of the provisions of Section 166(2) suggests that directors of Indian companies would be required to identify and address ESG risks and implement strategies to address them. This aligns itself with the financial model of ESG because risks such as climate change could bring about direct financial impact on companies, especially those in industries that are particularly vulnerable to climate effects. Moreover, a company's indifferent attitude towards ESG risks could also invite adverse reputational repercussions, with the shareholders ultimately facing the financial consequences. For example, Directors could be exposed to liability if they display conscious disregard or willful neglect of the ESG risks emanating from the operations of a company, such as environmental impact. This could also arise when the directors measure the success of the company (and their own) by deploying short-term yardsticks rather than alternative strategies that would have accounted for long-term sustainable value.

The second element of Board's duties is laying down of a detailed risk management framework as prescribed under Indian corporate and securities laws. Moreover, independent Directors are called upon to bring their 'independent judgment' on matters relating to risk management. Similarly, under the SEBI LODR Regulations, Board responsibilities include reviewing and guiding the company's risk policy and ensuring that appropriate mitigating mechanisms for addressing risks are in place.

If we look at some of the judicial precedents (may be termed as landmark ones), the Hon'ble Supreme Court of India, in the matter of *M.K. Ranjitsinh v. Union of India*, sounded concerned with the specific duty of directors to consider 'the protection of the environment' and treated it to be at par with duties to other stakeholders, including shareholders. Since the expression 'environment' does not find a definition in the Companies Act, 2013, the Supreme Court imported the meaning ascribed to the said term under Section 2(a) of the Environment (Protection) Act 1986 which defines the word to include the 'inter-relationship which exists among and between water, air and land and human beings, other living creatures, plants, micro-organisms and property. Thus, the span of this definition is adequately capable of accommodating almost all the ESG risks.

Further, in the matter of *Tata Consultancy Services v. Cyrus Investments Private Limited*, the Hon'ble Supreme Court, in the context of Section 166(2) of the Companies Act, 2013, observed that 'the history of evolution of the corporate world shows that it has moved from the (i) familial to (ii) contractual and managerial to (iii) a regime of social accountability and responsibility.' It then went on to note that 'what is ordained under Section 166(2) is a combination of private interest and public interest.'

CONCLUSION

ESG and sustainability are closely related. ESG investing screens companies based on criteria related to being pro-social, environment-friendly and with good corporate governance policies and practices. Together, these features can lead to sustainability. ESG, therefore, looks at how a company's management and stakeholders make decisions while sustainability considers the impact of those decisions on the world.

India's focus on Directors' duties to consider shareholders as well as other stakeholders lay a strong statutory foundation for the legal recognition of ESG, both on a financial basis and as the basis of an entity approach. Coupled with this are strong regulatory moves by the Indian financial regulators to develop ESG reporting and to encapsulate ESG concerns as part of shareholder stewardship initiatives. Although there have been significant legislative and regulatory measures towards ESG in India, several challenges remain, and the efforts thus far can only be work-in-progress.

Singapore, Hong Kong and New Zealand are at the forefront of imposing mandated requirements on both investors and corporates, with Japan, Taiwan and Malaysia also mandating for corporates and/or some financial institutions.

Lack of domestic carbon pricing in some countries may put companies at greater risk of incurring a carbon tax when exporting to overseas markets. As part of Europe's strategy to protect domestic production while tightening their own carbon mitigation policies, the EU has introduced a new Carbon Border Adjustment Mechanism (CBAM) which will effectively tax certain goods being imported into Europe from jurisdictions with lax carbon policies.

Significant developments in supply chain due diligence policies across Europe and the US emphasise the need for more robust practices by APAC corporates, given both the region's unique position as a global supply chain hub and its high exposure to social and environmental risks.

Downstream companies are now being held more accountable for these social and environmental risks throughout their supply chains by consumers (viz. reputational damage for controversies emerging through supply chains), investors (viz. exclusions based on violations of human rights in supply chains), and regulators (viz. through the growing body of supply chain due diligence and transparency regulations globally).

The investor's focus should be on using ESG data to measure performance rather than mere disclosure alone, as it leads to higher returns and is a better signal for quality. ESG performance, if measured correctly, can serve as a flag for operational excellence, culture and risk that manifests into financial outcomes and provides a signal of more resilient business models,

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Cognitive Bias in Judicial Decision Making

The power entrusted in the judicial officers are purpose driven which indicate it is for a valid exercise of power. In a constitution like India, where democracy is exercised, power needs to be expressed for the interest of public and not for the interest of power holders or politically driven interests. The legal system in the constitution of India is set up in such a way to provide complete justice by following the power of judiciary in accordance with provisions of constitution.

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INTRODUCTION

Judges are appointed by the government and they enjoy greater power and prestige and more independence than their counterparts. Judges protect rule of law and also ensure that the rights of individuals are safeguarded. They also settle disputes in accordance with law and are officially entrusted with the experts to perceive, decide and direct over legal matters which are brought into the court. Concurrently, judges are also expected to function their duties and responsibilities without anxiety, favor, ill will or malevolence. Cases presented before them are to be considered only based on its merits.

Nevertheless, it is not unusual to see claims of unfairness against Indian judges. The foundation of society rests upon the rule of law and thereby the judicial process is expected to be free of bias or prejudice and be objective, impartial and rational. The power entrenched in legal system has the strength to change one's whole life and can enforce responsibilities on others. This legal power is given to judges, magistrates to serve the nation with the intent of social transformation or to be structures rather than going barbaric.

Thus, the power entrusted in the judicial officers are purpose driven which indicate it is for a valid exercise of power. In a constitution like India, where democracy is exercised, power needs to be expressed for the interest of public and not for the interest of power holders or politically driven interests. The legal system in the constitution of India is set up in such a way to provide complete justice by following the power of judiciary in accordance with provisions of constitution.

There are number of pronouncements made every day in the courtroom on things related to social security, family matters and legal things where there are significant and pervasive concerns about these verdicts. Lives of individuals are getting miserable when judges make mistakes and form poor decisions based on biased informations and irrelevant rules. This can lead to increased number of appeals and challenges along with loss of manpower. Besides, there is also huge amount of time lost during those process for the judges as well as litigants.

Likewise, the most important work of a judge is maintaining one's objectivity. But the objective nature of law is reconciled with subjective experiences besides social, political and cultural forces peeps in. It can be seen from most of appeals in courts that there are disparities in the outcome of expected objectivity and actual situation. Concerns related to natural justice should not be an obstacle provided that the process is transparent and even handed. Good and poor decision making needs to be identified as factors affecting judicial bias is a major concern. These decision making are made by judges who are also human beings with cognitive errors, biases, values and perspectives and they are not objective and neutral actors. This perspective plays an important role in shaping the understanding and application of law.

Judge's interpretation of legal cases may differ according to their childhood experiences, familiar culture, political ideology, personal experience and moral beliefs. Not only these but court room factors like presentation by advocates in court as well as witness demeanor etc. affect judges' interpretation and also social, political and psychological factors can sway judicial rulings (Danziger, Levav & Pesso, 2011). These kind of judge's subjective perceptions and interpretations creates tension between the objective nature of law and the subjective experiences.

Further, it adds difficulty in decision making as law is beyond the interpretation wherein it also involves negotiation, compromise and consensus building that reflects society's diverse interests and perspectives. In 2018 Supreme Court of India had decriminalized the same sex relations by recognizing transgender group as third gender legally. The legal recognition of same-sex marriage in India is currently being discussed as there are appeals in Supreme Court for same-sex marriage under several Acts. Supreme Court in this regard asked the government its opinion on same-sex relationships, it responded that "same sex marriage is an affront to Indian custom" as it is an "urban elitist" concept and it went against religious values and "seriously affects the interests of every citizen." It added that the same-sex marriages are not comparable with the Indian family unit concept of a husband, a wife and children. In this matter the Supreme Court is taking all aspects as a result of the societal attitudes towards the community.

BIAS AND JUDICIARY

The natural sense of what is right and wrong is the fundamental value behind principles of natural justice. Article 14 and 21 of the Indian constitution has also emphasized the concept of natural justice. The purpose of abiding by the principles of natural justice is prevention of failure of justice. And that's what doctrine of bias says, "nobody should be a judge in his own cause or in which he is interested". Justice Bhagwati (1978) stated that natural justice is fair play in action. Similarly, the two principles of natural justice which are rule against law and the rule of fair hearing both makes it clear that the judiciary must be free from bias and has to deliver pure and impartial justice. Principles of natural justice are also weakened when the parties are not given the chance to be heard.

Bias is synonymous to prejudice and impairs the concept of impartiality in judicial decision making and it arises due to predetermination and predisposition. This paves way to arrive at decision having narrow thinking only through one angle while looking broad mindedly is not possible. It has to be specified as well that bias springs up from the mind of that individual and it is difficult to prove it. Bias can be estimated on two grounds which is whether there is real likelihood of bias or is there only a reasonable suspicion on it.

Generally, individuals think and try to act rationally which may have been influenced by bias unconsciously. It is also noteworthy that when it is expected to decide on cases objectively, humans sometimes take decisions against their own interests. In the same way, when the

judge cannot take the decision based on evidences on record, the decisions adopted therein maybe biased one. In order to avoid this there are two principles which are no man should be judge of his own and justice should not only be done but should manifestly and undoubtedly be seen to be done (Datar, 2020). Also, the deciding power must be neutral and impartial when examining any case.

Bias manifests itself and affects decision making in different ways. Bias is an operative prejudice and is of many forms. Pecuniary bias is something related to money or that can be valued in money. This form of bias is when the judge has any vested financial interest in the subject matter of dispute. However small it maybe, it is bound to vitiate the administrative action. On the other hand, personal bias occurs when there is decision making based on personal or professional relationship or hostility between the authority and litigants, that paves for favorable decisions. Personal bias may be manifested sometimes against enemies. Official bias which is synonymously termed as subject matter bias is the predisposition or inclination towards a particular issue. It mainly relates to the behavioural attitude of a judge and arises when the deciding officer is directly or indirectly in the subject matter of the case. If the judge has general interest in the subject matter in dispute he/she will be disqualified in the ground of bias if he has intimately identified himself with the issues in dispute.

Yet another bias, departmental bias is inherent in the administrative process. The problem of departmental bias arises in different context such as when the functions of judge and prosecutor are combined in the same department. It is not uncommon to find that the same department which initiates a matter also decides it, therefore, at times, departmental fraternity and loyalty militates against the concept of fair hearing. Bias out of preconceived notion or unconscious bias is another bias which happens and the very same purpose of fair trial is thus defeated. It is the belief that which individual holds without any proof. Even though, complete impartiality is difficult to achieve, procedural fairness is expected. People are burdened with prejudice and it is natural to develop so but it's more important to rise above it.

BEING HUMAN: JUDGES AND COGNITIVE BIAS

People experience many biases and can be seen that brain is prone to cognitive errors as evolutionary basis (Kahneman, 1991). Cognitive bias is a systematic thought process by the brain to simplify information through filtering process. This filtering helps in prioritizing and processing large information. As human brains have limited capacity, heuristics are being used to process cognitive information more effectively or for filtering process. Heuristics are being used by individuals as cognitive shortcuts or rules of thumb in order to resolve issues and to arrive at certain decisions. Heuristics also make cognitive biases and mistakes that can blemish decision making (Peer & Gamliel, 2009).

Cognitive bias or flaws and biases in decision making is also applicable in legal settings and the biases extend to judges too. But it is maintained that judges are supposed to be impartial. Nevertheless, judges are inclined by their own cognitive flaws and external influences. Empirical research studies have found that cognitive bias can unconsciously distort inferences made by judges and can affect judicial decision making (Olaborede, & Meintjes-Van der Walt (2020). For instance, in an intracity survey released in January 2019 the United States Sentencing Commission found that in majority of the towns, the length of a respondent's sentence more and more depends on which judge in the courthouse is assigned to his or her case (Debold, 2023)." This suggests the differing idea of impartiality in judges' sentencing decisions.

The heuristics otherwise known as rules of thumb, are used for judicial decision making as it reduces complexity in decision making process and serves as guide to precise results. Nonetheless, difficulty is heuristics frequently have errors or fallacies. Consequently, heuristics can lead to irregularities in the required rational decision-making. The issue about the miscalculation or fallacies is that they happen methodically. As the fallacies happens methodically, they are predictable and are amendable. Thus, it is clear that heuristics are of helpful but there would be cognitive errors when we use it.

Tversky, Slovic & Kahneman (1982) introduced the heuristics and biases and found that they lead to suboptimal decisions. They also introduced two systems of thinking in which judgmental heuristics are using system 1 thinking. According to Tversky, Slovic and Kahneman, "System 1 processes are those in which thinking, judgment, and choice are more instinctive, experiential, as well as adaptive. They are also more rapid and consume fewer cognitive resources. This contrasts the System 2 processes, which are more analytic, relying on facts and normative rules and requiring many more cognitive resources which are often not available in everyday situations. Heuristics are shortcuts that which uses system 1 thinking and thus helps in faster cognition but they can lead to judgmental biases, fallacies and illusions. This can hamper people's judgements, choices and decision making".

Likewise, judges make use of heuristics and also, they take mental shortcuts. Decisions under uncertainty are also being made by them. Complete information available to them at that point of time is not used and resort to heuristics and take a decision. Although, heuristics are mostly adaptive and help in day-to-day lives of individual, processing through partial part of pertinent information can cause fallouts and biases that leads to sub optimal decision making.

Judges need efficient cognitive processes to apply legal rules and interpret cases. Unfortunately, every judge faces the issue of work load and time constriction and pendency of work. Heuristics can thus intervene during hearing process, ruling as well as sentencing (Peer & Gamliel, 2013) with the goal of making decisions more quickly. But heuristics involve greater errors than do rational decisions and may prevent from making completely sound and logical decisions. However, all humans do use heuristics and so does a judge. Anchoring effect, framing, omission bias, confirmation bias, and hindsight bias are some of the heuristics which can affect legal rulings and lead to cognitive bias (Guthrie, Rachlinski & Wistrich, 2007, Rachlinski & Wistrich, 2017).

Research on anchoring effects focusses on legal aspects too as there are influences of 'anchoring effects' found among judges. Anchoring is a form of priming effect whereby initial exposure to a number, acts as a reference point and affects the succeeding decisions. Anchoring can be influenced by several factors including cognitive need as well as external and internal anchor conditions (Zong & Guo, 2022). In anchoring even after individuals realize the randomness of the initial value individuals are still inclined to it. The initial value pursues individual to relate their estimate to that value and tries to alter according to it.

Individuals tend to anchor and it occurs in judicial decision making too wherein it is observed in settlement agreements. According to Wisler et. al., (1999) anchoring is vital in numeric part of sentencing. Individuals are often more prone to give too much importance to the initial number and then adequately adjust from that starting point. Judges when faced with uncertainty about the amount to determine, they tend to rely on numerical point of reference and adjusts from that number. These adjustments are biased towards the anchor (Kahneman et. al.,1998). The sentencing decisions have a tendency to follow the sentence demanded by the prosecutor and also when the sentencing demand is determined randomly (Englich, Mussweiler & Strack, 2001)). It also affected judges irrespective of novice and proficient judges.

Another heuristic that affects judicial decision-making is 'framing' which is making different decisions when the same event or instance is presented in different ways. Judges listening the lawyers sentencing plea can thus be biased cognitively while making decisions. Initial presentation by lawyers can have an impact. When the lawyers present the case optimistically the subsequent plea bargaining will seem like a loss and vice versa. Judges act as the scrutiny of information and their decision can be influenced by how it is framed or presented. Judges were seriously affected by the recommendations of prosecutor (Ebbesen & Konecni, 1975). As when presented with fictious cases judges considered the information relevant to the case such as criminal record, but in actual case scenario judges were swayed by the prosecutorial recommendations.

The tendency to judge harmful actions as worse than harmful delays even when the outcome is alike indicates omission bias (Baron & Ritov, 2004). It is the inclination to judge harmful acts as not as good as harmful omissions. Omission bias can have extensive consequences in cases of legal disputes. A judge may find a social worker who switches a child from a safe foster home into an abusive home to be accountable, but then he may perhaps derive at altered finding if the social worker merely failed to move the child out of an abusive home that he or she was already in. Hence, those complainants aware of omission bias can gain by framing respondents' actions in active terms than passive terms.

Yet there is another bias that can be seen in judiciary which is confirmation bias which is evidence approving a proposition is probable to be investigated for, recognized, more deeply weighted as well as recalled. Hence, evidence is deduced in a biased manner. Judges can be affected by confirmation bias during hearing and when they examine evidences brought in court. Judges can be carried away by the evidences that proves their prior propositions and may even neglect evidences that do not link with their earlier propositions.

Findley and Scott (2006) found evidences that confirmation bias exists among judges and that there is tunnel vision in criminal justice system. When a suspect is found guilty judges and police officers are seen to cherry pick information that make them confirm the guilt and also challenge information that actually prove them innocent. Similarly, judges' detention of offenders indicates that there is bias in giving detention and interpreting guilt of that person (O'Brien, 2009). Judges interpret the defendant's statement to be less trustworthy when the offenders have previously committed the crime (Berthet, Teovanovic & Gardelle, 2022).

Hind sight bias is yet another bias under scrutiny. Individuals have a tendency to evaluate events as more foreseeable once the event has happened. Majority of judges misjudge the probability of an event happening with hindsight. Hindsight bias happens in court room too wherein the judges evaluate how predictable the outcome is and also assesses how the plaintiff reflected upon it. The judge having hindsight knowledge embraces outcome knowledge and therefore knows the consequences whereas the judge having foresight information does not know. (Fischhoff, 1975). In a study by Guthrie et. al in 2001, it was found that judges succumbed to hindsight

> Natural justice requires reasoned decisions or speaking orders. Substantiating with reasons for decisions are useful as it exposes an error of law, grounds for appeal and helps in addressing otherwise lingering injustice.

bias. When judges were presented with possible outcomes of the appeal it significantly affected the judges' assessments. Judges who were informed of a specific outcome were inclined to choose that outcome as most likely to have been occurred.

Further, propensity to erroneously accept and appraise influences between independent and unconnected features of an individual is analyzed which is the halo effect. This bias is very common in judges which overall impression of a person influences how an individual feels and thinks about that character. People approach individuals with facial attractiveness more often than others. They are also considered to have positive personality traits (Wilson & Eckel, 2006). The positive characteristics of people seem to overshadow all other traits. When dealing with criminal offenders it is seen that physical attractiveness plays a vital role in juror decision making (Lytle, 2015). It was also found that by Efran and Monahan in 1974 that good looking women are less convicted than others. Also, smiling offenders were receiving less punishment than non-smiling offenders. It is suggested that usually people like those with physical attractiveness and when it comes to judiciary good looking offenders gain a liking that increases the chances of clemency (Yang et. al, 2019). This halo effect is well studied in social psychology in which studies focused on judiciary.

Individuals overestimate their own skills and chances of success leading to positive self-evaluations which is due to overconfidence bias. It is due to this overconfidence bias that litigants and lawyers in court usually misjudge their chance of victory. Another type of judgmental bias is conjunction fallacy which is the way individuals calculate the certainty of actions based on the way the events are presented. The thorough detailing of a situation can lead to greater judged probabilities. This phenomenon is conjunction fallacy as it portrays to individuals that events detailed deeply are more certain than events that are detailed less.

At times inside the court room there are instances where the judges are presented wrongful information which are obtained wrongfully. Certain times lawyers submit evidence in court which are wrongful submission and how far these are ignored by judges is uncertain. In a study by Landsman and Rakos, (1994) showed that judges were likely to get influenced by the inadmissible evidence. Also, judges make repeated sequential rulings

which can be considered as biased decisions. In a study by Danziger repeated rulings in the beginning of each session conveyed that judges' mental resources depletes and as a result they make sequential rulings. Danziger et. al, 2011 in a study showed that judges tend to have more favorable rulings after a break. Judges who made a large proportion of favorable rulings are more likely to rule favorably in a subsequent case. Judges are initially lenient, then progressively rule more in favor of the status quo over time, and become lenient again after a food break. This would suggest that psychological factors, such as mental fatigue, could influence legal decisions

In court heuristic thinking are employed in several situations of hearing, ruling and sentencing processes. Hindsight bias, confirmation bias and conjunction fallacy can affect the hearing process, inadmissible evidences can cause bias during ruling process and anchoring and inclination towards limited information can cause bias during sentencing process. Natural justice requires reasoned decisions or speaking orders. Substantiating with reasons for decisions are useful as it exposes an error of law, grounds for appeal and helps in addressing otherwise lingering injustice. The inconsistencies between judges and the discrepancy in rulings and legal things are alarming. It is a fact that discrepancies are accounted by number of factors, still judicial bias resulting from cognitive bias accounts for huge amount of subjectivity.

CONCLUSION

It can thus be concluded that systematic form of miscalculations in judgement is the result of cognitive bias. Individuals create their own personal truth from their reflection of the existing information. A person's creation of truth, not the objective input, may influence their behaviour. It thus leads to unreasoned and irrational decisions, as well as can lead to misinterpret risks and pressures. Cognitive bias thus needs to be aware of by judges as heuristics are often used by individuals to navigate in daily life. While heuristic thinking is typically efficient, it may cause biases at times and judges in the legal field use heuristic thinking in judicial processes and decisions, although not all of them may be aware of such use.

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Invitation For Research Papers In CS Journal – November 2023 Issue

We invite Research papers/ Manuscripts to publish in 'Chartered Secretary' with the objective of creating proclivity towards research among its members both in employment and practice. As research is an integral part the of scientific approach towards an issue for arriving at concrete solutions, in view of this it is essential to ensconce the research-oriented approach. Further, research is pervasive, i.e., it is not restricted to a particular field. Whether it is engineering, management, law, medicine, etc. without proper research, it is almost next to impossible to ascertain the solution of a problem.

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.

Participants are requested to send their articles/ research papers with the following terms:

- The article/research papers should be original and exclusive for Chartered Secretary.
- It should be ensured that the article has not been/will not be sent elsewhere for publication.
- Article/ research papers should include a concise Title, Abstract name of the author(s) and address.

Members and other readers desirous of contributing articles may send the same latest by **Sunday, October 22, 2023** for the **November 2023** issue of Chartered Secretary Journal at **cs.journal@icsi.edu.**

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

- CONCENTRATION OF REAL ESTATE DEVELOPMENT IN THE VICINITY OF METROPOLITAN CITIES: REASONS, BENEFITS, CHALLENGES, IMPACT ON FUTURE GENERATIONS & SUSTAINABLE DEVELOPMENT

Concentration of Real Estate Development in The Vicinity of Metropolitan Cities: Reasons, Benefits, Challenges, Impact on Future Generations & Sustainable Development

The recent global pandemic, though challenging, had a positive effect of reducing carbon emissions and air pollution to a large extent. This heightened environmental awareness, especially among younger generations, is driving a demand for energy-efficient homes and other peripheral amenities. With remote work becoming common, homes must be eco-friendly and efficient workspaces.

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INTRODUCTION

Urbanisation stands as one of the most defining trends of the revolutionising era. As more people flock to metropolitan areas in pursuit of better opportunities and enhanced lifestyles, the demand for real estate in these regions has surged significantly. Consequentially, the phenomenon of concentrated real estate development is witnessed across the metropolitan cities that carries profound implications for the economy, environment, and society as a whole.

The recent global pandemic, though challenging, had a positive effect of reducing carbon emissions and air pollution to a large extent. This heightened environmental awareness, especially among younger generations, is driving a demand for energy-efficient homes and other peripheral amenities. With remote work becoming common, homes must be eco-friendly and efficient workspaces. This shift isn't just a trend; it's a movement with health and productivity benefits. To improve indoor air quality, low-emission materials are essential, benefiting well-being and productivity including physical and mental health. Businesses are recognizing the advantages of green buildings for employee satisfaction level. Governments, including India's Indian Green Building Council (IGBC), are prioritizing green initiatives thus, making significant strides in green building projects in the real estate sector, positioning itself as a global leader in sustainable development at least in the real estate sector.

In India, the Real Estate Regulation and Development Act (RERA) of 2016 plays a crucial role in regulating the expansive and intricate real estate industry. RERA aims to promote transparency, accountability, and efficiency, with a specific focus on residential real estate transactions. Environmental, Social, and Governance (ESG), is a set of criteria used to evaluate a company's performance and impact in these three key areas. When examining the real estate sector through an ESG lens, we can see how the principles of RERA align with ESG considerations:

1. **Mandatory Registration (Social Responsibility):**

   Under RERA, real estate developers are required to register their projects with the regulatory authority before selling them. This aligns with the social responsibility aspect of ESG. By ensuring that developers commit to timelines and project details, it reduces the mental burden on prospective buyers and promotes transparency in the sector. This transparency and adherence to commitments contribute to a socially responsible business environment.

2. **Transparency (Governance):**

   RERA mandates that developers provide accurate project details, layout plans, and delivery schedules on its website. This commitment to transparency is a governance practice that falls in line with ESG principles. It promotes fair practices, discourages fraudulent activities, and enhances the credibility of the real estate industry.

3. **Advance Payment Regulations (Governance and Social Responsibility):**

   RERA places limits on the advance payment's developers can collect from homebuyers. This regulation helps reduce the financial risk for buyers, aligning with the social responsibility aspect of ESG by protecting the financial interests of stakeholders. It also encourages responsible governance by placing more responsibility on developers to complete projects within stipulated timelines. This ensures that financial resources are used efficiently and ethically.

4. **Complaint Redressal (Social Responsibility and Governance):**

   RERA establishes regulatory authorities and tribunals to address grievances and disputes between developers and homebuyers. This mechanism aligns with both the social responsibility and governance aspects of ESG. It demonstrates a commitment to resolving issues fairly and efficiently, enhancing trust and social responsibility. Proper grievance mechanisms are also a hallmark of good governance within an industry.

INDIAN REAL ESTATE MARKET ANALYSIS

The real estate sector in India has experienced significant fluctuations in the past two years, primarily driven by the aftermath of the COVID-19 pandemic. The residential segment was particularly affected due to nationwide lockdowns, impacting housing sales. In 2023, the Indian real estate industry is estimated to be worth USD 265.18 billion, with a projected growth to USD 828.75 billion by 2028, at a CAGR of 25.60% during the forecast period (2023-2028). By 2040, the market is expected to reach Rs. 65,000 crore (US$ 9.30 billion), up from Rs. 12,000 crore (US$ 1.72 billion) in 2019.

India's real estate sector is anticipated to reach a market size of US$ 1 trillion by 2030, a significant increase from US$ 200 billion in 2021, contributing 18-20% to the country's GDP by 2025. Sectors such as retail, hospitality, and commercial real estate are expanding to meet India's growing infrastructure needs.

In FY 2023, the residential property market in India witnessed record home sales valued at Rs. 3.47 lakh crore (US$ 42 billion), indicating a robust 48% year-on-year increase. The sales volume also exhibited substantial growth, with a 36% rise to 379,095 units sold.

The demand for affordable housing remains dominant in the housing market. Policy initiatives such as the Real Estate Regulatory Authority (RERA), the introduction of Real Estate Investment Trusts (REITs), and housing schemes like PMAY (Pradhan-Mantri Awas Yojana) and SWAMIH (Special Window for Affordable and Mid-Income Housing Projects) have played a significant role in supporting the real estate industry's growth.

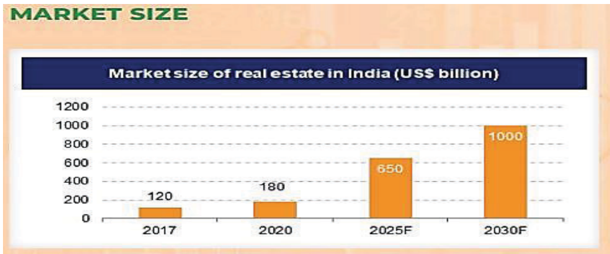


Figure 1 - ***Source:*** *IBEF (https://www.ibef.org/industry/real-estate-india)*

GOVERNMENT INITIATIVES AND MAJOR INVESTMENT AND DEVELOPMENT IN REAL ESTATE INDUSTRY

The Government of India and the respective Governments of the States are taking initiatives to encourage development in this sector. With a plan to build 100 smart cities, the Smart Project is a prime opportunity for real estate companies. Some of the government initiatives and developments in the industry are:

- In the Union Budget 2023-24, the Hon'ble Finance Minister has announced a commitment of Rs. 79,000 crore (US$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to the last year.
- As of December 31, 2022, India formally approved 425 SEZs; as of January 2023, 270 SEZs are operational. Most special economic zones (SEZs) are in the IT/BPM sector.
- In FY23, Delhi-NCR received 32% of the total private equity (PE) investment in the real estate sector.
- In Q1 of 2023, Bengaluru, Delhi-NCR, and Chennai together accounted for two-thirds of quarterly demand. At 27%, flexible workspace was the most significant contributor to demand.
- Housing sales in the top seven Indian cities stood at 1.14 lakh units in Q1 of 2023, an increase of over 99,500 units compared to the same period of 2022.
- The National Housing Bank (NHB) is currently establishing a special purpose vehicle (SPV) to promote and create residential mortgage-backed securities (RMBS) in India. To oversee this initiative, a committee consisting of senior NHB management and academic experts has been formed, and it actively guides the process. The SPV's primary function will involve the sale of pass-through securities that may be traded in the secondary market.
- The Securities and Exchange Board of India (SEBI) has established an expert committee tasked with the development of mortgage Real Estate Investment Trust (REIT) vehicles within India. Its ultimate objective is to provide SEBI with comprehensive guidelines about mortgage REITs.

SEBI's Introduction of Real Estate Derivative Products and ESG Challenges:

SEBI's plan to introduce Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) as derivative products based on real estate assets presents a financial innovation. However, its success may be influenced by ESG practices within the real estate sector:

1. **ESG Impact:** Globally, investors increasingly consider ESG factors when making investment decisions. In real estate, this includes energy efficiency, sustainability, and ethical practices.
2. **Risk of Non-Adherence**: Real estate investments could face risks related to environmental issues and reputational damage if ESG standards are not followed, impacting asset values and derivative products.
3. **Foreign Investment**: International investors scrutinize ESG in emerging markets like India. A lack of ESG adherence may deter foreign investment in real estate derivatives.

4. **Market Perception**: ESG considerations affect market sentiment. Assets and derivatives may struggle if seen as environmentally or socially irresponsible.

5. **ESG Reporting:** Better ESG reporting is needed in the real estate sector to provide investors with vital information.

SEBI's real estate derivative products may face challenges by 2030 without ESG integration. Embracing ESG principles can attract investment, ensure sustainability, and support the success of these derivative products. Prioritizing ESG is essential for regulators and these industries.

India's sovereign credit rating could be downgraded by the 2030s due to climate change and increased temperature volatility, according to research from the University of East Anglia and the University of Cambridge. Delaying green investments may raise borrowing costs, impacting corporate debt. The study, integrating climate science with financial data, suggests that without emissions reduction, 59 countries' credit ratings may decline over the next decade. Potential scenarios without emissions reduction:

1. **Credit Rating Downgrade:** Climate change and temperature volatility could lead to India's credit rating downgrade, therefore adherence to ESG compliances becomes crucial. Implementing robust environmental initiatives and promoting a green economy not only mitigates the risk of a credit downgrade but also fosters sustainable real estate growth by minimizing financing costs and bolstering investor confidence.

2. **Reduced Foreign Investment**: ESG compliances are directly linked to foreign investment attractiveness. Maintaining strong ESG practices ensures that India remains an appealing destination for foreign investors, which, in turn, supports sustainable development efforts in the country. A lower credit rating, driven by insufficient progress in ESG-related areas, may deter foreign investors, hindering the resources available for eco-friendly projects and slowing the sector's progress.

3. **Non-Performing Assets (NPAs):** Non-performing assets in the banking sector, stemming from slow economic growth, can adversely affect sustainable real estate investors. ESG compliances, particularly those related to governance, can help mitigate these risks by ensuring responsible decision-making and sustainable project management.

4. **Environmental Impact:** ESG compliances emphasize the 'E' (Environmental) aspect, focusing on reducing the environmental footprint of projects. Neglecting environmental concerns, as indicated in potential scenarios without emissions reduction, not only risks credit downgrades but also harms public health and the environment. ESG frameworks can guide real estate developers in making eco-conscious decisions to prevent abandoned projects and minimize pollution.

SUSTAINABLE REAL ESTATE - A NEW CALL

Sustainability has become a focal point in every industry, including real estate, which plays a vital role in the progress of both urban and rural areas. It has a significant impact on the sustainability of our cities and communities. Sustainable development, a guiding principle in real estate, involves practices related to construction, land use, and property management.

Sustainable real estate is essentially a gift to future generations. By prioritizing reduced environmental impact, responsible resource management, and social equity, it aims to create a world with a smaller carbon footprint, improved living conditions, efficient land use, and a more robust economy for those who will inherit it.

The growing emphasis on sustainability in the real estate sector arises from several converging factors. Increasing global awareness of environmental preservation, driven by the urgency of achieving Sustainable Development Goals (SDGs) viz. Good health and wellbeing (SDG-3), Decent work and economic growth (SDG-8), Sustainable cities and communities (SDG-11), and Climate action (SDG-13) by 2030, has become a central concern. Governments are enacting stricter regulations to address environmental issues, while individuals and organizations are seeking ways to reduce operational costs and environmental impact.

This momentum towards sustainable real estate development is rooted in the collective recognition of the pressing need to combat climate change and reduce our carbon footprint. Although, developers are embracing energy-efficient practices, renewable energy sources, and eco-friendly design principles but those are not enough to tackle the threats of the climate change. These initiatives encompass efficient waste management and water conservation systems which may be considered as baby steps, but undoubtedly it will unable to attain an ESG compliant sector.

These environmentally conscious developments are reshaping the real estate landscape, incorporating features like solar panels, green roofs, intelligent energy systems, and water resource preservation. They align with our shared responsibility to safeguard the planet for future generations.

Real estate developers are also prioritizing inclusive, mixed-use communities that foster a sense of belonging and well-being. Human-centric design encourages social interaction and enhances the overall quality of life for residents, extending beyond residential projects to include commercial and industrial spaces.

Forward-thinking businesses are recognizing the benefits of eco-friendly workplaces that promote employee well-being and productivity while reducing operational costs. Certifications like LEED (Leadership in Energy and Environmental Design) signify a commitment to environmentally responsible and people-centric workspaces.

This shift in the industry not only meets the expectations of environmentally conscious consumers but also attracts socially responsible investors. Sustainable real estate projects are viewed as valuable, long-term assets with resilience and enduring appeal for new investors. These investors understand the importance of balancing financial returns with positive environmental and social impacts.

As sustainable and community-centric development continues to reshape the real estate sector, it is envisioned, cities will thrive as vibrant, eco-conscious, and socially inclusive residential and business hubs.

WHY SUSTAINABLE REAL ESTATE IS THE FUTURE?

The global pandemic brought about unprecedented lockdowns and economic challenges worldwide. However, a silver lining emerged in the form of reduced carbon emissions and lower air pollution. This heightened environmental awareness, especially among millennials and Gen Z, has transformed consumer preferences.

A significant shift in the increased demand for energy-efficient homes was felt as lockdowns highlighted the drawbacks of energy-intensive buildings, leading to a desire for more sustainable and eco-friendly living spaces. With remote work becoming the norm, residential properties must serve as both homes and workplaces, emphasizing the importance of green and efficient energy systems.

This focus on environmentally conscious living is not merely a trend but a vital movement with long-term benefits. Research shows that environmentally designed buildings reduce the risk of respiratory diseases and improve overall well-being. These spaces also enhance employee performance, whether in traditional workplaces or home offices, fostering healthier and more productive environments.

Improving indoor air quality is central to this shift, achieved through low-emission construction materials and interior finishes. This approach offers economic advantages and societal benefits, promoting well-being and increasing labor productivity. As a result, businesses increasingly recognize the advantages of green buildings, including enhanced employee satisfaction. Governments worldwide are revising recovery plans to prioritize green initiatives. In India, the IGBC collaborates with government bodies to advance the green building revolution. India's potential in this transformation is substantial, supported by government incentives, rising demand from environmentally conscious consumers, and remarkable progress in green technology projects. India now ranks second globally in terms of the number of green technology projects and total built-up area, underscoring its commitment to sustainable development and potential leadership in green building practices.

> Sustainable real estate is becoming more popular among developers, real estate agents, buyers, and tenants. Sustainable real estate development considers the entire life cycle of a project, from planning and construction to operation and maintenance.

RESEARCH FINDINGS

Jonas Lang LaSalle Inc (JLL) provides real estate and investment management services. The company provides real estate services in several countries across America, Asia-Pacific, Europe, the Middle East, and Africa (EMEA). JLL is headquartered in Chicago, Illinois, the US. JLL conducted a research study in April 2022 with 550+ corporate real estate leaders in Asia Pacific (990 occupiers and 76 investors with relevant Indian real estate exposure) and selected end user demographic to get a 360-degree perspective on how decision-makers and end-users are approaching their sustainability ambitions and turning into reality while leveraging real estate.

Similar to the results observed across the APAC region (The vast Asia Pacific region), occupiers in India are keen on opting for business parks that integrate sustainable practices and green certifications. This, in turn, encourages investors and developers to either refurbish or redevelop brownfield projects to stay in the game and continue attracting marquee occupiers or plan and execute Greenfield office projects that incorporate the best sustainable practices. The following are the occupier and Investor Response summary:

- 9 in 10 respondents in India believe the link between Commercial Real Estate and sustainability is a board-level agenda.
- 7 in 10 occupiers surveyed have carbon emission targets as part of their corporate sustainability strategy.
- 7 in 10 are willing to pay a premium to lease green-certified buildings.
- 82% of occupiers are either Leading or on the Path, against 66% of investors.
- 5 in 10 want landlords to actively undertake retrofitting and adaption for building lifespan extension.
- 9 in 10 believe a strong partnership among cities, investors, and occupiers is necessary.
- 9 in 10 agree that digital solutions will be critical in achieving sustainability goals.

A global effort is underway to reduce human-caused emissions to nearly zero, aligning with the movement towards 'net zero'. The key focus is on both mitigating ongoing environmental damage and addressing the need to reverse the harm already inflicted on our planet. Currently, just over half of occupiers in India regularly report their carbon emissions externally, showcasing their commitment to ongoing progress.

Following the launch of the UN 'Race to Zero' campaign in 2019, net-zero carbon commitments are expected to double in the Asia Pacific region by 2025, with Indian stakeholders also embracing this trend. An impressive 43% are planning to achieve net zero carbon status by 2025, reflecting a growing dedication to environmental sustainability. This momentum builds upon the recent COP26 summit in Glasgow (Climate Change Conference), where India's Prime Minister announced India's ambitious goal of achieving complete net-zero carbon emissions by 2070.

A pivotal component of the net-zero carbon strategy revolves around clean energy adoption. Procuring renewable energy sources is crucial in this regard. One early green strategy involves on-site renewable energy generation, typically installed by rooftop solar panels. However, this approach may only partially fulfill the total energy requirements. To make substantial progress towards net-zero goals, exploring the procurement of green power generated offsite is imperative.

Many companies opt for direct energy contracting and power purchase agreements (PPAs) to secure a long-term and reliable clean energy supply for their portfolios. While procuring clean energy is a significant step, prioritising energy efficiency is equally crucial. Businesses need to focus on more energy-efficient operations, which can be achieved by implementing predictive maintenance technology to monitor energy usage and identify issues. This proactive approach not only helps to reduce energy consumption but also aligns with the overall objectives of the net-zero carbon initiative.

Ambitious net zero commitments cannot be achieved alone and must rely on a collaborative approach among its stakeholders. As per the survey results, 96% of stakeholders agree that collaboration among cities, investors, developers, and occupiers will be instrumental in achieving the net-zero ambitions of the built environment. Remarkably, Mumbai stands out as one of the few top-tier cities in India to have formulated a comprehensive Climate Action Plan (MCAP) with an ambitious target of achieving net-zero carbon emissions by 2050, surpassing India's nationwide goal of 2070.

As per the survey by JLL, 72% of the employees are unaware of their companies' carbon reduction goals, and 60% are not actively involved in sustainability initiatives. Although engaging employees effectively in sustainability initiatives can pose challenges, the workforce is indispensable for businesses seeking to elevate their sustainability strategies. Figure 2 shows the percentage of human talent who favours organisation having a sustainability agenda -

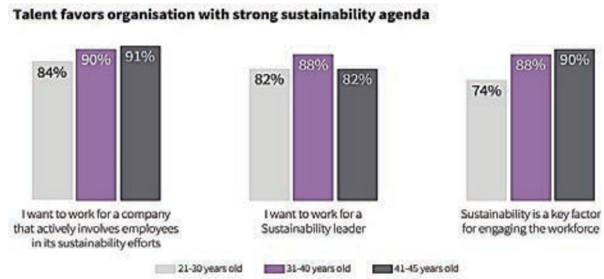


Figure 2 - *Source:* *Research Paepr - JLL Sustainable real estate: India's response to a greener future*

(https://www.jll.co.in/content/dam/jll-com/documents/pdf/research/apac/india/jll-sustainable-real-estate-indias-response-to-a-greener-future-en.pdf)

As per Figure 2, the senior-age talent feels that the organisation should have a sustainable agenda in their every action to preserve the resources for future generations. While employees increasingly voice their expectations for corporate sustainability efforts, they also express a keen interest in actively contributing to driving these changes. Half of India's workforce would prefer a future employer to be a leader in sustainability initiatives.

BENEFITS OF SUSTAINABLE REAL ESTATE DEVELOPMENT

Sustainable real estate is becoming more popular among developers, real estate agents, buyers, and tenants. Sustainable real estate development considers the entire life cycle of a project, from planning and construction to operation and maintenance. Below are a few benefits of sustainable real estate:

1. **Environmental Benefits**: Sustainable development can help reduce the environmental impact on buildings in many ways. Sustainable real estate reduces carbon emissions, minimises resource depletion, and conserves natural habitats. Energy-efficient buildings and sustainable landscaping contribute to a healthier environment.

2. **Economic Advantages**: While initial investments in sustainable real estate may be higher, long-term cost savings are substantial. Lower energy bills, reduced maintenance costs, and potential tax incentives make sustainable buildings financially attractive.

3. **Enhanced quality of life**: Sustainable developments prioritise human well-being. Features like improved air quality, access to green spaces, and reduced noise pollution lead to a higher quality of life for residents.

4. **Greater community resilience**: Sustainable buildings play a pivotal role in bolstering community resilience

against the adverse effects of climate change. They contribute significantly to the local community by conserving vital resources like groundwater and forests, fostering biodiversity by safeguarding the health of local wildlife and water bodies, and alleviating pressure on ageing utility infrastructure, consequently reducing the risks of damage and repair.

Additionally, sustainable buildings enhance the local economy by sourcing materials from nearby businesses, thereby bolstering local revenue. Moreover, adopting sustainable practices in construction and development activities generate new opportunities for green jobs. This growing demand spans various roles, including developers, builders, policymakers, and agents, all of whom possess specialised knowledge in sustainability. However, few unscrupulous developers underscore the multifaceted benefits that sustainable buildings bring to the environment and the communities they serve.

5. **Lower carbon footprint**: Every phase in a building's life cycle, from its initial design and construction to procurement and ongoing operation, carries environmental implications. Investing in sustainable building practices is essential to minimise carbon emissions throughout the building's lifespan and prevent adverse effects on the environment and local communities upon project completion.

6. **Resource Efficiency**: Sustainable development minimises resource consumption and waste generation. This involves using sustainable construction materials, recycling or repurposing materials when possible, and implementing water-saving technologies.

7. **Regulatory Mandates**: Many governments and municipalities have introduced strict regulations and building codes that require sustainable practices in real estate development. Compliance with these regulations is necessary for obtaining permits and demonstrates a commitment to environmental responsibility.

8. **Technological Advancements**: Advances in technology, such as smart building systems and renewable energy solutions, have made sustainable real estate development more feasible and cost-effective. These technologies can help to reduce resource consumption and improve operational efficiency.

9. **Market Demand**: Consumers are becoming more environmentally conscious and are actively seeking sustainable options in all aspects of their lives, including housing and real estate. Properties with green certifications and sustainability features often command higher resale values and rental rates.

REAL ESTATE IN INDIA AND REGULATIONS RELATED TO SUSTAINABILITY

Since the early 2000s, Indian real estate companies have embraced eco-friendly construction methods and green certification systems like LEED, IGBC, and Green Rating for Integrated Habitat Assessment (GRIHA). A significant lesson learnt from this trend is that tenants are willing to pay higher rents for space in certified green buildings. In Q1 2022, Coldwell Banker Richard Ellis (CBRE) India research showed that premium rates for certified green projects vary by city, with substantial premiums in both SEZ and non-SEZ areas. This financial incentive encourages real estate companies to invest in sustainability.

Furthermore, adopting ESG principles helps real estate firms navigating regulations effectively. Integrating ESG practices into their operations can lead to higher rental income, tenant attraction, and regulatory compliance. Various regulatory requirements, such as fast-track environmental clearance by the Ministry of Environment, Forests and Climate Change and BRSR mandated by SEBI highlights the significance of ESG.

As India undergoes extensive urban transformation, ESG compliance has put the real estate and infrastructure industry at cross road. With a significant portion of India's building stock to be constructed by 2030, there is a massive opportunity to incorporate ESG principles from the outset, ensuring sustainable growth and also, to attain 'Net Zero' goal.

A recent survey result as brought out in one of the article published in IJRTI, conducted for 25 firms showed a focus on various certifications, including green building, ISO, ESG, and net-zero certifications. Green building certifications were particularly popular among these firms.

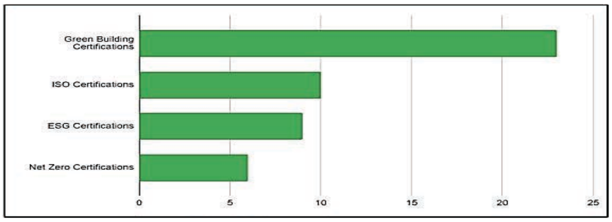


Figure 3 - *Source:* *https://www.ijrti.org/papers/IJRTI2208232.pdf*

In almost all cases, regulatory compliance is one of the biggest drivers of ESG implementation, while senior management/board level commitment and investor/client demand were also additional drivers for ESG adoption. Below, Figure 4 shows the main reasons for implementing ESG requirements as per the survey results (Sathiaram, 2022).

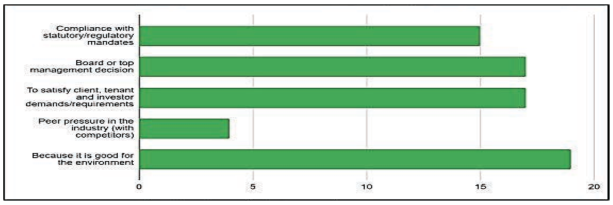


Figure - 4 *Source:* *https://www.ijrti.org/papers/IJRTI2208232.pdf*

CHALLENGES LINKED TO CONCENTRATED REAL ESTATE DEVELOPMENT

India's real estate sector is on track to reach a significant milestone, with expectations to reach US$ 1 trillion by 2030, contributing 18-20% to the country's GDP. The driving force behind this growth is the metropolitan cities, including Mumbai, Delhi NCR, Bengaluru, Chennai, Hyderabad, Pune, and Kolkata. However, the rapid urbanization and population growth in these areas are straining existing infrastructure and resources, leading to a housing shortage, particularly in metropolitan cities.

To address these challenges and ensure sustainable development, the real estate sector is increasingly embracing sustainable construction practices. Green homes are emerging as a solution, offering amenities such as electric vehicle charging stations, bicycle lanes, community gardens, and essential services like solar power and water-reuse systems.

Key metropolitan cities like Mumbai, Delhi NCR, Bengaluru, Chennai, Hyderabad, Pune, and Kolkata are expected to drive a substantial portion (almost) 60% of the nation's real estate demand. For instance, Delhi alone faces a shortage of 300,000 dwelling units and requires 1.62 million units over the next two decades. This highlights the urgency of adopting sustainable construction practices and developing green homes to meet the housing needs of these growing urban areas. However, India's thriving real estate sector stands at a critical juncture. While it offers immense opportunities, it also presents several challenges -

1. **Infrastructure Strain:** Rapid urbanisation and real estate development in metropolitan areas strain existing roads, public transport, water supply, air quality and sewage systems. Recent construction projects like metros and highways in metro cities have exacerbated traffic congestion, various types of pollution, and public health concerns.

2. **Environmental Impact**: The concentration of real estate development often leads to land contamination, deforestation, loss of green spaces, and increased water, air, noise and solid pollution. There is increased activism where the National Green Tribunal penalises builders for flouting green norms.

3. **Land Scarcity**: As real estate development intensifies in metros, land becomes scarce, driving up speculation and prices and challenging developers to find suitable plots. Metros are now adopting high-density vertical construction, with Mumbai boasting the tallest building among all the metro cities.

4. **Traffic Congestion**: Increased real estate development causes enormous traffic congestion in metros, elevating commute times, worsening air pollution, and diminishing overall city life quality. Among the major Indian metros, Delhi constantly had the worst air pollution over 5 years (2004–2018), followed closely by Kolkata, while Chennai had the least breakdown. While, Mumbai and Bangalore are the most car-congested cities in India.

5. **Urban Sprawl**: Intensive real estate development impacts urban sprawl, leading to rapid expansion of outward cities. This results in wasteful land use, increased infrastructure costs, wildlife disruption, agricultural land reduction and loss of biodiversity. E.g. for Mumbai's metro car shed, plans included demolishing the Aarey milk colony and encroaching on parts of Rajiv Gandhi National Park, replacing green areas with buildings and roads.

6. **Social Inequality**: Concentrated development creates wealthy enclaves, pushing lower-income groups to the margins, deepening gentrification, and leading to the growth of informal settlements. This divide can be experienced in Mumbai's Malabar hills, Juhu Beach prosperous areas, and the Dharavi slum.

7. **Water Scarcity**: Metropolitan areas often experience water scarcity, and concentrated real estate development can worsen the situation by straining water resources. According to the Niti Aayog and Water Management report, all the metro cities will be impacted by water scarcity by 2050.

8. **Waste Management**: Managing waste in densely populated metro cities is a significant challenge, encompassing solid and e-waste management where Mumbai and Delhi top the list. Government initiatives like Swachh Bharat Mission and Swachh Survekshan 2020 have been implemented in metropolitan areas of Delhi and Gujarat to address this issues.

9. **Legal and Regulatory Challenges**: Real estate development is subject to compliance with various laws under central and state such as the Real Estate (Regulation and Development) Act, 2016 (RERA); The Transfer of Property Act, 1882; The Land Acquisition Act, 2013; Goods and Services Tax (GST); Foreign Exchange Management Act (FEMA); Income Tax Act, etc. which are flexible and uncomprehensive for its implementation.

10. **Social Services**: Concentrated development can strain essential utilities and wellbeing viz. healthcare, education, and emergency services, leading to overcrowding and reduced effectiveness in meeting the needs of a growing population. Moreover, the considerable distance between residential areas and hospitals/educational institutions poses a potential risk to lives due to extended travel times.

CHALLENGES WITH REFERENCE TO SUSTAINABILITY AND FUTURE GENERATION

Sustainable real estate development is crucially increasing in India due to rapid urbanisation and its commitment to the United Nations' Sustainable Development Goals. Despite challenges, it offers an opportunity to build sustainable communities and ease resource strain. Collaboration among stakeholders is vital. The government should provide support and incentives, while developers and homebuyers must prioritise sustainability. Together, India can forge a sustainable future for all amidst urban growth and challenges. Numerous sustainability challenges are associated with real estate development that have far-reaching implications for future generations, including:

11. **Lack of standardisation and regulations**: The absence of a universally recognised sustainability rating system complicates property comparisons, hindering informed decisions by buyers and tenants. As discussed earlier in this article, it also challenges developers to keep up with evolving green building regulations and certification requirements. Also, various rules and regulations applicable to the real estate business are not well-enforced, uniform, and comprehensive.

12. **Housing affordability**: Metropolitan areas frequently struggle to provide affordable housing options for middle and lower-income individuals, thereby exacerbating housing inequality. Cities like Ahmedabad, Pune, and Kolkata have been more conducive to affordable housing solutions, unlike Mumbai, famous for its luxury real estate market with associated high costs. Adopting sustainable practices in real estate encounters obstacles primarily due to perceived initial expenses. To promote sustainability effectively, policymakers and developers should emphasise the long-term cost savings associated with sustainable features while streamlining processes for obtaining permits, accessing rebates, and identifying green buildings.

13. **Lack of awareness and understanding**: Limited awareness and knowledge of sustainable development in the real estate sector hampers its prioritisation. Education and awareness initiatives can promote sustainable practices and enhance the sustainability of the real estate market.

14. **Shortage of sustainable building materials**: A significant challenge in India is the scarcity of accessible and affordable sustainable building materials. Investing in research and development is required to produce readily available and cost-effective options, addressing this material limitation in sustainable construction.

IMPACT ON FUTURE GENERATIONS AND SUSTAINABLE PROGRESS

Since climate change and sustainable development have assumed critical importance in recent years while Indian real estate sector is poised for significant growth, expecting to reach a market size of $1 trillion by 2030. Consequentially, adopting a forward-looking perspective in addressing. These aspects to fulfil India's commitment in providing a better planet for future generations is crucial.

Developers must establish clear targets for achieving carbon neutrality in their operations and create sustainable frameworks accordingly. Successful pilot projects can serve as models to scale up practical solutions and significantly reduce emissions.

Clean mobility presents a viable solution, particularly the adoption of electric vehicles (EVs). EVs reduce tailpipe emissions, reduce reliance on fossil fuels, improve public health, enhance energy security, and create employment opportunities. The rapid adoption of EVs, coupled with electricity generation from renewable sources, can substantially impact global emissions.

Furthermore, offering sustainable amenities in projects reflects an organisation's commitment and enables them to communicate and uphold their ESG goals. The effects of construction and real estate development in India will shape the future generation in both positive and negative ways. On the positive side, they will benefit from improved urban infrastructure, including efficient rapid transit systems, connected highways, and convenient amenities within residential complexes which is time-saving and enhances overall experience. Additionally, real estate investment opportunities may offer higher yields, contributing to financial security. However, there are also significant negative impacts to consider such as it may lead to environmental pollution, posing health risks, and the potential for diseases. Economic disparities can widen as property prices escalate faster than inflation, making housing less affordable. The cultural and heritage loss due to unchecked development may deprive future generations of their historical and cultural identity. Furthermore, the reduction in natural landscape like mountains, hills, forests, water bodies and their disrupted ecosystems may affect the natural beauty and biodiversity of the country, influencing the way future generations interact with the environment. Policymakers and urban planners are actively engaged in the intricate task of managing the delicate equilibrium between the positive and negative facets of real estate development. Their efforts are essential to safeguarding the well-being of future generations, all the while preserving India's distinctive cultural, environmental, and social identity. In this discussion, we will explore the impacts of this endeavour in brief:

Positive Impacts:

1. **Economic Growth**: Concentrated real estate development stimulates economic growth by attracting businesses, creating jobs, and generating revenue through property taxes. This provides future generations with employment opportunities and economic prosperity.

2. **Infrastructure Development**: Concentrated development often leads to improved infrastructure, including transportation, utilities, and public services, enhancing the quality of life for future residents.

3. **Urban Amenities**: Development hubs tend to create urban amenities such as parks, cultural institutions, and entertainment options, enriching the lives of future generations.

4. **Innovation Hubs**: Concentrated development fosters innovation and entrepreneurship, nurturing a culture of creativity and technological advancement.

5. **Social Impact**: It is a unique form of investment focused on properties that benefit society and the environment, not just financially. It prioritizes sustainability and social responsibility, allowing investors to support causes they believe in while earning returns. This approach differs from traditional real estate investing, emphasizing positive impacts alongside financial gains. It offers the potential for both profits and the satisfaction of making a difference.

In light of sustainability, the real estate sector is embracing new technologies and eco-friendly aspects. The growth of this industry, whether in metropolitan, urban, semi urban or rural areas, has a dual impact, akin to two sides of a coin. ESG factors, influenced it significantly with potential repercussions for future generations.

1. **Environmental impact** - Concentrated urban growth, as seen in cities like Delhi and Mumbai, frequently leads to deteriorating air quality due to heightened pollution levels. The construction of highways, rapid transit systems, and tall buildings exacerbates this problem. This compromised air quality doesn't only impact the current generation but also presents a direct hazard to the welfare of future generations. In rural areas, the Government of India is actively engaged in development efforts, which often involve extensive construction projects. However, these initiatives come at the expense of felling numerous large trees and encroaching upon large tract of vegetation areas, which are integral to the eco system of the region. Furthermore, it's essential to acknowledge that the rapid development often encroaches upon and impacts our seas and rivers. The indiscriminate dumping of construction materials not only leads to reduced water levels but also inflicts harm on the delicate ecosystems, including killing of sea lives, flora and fauna, as well as vital mangrove forests. In mega-cities like Mumbai, this phenomenon is particularly pronounced, posing a significant threat to the lives and homes of those residing in luxurious seafront areas. The Supreme Court, while hearing a plea from residents of the northern part of Chandigarh who oppose the practice of converting single residential units into apartments, has made noteworthy observations about Bengaluru. The Hon'ble court has expressed concerns that Bengaluru, once renowned as one of India's premier cities, is currently grappling with the consequences of haphazard and ill-considered construction practices. It is contending with a range of pressing issues, including severe floods and waterlogging, scarcity of clean drinking water, severe traffic congestion, inadequate waste management, and the alarming reduction in the city's water bodies. These observations by the Supreme Court shed light on the challenges facing the city and highlight the need for comprehensive urban planning and sustainable development practices to address these issues.

2. **Social impact** - The rapid expansion of real estate development in metro cities has had far-reaching social consequences. Inadequately constructed and poorly ventilated buildings have led to cases of toxic mould exposure, resulting in personal injury claims and property damage claims that have drawn increased attention from the insurance industry. This issue is now a significant concern for property owners, affecting not only their assets but also the well-being of residential tenants and workers in commercial and industrial settings. Moreover, the concentrated urban development in these cities has given rise to elevated levels of noise pollution due to the close proximity of residential areas, transport routes, business operations, and service facilities. This noise pollution has direct negative effects on health and overall quality of life for residents. Economically, the increased real estate development has driven up land and housing costs, making it increasingly difficult for people to find affordable housing in metro areas. Additionally, severe traffic congestion resulting from population density places additional economic burdens on residents.

   Socially, the rapid urbanization process can lead to social exclusion, with low-income groups having limited access to essential services and opportunities, potentially eroding citizen satisfaction, community attachment, and the quality of public services. Furthermore, modern residential complexes now feature a plethora of amenities such as gyms, medical clinics, shops, clubhouses for occasions, and even vegetable markets within their confines. However, this convenience often results in disconnection from the broader community, indirectly affecting the social development of the younger generation who miss out on opportunities for wider social interactions.

Furthermore, the heightened consumption and energy demands in metro cities have resulted in electricity shortages, dependence on polluting backup generators, and increased air pollution, posing environmental and public health concerns.

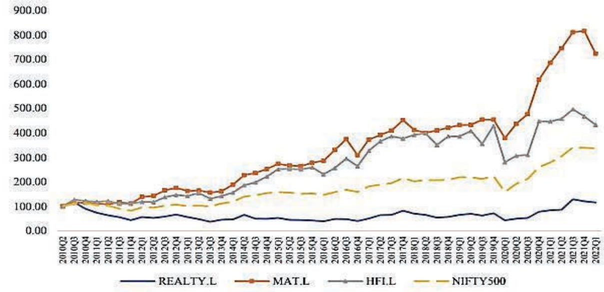
In response to these challenges, some individuals are seeking a quieter and more peaceful life in remote areas, particularly during their later years. However, remote regions often lack access to quality healthcare facilities, highlighting the trade-offs associated with urban migration. These intricate social dynamics emphasize the importance of comprehensive urban planning and sustainable development practices to balance growth with social and environmental well-being in metro cities. The entire social impact scenario shows - "Rapid Real Estate Growth: Unmasking Social Imbalance"

3. **Governance and compliance impact** - The challenges of concentrated growth include straining local governance, which may lead to inefficiency, corruption, and reduced transparency, ultimately eroding public trust. The intersection of real estate development and land contamination adds complexity to the process of obtaining permissions from authorities, often entailing difficulties and potential corruption issues for developers.

   Furthermore, megacities face the pressing issue of numerous illegal constructions. These structures, often neglected, can tragically collapse, resulting in the loss of lives without proper compensation or access to post-traged medical facilities. These unresolved illegal constructions become financial burdens for the general public who have invested their hard-earned money in them. The government has started the environmental impact assessment that needs to be undertaken before construction. Also, there are numerous compliance hurdles that need to be taken care of for this industry whereas non-compliance with environmental regulations can result in fines, project stoppages, or legal actions, which can have severe financial, environmental, and reputational consequences.

EFFECT OF THE REAL ESTATE INDUSTRY ON STOCK EXCHANGE PUBLIC EQUITY

There is a noticeable disparity in performance between the broader stock market represented by NIFTY500 and companies listed in the real estate and allied sectors. In the decade leading up to 2022Q1, NIFTY500 demonstrated a Compounded Annual Growth Rate (CAGR) of over 13 percent. However, stocks in the listed realty sector (REALTY.L3) have lagged behind this benchmark, achieving a CAGR of 7.6 percent, marking a nearly 6 percentage point underperformance. Interestingly, listed housing finance institutions (HFI.L) and listed construction material (MAT.L) companies have consistently outperformed the NIFTY500 benchmark. This suggests that despite the underperformance of the realty sector, specific segments within the real estate and allied sectors, such as housing finance and construction materials, have shown resilience and firm performance compared to the broader market. The same is displayed in the Figure 5 –



Note: REALTY.L = Listed Realty, HFI.L = Listed Housing Finance Institutions, MAT.L = Listed Construction Materials Companies

Figure-5:*Source-https://www.iima.ac.in/sites/default/files/2023 03/MCFME_Real%20Estate.pdf*

CONCLUSION

Sustainable real estate development stands as a pivotal element in achieving holistic, sustainable development, particularly in light of its prominence in global discussions such as the G20 Summit in 2023. As the Indian real estate sector continues its upward trajectory, it does confront certain challenges and negative aspects, including issues like reduced trust in under-construction properties, unfavorable loan-to-value ratios, high taxation on properties under construction, and elevated interest rates on loans. However, it's crucial to acknowledge that the industry is actively addressing these concerns and evolving to meet the demands of a market increasingly focused on environmental sustainability.

Developers and investors wholeheartedly embrace and incorporate eco-friendly practices into their projects, marking a significant shift towards sustainability. This, coupled with the surging demand for energy-efficient properties and the development of electric vehicle infrastructure, paints a promising and sustainable future for Indian real estate. It signifies a positive trend in metropolitan real estate development and underscores its potential to positively impact future generations and contribute significantly to sustainable urban growth.

Sustainable real estate enjoys robust support from both buyer preferences and industry regulations. An increasing number of environmentally conscious developers and property owners are seeking ways to reduce their environmental footprint and utility expenses. However, this trend isn't solely driven by personal values; it's gradually becoming compulsory across industries. The United Nations Sustainable Development Goals (SDGs) provide a universal framework guiding efforts to address and enhance global environmental and social challenges.

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3

LEGAL WORLD

- BANSIDHAR SHANKARLAL v. MOHD. IBRAHIM & ANR [SC]
- AXIS BANK LIMITED vs NAREN SHETH [SC]
- RPS INFRASTRUCTURE LTD v. MUKUL KUMAR[SC]
- RAKESH KUMAR v. FLOURISH PAPER & CHEMICALS LTD. [NCLAT]
- PR. COMMISSIONER OF INCOME TAX v. KRISHAK BHARTI COOPERATIVE LTD [SC]
- LIFE INSURANCE CORPORATION OF INDIA v. DRAVYA FINANCE PVT. LTD.[SC]
- RITA NANDWANI v. NESTAWAY TECHNOLOGIES PVT. LTD [DEL]
- PRANA EDUCATIONAL AND CHARITABLE TRUST & ANR v. STATE OF KERALA & ORS [KER]
- SATIATE ENGINEERING INDIA PVT LTD & ORS v. SIEMENS FINANCIAL SERVICES PVT LTD & ORS [BOM]

Corporate Laws

Landmark Judgement

LMJ 10:10:2023

BANSIDHAR SHANKARLAL v. MOHD. IBRAHIM & ANR [SC]

Civil Appeal No. 1927 of 1966

Bench: J.C.Shah & A.N.Grover, JJ. [Decided on 25/09/1970]

Equivalent citations: 1971 AIR 1292; 1971 SCR (2) 476; (1971) Comp Cas 21.

Section 171 of the Indian Companies Act, 1913 replaced by Section 446 of the Companies Act,1956- execution of decree without obtaining certificate from the court- whether maintainable-Held, No.

Brief facts:

The plaintiff (respondent herein) instituted an application for enforcement of the decree in ejectment against the Company without obtaining leave of the High Court of Calcutta under s. 171 of the Indian Companies Act, 1913. On December 17, 1958, Bansidhar (mortgagee) filed a petition contending that the application for enforcement of the decree was not maintainable without leave of 'the High Court which ordered that the Company be wound up. On the motion of the plaintiff the Company Judge granted leave to execute the decree, in Second Appeal No. 1380 of 1954. The Subordinate Judge before whom the proceedings were pending, dismissed the application filed by Bansidhar, and the order of dismissal was confirmed by the Additional District Judge and by the High Court in Second Appeal. Bansidhar's petition for a certificate for appeal to this Court under Articles 133(1)(b) and (c) of the Constitution was also rejected. Bansidhar then preferred two petitions, for special leave to this Court-one against the order of the High Court dismissing his Second Appeal against the order in the execution proceedings, and the other against the order of the High Court refusing to certify the appeal. under Art. 133 (1) (b) and (c) of the Constitution. This Court dismissed the petition against the order of the High Court in Second Appeal and granted special leave to appeal against the order of the High Court refusing to certify the case.

The question sought to be raised in the appeal was of general or public importance. In any case it was contended that there is conflict of opinion among the Courts in India ,on the true interpretation of s. 171 of the Indian Companies Act, 1913, and s. 446 of the Companies Act, 1956 (which replaced s. 171 of the Act of 1913), and the High Court was bound to grant the certificate applied for either under s. 13(1) (b) or under Art. 133(1)(c) or both the clauses.

Decision: **Dismissed.**

Reason:

Our attention is invited to the decision of the High Court of Calcutta in Har Narain Misra v. Kanhaiya Lal Lohawalla 1. L. R. [1939] 2 Cal. 425 and of the High Court of Andhra Pradesh in Godavari Sugar and Refineries Ltd. v. Kambhampati Gopalakrishnamurthy & Ors A.I.R. 1960 A. P. 74. In these cases it was held that leave of the High Court which has ordered winding up of a Company is a condition precedent to the institution of proceedings against a Company in liquidation, and that proceeding initiated without obtaining leave of the Court in the first instance must be dismissed.

There are, however, other cases which take a contrary view. Nazir Ahmed v. Peoples Bank of Northern India Ltd, ILR (1942) Lah. 517; Suresh Chandra Khannabish v. The Bank of Calcutta Ltd (1950) 54 Cal. W. N. 832 F.B.; People's Industrial Bank Ltd. v. Ramchandra Shukul, ILR. 52 All. 430; Roopnarain Ramchandra Private Ltd v. Brahmapootra Tea Co (India) Ltd. & Anr, 65 Cal. W. N. 1060.

Section 171 is in terms analogous to s. 231 of the English Companies Act, 1948 (11 & 12, Geo. 6, Ch. 38). The object of s,. 171 is plain. It is intended to ensure that the assets of a Company ordered to be wound up by the Court shall be administered for the benefit of all the creditors, and that some creditors only shall not obtain an advantage over others by instituting or prosecuting proceedings against the Company. This section is intended to maintain control of the Court which has made an order for winding up on proceedings which may be pending against the Company or may be initiated after the order of winding up, and the Court may remain seized of all those matters so that its affairs are administered equitably and in an orderly fashion.

When the Second Appeal No. 1380 of 1954 was pending before the High Court of Calcutta at the instance of the Company and Bansidhar against the decree passed by the District Court, in ejectment, the Company was ordered to be wound up by order of the High Court of Calcutta and the liquidators were appointed. The liquidators prosecuted the appeal. There is no evidence on the record whether the liquidators obtained the sanction of the Court under s. 179(1)(a) of the Company's Act 1913. But there is no reason to suppose that the liquidators did not obtain the sanction of the Court. If sanction of the Court under s. 179 to prosecute the appeal before the High Court was obtained, and it must be so assumed, the contention raised on behalf of Bansidhar loses all significance for an execution application is only a continuation of the suit and the control of the High Court ensures during the execution proceeding also. If the sanction of the Court has been obtained for the prosecution of the suit, it would be plainly unnecessary to obtain fresh sanction to the institution of execution proceeding at the instance of the successful party. It is true that the sanction obtained by the liquidators is granted under S. 179 of the Companies Act to initiate or enforce a claim of the Company or to defend an action, whereas the leave of the Court to institute or to continue a suit against the Company in winding up is obtained under s. 171. It would be giving effect to a technically divorced from the true object of the section to hold that even in a suit filed or prosecuted with the sanction of the Court, the decree may not be enforced by a successful party without leave under S. 171 of the Act' Even granting that sanction under S. 179 does not dispense with the leave under s. 171 of the Act, to institute a proceeding in execution against a Company ordered to be wound up, we do not think that there is anything in the Act which makes the leave a condition precedent to the institution of a proceeding in execution of a decree against the Company and failure to obtain leave before institution of the proceeding entails dismissal of the proceeding. The suit or proceeding instituted without leave of the Court may, in our judgment, the regarded as ineffective until leave is obtained but once leave is obtained the proceeding will be deemed instituted on the date granting leave.

Counsel for the appellant, however, urged that this Court is not concerned in this appeal with the correctness of one or the other of the two conflicting views. Counsel says the Court has, only to consider the correctness of the view of the High Court, refusing to grant the certificate. In our judgment, it would be a futile exercise if we come to the conclusion that the view taken by the High Court on the merits of the case is true, still to certify the case for appeal. The proposed appeal only involves the question about the maintainability of the execution proceeding commenced by the plaintiff and against the Company in liquidation without leave of the High Court which has ordered the company to be wound up. We entertain no doubt that the High Court was right in the view it has taken on the merits and the contentions raised. We do not think that we will be justified in certifying an appeal in which the only question which may be urged is the one on which we have expressed our opinion against the appellant. The appeal fails and is dismissed.

LW 68:10:2023

AXIS BANK LIMITED vs NAREN SHETH [SC]

Civil Appeal No. 2085 of 2022

Vikram Nath & Ahsanuddin Amanullah, JJ.[Decided on 12/09/2023]

Insolvency and Bankruptcy Code,2016 – CIRP against the corporate debtor admitted- appellant's appeal challenging the admission on the ground of time barred rejected by the NCLAT- whether the NCLAT was correct -Held, Yes.

Brief facts:

This appeal has been filed assailing the correctness of judgment and order of National Company Law Appellate Tribunal(NCLAT), whereby the Company Appeal filed by the appellant was dismissed upholding the judgment and order dated 22.09.2021, passed by the Adjudicating Authority, admitting the application under Section 7 of the IBC after condoning the delay.

Decision: **Dismissed.**

Reason:

A balance sheet acknowledging debt is also a document relevant for calculating the limitation. This has already been held in case of Asset reconstruction Company India Ltd (supra). In all the above cases, what has been elaborately discussed is the 'purposive interpretation of the statute' to advance the cause of justice.

The argument advanced on behalf of the appellant regarding the improvement made by Respondent No. 2- State Bank of India from stage to stage also is of no assistance in as much as if the OTS proposals are found to have been made by the Corporate Debtor and the balance sheet reflected the debt in the financial year ending 31st March, 2015, then in fact, there would be no delay on the part of the Respondent No. 2- State Bank of India in initiating the proceeding as the same would be within the extended period of limitation provided under Section 18 of the Limitation Act.

Another argument raised by the counsel for the appellant was with respect to the genuineness of the OTS proposals giving several reasons to discard the same. All the said reasons will be tested in the proceedings before the Adjudicating Authority as and when raised by the Corporate Debtor or any other party having locus to raise such plea. Presently in this appeal the said issue cannot be taken up for two reasons: firstly, the Adjudicating Authority as well as NCLAT have accepted the explanation of Respondent No.2 for the delay caused in filing the Section 7 IBC petition to be satisfactory and have condoned the same. Secondly, in view of the first and second OTS proposals by the Corporate Debtor being not questioned by the suspended Directors, there is no reason to disbelieve or to cast any doubt on the said documents at the instance of the appellant.

The case laws relied upon on behalf of the appellant are on three points as already noted above. The same are briefly discussed here under:

(a) First point on which case laws have been referred to is that a time barred application cannot be entertained under Section 7 IBC. The same would not be relevant or of any help to the appellant as it has already been held that the application of Respondent No.2 would be entitled to benefit of Sections 5 and 18 of the Limitation Act and, therefore, was within time.

(b) The second point on which case laws have been referred to was that no benefit could be claimed under Section 14 of the Limitation Act. These case laws are also not of any relevance as it has been held above that no benefit could be claimed by Respondent No.2 under the said provision.

(c) The third point on which case law is relied upon is that for benefit under Section 18 of the Limitation Act, the acknowledgment should be made within expiry of the limitation provided under law. On this point it has been factually found that taking the date of acknowledgment of debt in Balance Sheet and the three OTS proposals the same were within the limitation under law or the extended limitation due to acknowledgments. Thus the case laws relied upon would have no relevance in the facts of the present case.

For all the reasons recorded above, we do not find any merit in the appeal. The same is accordingly dismissed.

LW 69:10:2023

RPS INFRASTRUCTURE LTD v. MUKUL KUMAR[SC]

Civil Appeal No. 5590 of 2021

Sanjay Kishan Kaul & Sudhanshu Dhulia, JJ. [Decided on 11/09/2023]

Insolvency and bankruptcy Code,2016- CIRP- acceptance of RP by the COC- appellant filed its claim based on the arbitral award- claim rejected- whether correct-Held, Yes.

Brief facts:

An agreement was entered into between the appellant and M/s KST Infrastructure Private Limited (hereinafter referred to as 'the Corporate Debtor'), for development of land. Disputes arose between the parties and the appellant initiated arbitral proceedings against the Corporate Debtor. The arbitral proceedings culminated in an award dated 01.08.2016 in favour of the appellant. The corporate debtor had challenged the award u/s 34 but lost. Then the Corporate debtor had filed an appeal u/s 37 which is pending. Meanwhile, the Corporate Insolvency Resolution Process ('CIRP') was initiated against the Corporate Debtor and the Respondent No.2 was appointed as the Resolution Professional (IRP). The COC accepted the resolution plan, which was approved by the NCLT. The appellant's claim, filed after the acceptance of the RP by the CoC, based on the arbitral award was rejected on the ground of belated claim.

Decision: Dismissed.

Reason:

We have examined the aforesaid submissions. The only issue before us is whether the appellant's claim pertaining to an arbitral award, which is in appeal under Section 37 of the said Act, is liable to be included at a belated stage – i.e. after the resolution plan has been approved by the COC.

It is undisputed that the process followed by respondent no. 1 was not flawed in any manner, except to the extent of whether an endeavour should have been made by respondent no. 1 to locate the liabilities pertaining to the said award from the records of the Corporate Debtor.

If we analyse the aforesaid plea, it is quite obvious that respondent no. 1 did what could be done to procure the Corporate Debtor's records by even moving an application under Section 19 of the IBC. That it was not fruitful is a consequence of the Corporate Debtor not making available the material. It is thus not even known whether there was a reflection in the records on this aspect or not.

The second question is whether the delay in the filing of claim by the appellant ought to have been condoned by respondent no. 1. The IBC is a time bound process. There are, of course, certain circumstances in which the time can be increased. The question is whether the present case would fall within those parameters. The delay on the part of the appellant is of 287 days. The appellant is a commercial entity. That they were litigating against the Corporate Debtor is an undoubted fact. We believe that the appellant ought to have been vigilant enough in the aforesaid circumstances to find out whether the Corporate Debtor was undergoing CIRP. The appellant has been deficient on this aspect. The result, of course, is that the appellant to an extent has been left high and dry.

Section 15 of the IBC and Regulation 6 of the IBBI Regulations mandate a public announcement of the CIRP through newspapers. This would constitute deemed knowledge on the appellant. In any case, their plea of not being aware of newspaper pronouncements is not one which should be available to a commercial party.

The mere fact that the Adjudicating Authority has yet not approved the plan does not imply that the plan can go back and forth, thereby making the CIRP an endless process. This would result in the reopening of the whole issue, particularly as there may be other similar persons who may jump onto the bandwagon. As described above, in Essar Steel, the Court cautioned against allowing claims after the resolution plan has been accepted by the COC.

We have thus come to the conclusion that the NCLAT's impugned judgment cannot be faulted to reopen the chapter at the behest of the appellant. We find it difficult to unleash the hydra-headed monster of undecided claims on the resolution applicant. The result of the aforesaid is that the appeal is dismissed leaving the parties to bear their own costs.

LW 70:10:2023

RAKESH KUMAR v. FLOURISH PAPER & CHEMICALS LTD. [NCLAT]

Company Appeal (AT)(Insolvency) No. 1161 of 2022 & I.A No.4940 of 2022 & 2552, 2733 of 2023

Ashok Bhushan & Barun Mitra.[Decided on 27/09/2023]

Insolvency and Bankruptcy Code,2016- initiation of CIRP proceedings by operational creditor-corporate debtor raised the defence of pre-existing disputes based on certain communications- NCLT rejected the defense and admitted the petition-whether correct-Held, Yes.

Brief facts:

The present appeal arises out of the order passed by the Adjudicating Authority (NCLT-Delhi), whereby the Adjudicating Authority has admitted the application under Section 9 of the IBC filed by Flourish Paper & Chemicals Ltd. - Respondent No.1 and initiated Corporate Insolvency Resolution Process ("CIRP" in short) of the Corporate Debtor-Suchi Paper Mills Ltd. Aggrieved by this impugned order, the present appeal has been filed by the suspended director of the Corporate Debtor.

Decision: Dismissed.

Reason:

We have duly considered the arguments advanced by the Learned Counsel for the parties and perused the records carefully. We find that the Adjudicating Authority has looked into the issue of pre-existing dispute arising out of reconciliation of accounts in the impugned order after taking into account the guiding principles laid down by the Hon'ble Supreme Court in the matter of Mobilox Innovations Private Limited Versus Kirusa Software Private Limited.

We notice that the Adjudicating Authority has rightly observed after perusing the reply filed by the Corporate Debtor to the legal notice of 05.12.2019 as well as their reply to the demand notice dated 02.01.2020 that at no occasion the Corporate Debtor had raised complaints with regard to poor quality of goods with the Operational Creditor after issue of the two credit notes aggregating Rs.35,91,500/-. Neither any invoices have been furnished in support of their contention that the Corporate Debtor had supplied material to the Operational Creditor. We also do not find any communication which has been placed on record by which the Corporate Debtor had sent any reminder to the Operational Creditor in respect of their outstanding payments. It has also been rightly observed that disputes surrounding claims and counterclaims cannot be adjudicated or determined by the Adjudicating Authority given their summary jurisdiction.

We find that the Adjudicating Authority in the present case has carefully considered the reply and submissions made by the Corporate Debtor and has correctly come to the conclusion that there is no ground to establish any real and substantial pre-existing dispute which can thwart the admission of section application against the Corporate Debtor. We have no hesitation in observing that in the present case there is no real pre-existing disputes discernible from given facts and all other requisite conditions necessary to trigger CIRP under Section 9 stands fulfilled.

For the foregoing reasons, we are of the view that the Adjudicating Authority has rightly admitted the application of the Operational Creditor filed under Section 9 of IBC.

Tax Laws

LW 71:10:2023

PR. COMMISSIONER OF INCOME TAX v. KRISHAK BHARTI COOPERATIVE LTD [SC]

Civil Appeal No. 836 of 2018 with connected appeals

B.V. Nagarathna & Prashant Kumar Mishra, JJ.[Decided on 15/12/2023]

Income tax Act- branch at Oman-DTAA between India and Oman- tax exemption on dividends in Oman- whether the same to be given in India under the DTAA-Held, Yes.

Brief facts:

The appellants had branch in Oman as permanent establishment. India and Oman has Double Tax Avoidance Agreement (DTAA). The core issue before the court to determine was whether the dividend income earned by the assessee is taxable, although exempted under Omani Tax Laws to entitle the assessee to the benefits of the Double Taxation Avoidance Agreement (for short, 'DTAA') between India and Oman.

Decision: Dismissed.

Reason:

It is, thus, clear from the above letter of the Omani Finance Ministry that the dividend distributed by all companies, including the tax-exempt companies would be exempt from payment of income tax in the hands of the recipients. By extending the facility of exemption, the Government of Oman intend to achieve its object of promoting development within Oman by attracting investments. Since the assessee has invested in the project by setting up a permanent establishment in Oman, as the JV is registered as a separate company under the Omani laws, it is aiding to promote economic development within Oman and achieve the object of Article 8 (bis). The Omani Finance Ministry concluded by saying that tax would be payable on dividend income earned by the permanent establishments of the Indian Investors, as it would form part of their gross income under Article 8, if not for the tax exemption provided under Article 8(bis).

A plain reading of Article 8 and Article 8 (bis) would manifest that under Article 8, dividend is taxable, whereas Article 8(bis) exempts dividend received by a company from its ownership of shares, portions, or shareholding in the share capital in any other company. Thus, Article 8(bis) exempts dividend tax received by the assessee from its PE in Oman and by virtue of Article 25, the assessee is entitled to the same tax treatment in India as it received in Oman.

In so far as the argument concerning the assessee not having PE in Oman, it is significant to note that from the year 2002 to 2006, a common order was made under Article 26 (2) of the Income Tax Law of Oman.

It is, thus, apparent that the assessee's establishment in Oman has been treated as PE from the very inception up to the year 2011. There is no reason as to why all of a sudden, the assessee's establishment in Oman would not be treated as PE when for about 10 years it was so treated, and tax exemption was granted basing upon the provisions contained in Article 25 read with Article 8 (bis) of the Omani Tax Laws.

Learned senior counsel for the appellant has also raised an issue to the effect that the letter dated 11.12.2000 issued by the Secretary General for Taxation, Ministry of Finance, Sultanate of Oman has no statutory force as per Omani Tax Laws, hence, the same cannot be relied upon to claim exemption. In our view, the above letter, as has been reproduced in the preceding paragraph of this judgment, is only a clarificatory communication interpreting the provisions contained in Article 8 and Article 8 (bis) of the Omani Tax Laws. The letter itself has not introduced any new provision in the Omani Tax Laws. In this view of the matter, the argument raised by the learned senior counsel would not convince us to deny exemption to the assessee.

In our considered view, the appellant has not been able to demonstrate as to why the provisions contained in Article 25 of DTAA and Article 8 (bis) of the Omani Tax Laws would not be applicable and, consequently, we hold that the appeals have no substance and deserve to be dismissed which are hereby dismissed.

General Laws

LW 72:10:2023

LIFE INSURANCE CORPORATION OF INDIA v. DRAVYA FINANCE PVT. LTD.[SC]

Civil Appeal No.4095 of 2012

Abhay S. Oka & Sanjay Karol, JJ. [Decided on 06/09/2023]

Insurance Act,1938- section 38- fee of Rs.1 for recording assignment of policy- Insurer issued a circular charging a fee of Rs.250 to record assignment/transfer of policy- Whether tenable-Held,No.

Brief facts:

Under Section 38 of the Insurance Act, 1938 an insurer was required to record the assignment of insurance policy by charging Rs.1. The appellant–insurer issued a circular and imposed a registration charge of Rs.250 per assignment. The first respondent challenged the said circular before the Bombay High Court. By the impugned judgment, the High Court of Judicature at Bombay concluded that the levy of a sum of Rs.250/- for registration of assignment under the impugned circular was the levy of service charge or fee without there being any power to do so. Therefore, the impugned circular was held to be unconstitutional and was, accordingly, struck down. Hence the present appeal before the Supreme Court.

Decision: **Appeal dismissed.**

Reason:

Now, the only question is whether the appellant had a lawful authority to levy a service charge or fee for the transaction of assignment or transfer of policy. It is not the case of the appellant–insurer that in the contract of policy, there is any clause which allows such a levy. Moreover, the assignment or transfer of policy is governed by statutory provisions in the form of Section 38 of the Insurance Act. It is well settled that if the law requires a particular thing to be done in a particular manner, it must be done in that manner and not in any other manner. Section 38 does not authorise the levy of any such fee. Unamended sub-Section (2) of Section 38 of the Insurance Act provided for giving acknowledgement of a notice of transfer or assignment given in terms of sub-Section (2) of Section 38. It was specifically provided therein that the insurer can charge and levy a fee not exceeding Rs.1 for giving such acknowledgement. Thus, it prescribed a fee for issuing acknowledgement of notice of assignment or transfer. Though, there was a specific provision made to levy a fee for giving acknowledgement of notice of transfer, the legislature, in its wisdom, has not provided any fee or charge for recording the assignment or transfer in the records of the insurer. Interestingly, in the substituted Section 38 of the Insurance Act, which was brought into force on 26th December 2014, the provision enabling the charging of a fee of Rs.1 for acknowledgement has been done away with.

Under Section 48 of the LIC Act, the general rule-making power is vested in the Central Government. Under Section 49, the power to make regulations vests in the appellant–insurer. It is an admitted position that neither rules under Section 48 have been framed nor regulations under Section 49 have been made, authorising the appellant–insurer to levy a service charge or fee for recording the endorsement of transfer or assignment by the appellant–insurer. The rule-making power under Section 114 of the Insurance Act has not been exercised for this purpose. As mentioned earlier, even in the contract of policy, such a provision has not been made.

At this stage, we may note that the Insurance Regulatory and Development Authority of India (Fee for granting written acknowledgement of the receipt of Notice of Assignment or Transfer) Regulations, 2015 have been made in accordance with the powers conferred by Section 114A of the Insurance Act. The Regulations were brought into force on 29th April 2015.The said Regulations prohibit the levy of any fee for recording the assignment of policies.

For the aforesaid reasons, we find no error in the view taken by the High Court that the appellant–insurer had no right to claim fees of Rs.250/- for recording the endorsement of assignment or transfer. Hence, there is no merit in this appeal and the same is, accordingly, dismissed.

LW 73:10:2023

RITA NANDWANI v. NESTAWAY TECHNOLOGIES PVT. LTD [DEL]

Arbitration Petition No. 1414 o f2022

Jyoti Singh, J. [Decided on 14/09/ 2023]

Arbitration and Conciliation Act,1996- Section 11(6)- appointment of arbitrator- Service agreement between parties- venue of arbitration was Bengaluru- petitioner invoked the jurisdiction of Delhi court- whether permissible-Held,No.

Brief Facts:

Disputes between the parties arose out of a Service Agreement executed between the parties on 18.02.2019 pertaining to alleged non- payment of rent by the Respondent. According to the Petitioner, when the Respondent did not pay the demanded sum of money, despite two demand notices, Petitioner invoked the Arbitration Clause and there being no response by the Respondent for appointing an Arbitrator, present petition was filed.

Decision: **Dismissed.**

Reason:

I have heard the learned counsels for the parties and find merit in the contention of the Respondent that this Court lacks the jurisdiction to entertain the present petition. It was held by the Supreme Court in Brahmani (supra), that where the parties agree to a 'venue' of arbitration, the intent of the parties is to submit to the jurisdiction of the Court within the territorial boundaries of which the venue is located, to the exclusion of all other Courts. In the said case, the parties had agreed to have the venue of arbitration at Bhubaneswar and the Supreme Court held that the Madras High Court had erred in assuming jurisdiction under Section 11(6) of the Act since only the Orissa High Court had the jurisdiction to entertain the petition. Relevant paragraph from the judgment is as follows:-

"18. Where the contract specifies the jurisdiction of the court at a particular place, such court will have the jurisdiction to deal with the matter and parties intended to exclude all other courts. In the present case, the parties have agreed that the "venue" of arbitration shall be at Bhubaneswar. Considering the agreement of the parties having Bhubaneswar as the venue of arbitration, the intent of the parties is to exclude all other courts......."

The Supreme Court in BGS SGS SOMA JV (supra), reiterated and reaffirmed that wherever there is an express designation of a 'venue' and no designation of any alternative place as the 'seat', combined with a supranational body of rules governing arbitration, and no other significant contrary indicia, the inexorable conclusion is that the venue contemplated by the parties is the juridical seat for arbitral proceedings. Relevant paragraphs of the judgment are as follows:-

"61. It will thus be seen that wherever there is an express designation of a "venue", and no designation of any alternative place as the "seat", combined with a supranational body of rules governing the arbitration, and no other significant contrary indicia, the inexorable conclusion is that the stated venue is actually the juridical seat of the arbitral proceeding.

82. On a conspectus of the aforesaid judgments, it may be concluded that whenever there is the designation of a place of arbitration in an arbitration clause as being the "venue" of the arbitration proceedings, the expression "arbitration proceedings" would make it clear that the "venue" is really the "seat" of the arbitral proceedings, as the aforesaid expression does not include just one or more individual or particular hearing, but the arbitration proceedings as a whole, including the making of an award at that place. This language has to be contrasted with language such as "tribunals are to meet or have witnesses, experts or the parties."

Where only hearings are to take place in the "venue", which may lead to the conclusion, other things being equal, that the venue so stated is not the "seat" of arbitral proceedings, but only a convenient place of meeting. Further, the fact that the arbitral proceedings "shall be held" at a particular venue would also indicate that the parties intended to anchor arbitral proceedings to a particular place, signifying thereby, that that place is the seat of the arbitral proceedings. This, coupled with there being no other significant contrary indicia that the stated venue is merely a "venue" and not the "seat" of the arbitral proceedings, would then conclusively show that such a clause designates a "seat" of the arbitral proceedings. In an international context, if a supranational body of rules is to govern the arbitration, this would further be an indicia that "the venue", so stated, would be the seat of the arbitral proceedings. In a national context, this would be replaced by the Arbitration Act, 1996 as applying to the "stated venue", which then becomes the "seat" for the purposes of arbitration."

Applying the law laid down by the Supreme Court, there is no room for doubt that in view of the agreement between the parties that venue of arbitration shall be Bangalore and there being no contrary indicia, the stated venue is the juridical seat of arbitral proceedings and this Court has no jurisdiction to entertain the present petition.

Accordingly, the petition is disposed of as not maintainable, with liberty to the Petitioner to approach the appropriate Court having jurisdiction in the matter. It is made clear that this petition is being disposed of as not maintainable and no opinion has been expressed on the merits of the disputes between the parties.

LW 74:10:2023

PRANA EDUCATIONAL AND CHARITABLE TRUST & ANR v. STATE OF KERALA & ORS [KER]

CRL.REV.PET NO. 1149 OF 2019

A. Badharudeen, J. [Decided on 18/09/2023]

Negotiable Instruments Act- section 138- check dishonour-whether a trust and its trustee can be prosecuted for the offence and punished- Held, Yes.

Brief facts:

Revision petitioners are the Charitable Trust and its trustee. The cheque issued by the trustee in favour of the complainant was dishonoured and the Trust and the trustee were convicted. Against this conviction the present revision petition was filed by the petitioners.

Issues: The questions arise for consideration are: 1. Can a Trust (an Artificial Person) be prosecuted alleging commission of offence punishable under Section 138 of the N.I. Act? 2. Whether private or public charitable Trust to be recognized as a juristic person for the purpose of the N.I. Act? 3. Whether Trust, either private or public, is a company in terms of Section 141 of the N.I. Act?

Decision: **Dismissed.**

Reason:

In this matter, the specific case of the complainant before the trial court was that on receipt of money as loan from the complainant for and on behalf of the Trust, a cheque of the 1st accused (Trust) was signed and issued by the 2nd accused to discharge the liability of the Trust and accordingly on dishonour of the cheque prosecution was launched.

On scrutiny of the case put up by the accused before the trial court and the Appellate Court, it appears that the accused raised contentions before the trial court by filing a statement under Section 313(5) of CrPC that the accused have not committed any offence. The accused have not issued cheque for Rs.9,50,000/- to the complainant. The 2nd accused was one of the Managing Trustees of Prana Educational and Charitable Trust which is a non-profitable charitable institution. That trust is not conducting real estate business. Rameshan, husband of the 2nd accused, was having close friendship with the husband of the complainant, and during that time, the accused and her husband deposited amount in Prana Charitable Trust. Thereafter, cheque No.101019 dated 30/01/2013 was issued to the complainant and she encashed that cheque for Rs.10,00,000/-. Moreover, Rs.1,00,000/- paid on 11/01/2013 and Rs.2,00,000/- paid on 21/01/2013 to the complainant through her account No.404052050000877 with the Syndicate Bank, Kozhikode branch. Moreover, the cheque No.101616 dated 31/09/2012 for Rs.10,00,000/- was given to the complainant. Even after receiving Rs.23,00,000/-, the husband of the complainant demanded more amount as interest. The complainant and husband are not entitled to get any interest. The complainant filed the case misusing the cheque issued as a security by writing the amount and date in that cheque. The complainant is not entitled to get any amount from the accused. The accused are not liable to pay compensation or interest to the complainant.

In fact, the evidence available would go to show that the 2nd accused herein admitted receipt of Rs.19,50,000/- and in order to discharge the said sum, two cheques were issued. One cheque issued bearing No.101616 for Rs.10,00,000/- was encashed and Ext.P1 cheque dated 03.04.2013 issued for Rs.9,50,000/- was dishonored. Thus the transaction and issuance of the cheque, in fact is admitted rather proved by the complainant. In such a case, it is the bounden duty of the accused to rebut the presumptions. In fact, in the case at hand no evidence is available to see the rebuttal.

Apart from the above contentions, nothing substantiated by the learned counsel for the accused/revision petitioners to revisit the concurrent verdicts of conviction and sentence.

Therefore, the conviction imposed by the trial court and confirmed by the Appellate Court does not require any interference. Coming to the sentence, the same also is very reasonable and the same also does not require any interference. In the result, this revision petition fails and is accordingly dismissed.

LW 75:10:2023

SATIATE ENGINEERING INDIA PVT LTD & ORS v. SIEMENS FINANCIAL SERVICES PVT LTD & ORS [BOM]

Comm. Arbitration appeal (L) No.25189 of 2023

D.K.Upadhyaya & Arif Doctor,JJ. [Decided on 26/09/2023]

Arbitration and Conciliation Act ,1996 bread with MSMED Act- lessee registered under MSMED Act- lease of machinery- unauthorised removal of machinery by the lessee- non- payment of lease rent- lessor initiated arbitration proceedings by claiming interim relief- whether tenable- Held, Yes.

Brief facts:

Respondent No.1 had, pursuant to a Master Lease Agreement, leased certain machinery to Appellant No.1. Not only had Appellant No.1 failed and neglected to pay lease rent in excess of an amount of rupees seven crore, but also had in complete breach and violation of clauses 12.2.(j) and 15.1 parted with possession of the said machinery by moving the same to another location belonging to Respondent No.2. therefore, the Respondent had invoked the arbitration and filed the interim relief petition under section 9 of the Arbitration Act. The Single judge granted the reliefs which included the taking back of the possession of the leased machinery from Respondent No.2. Against this order, the Appellant had preferred the present appeal.

Decision: Dismissed

Reason:

We have heard learned counsel for the parties, considered the rival submissions and find that the present Appeal deserves to be dismissed for the following reasons, viz.

A. We find that the only ground urged before us to assail the impugned order i.e., the MSMED Act affords a blanket protection from initiation of any recovery proceedings under all other laws, in the facts of the present case, is both factually and legally untenable. Respondent No.1 is neither a bank nor a creditor and hence the provision of both the said Notification as also the MSMED Act would be wholly inapplicable to Respondent No.1. We are unable to accept the Appellants contention that Respondent No.1 who has admittedly not advanced any loan and/or credit facility would fall within the definition of creditor under the said notification. Additionally, we must note that in the facts of the present case, cause of action according to Respondent No.1 is on account of the breach the terms of the said lease agreement by Appellant No. 1 and is not for recovery of any loan and/or credit facility. Respondent No.1 is seeking to secure and recover possession of machinery which admittedly belongs to Respondent No. 1 and for arrears of payment of lease rent as agreed and was due and payable under the lease agreement.

   We find that the Learned Single Judge has more than adequately and succinctly dealt with this contention in paragraph 16 of the impugned order. We are in complete agreement with the aforesaid findings of the Learned Single Judge. It is plain that Respondent No. 1 is neither a bank nor creditor of Appellant No. 1. The relationship between Appellant No. 1 and Respondent No. 1 is purely that of lessor and lessee and thus the question of the applicability of the said notification and the MSMED Act to the facts of the present case does not arise at all and is in the nature of a complete red herring.

B. While there is no doubt about the salutary objectives of the MSMED Act it is equally important to ensure that these salutary objectives are not misused and abused by errant MSME's. We find that the present case is a classic example of an attempt on the part of the Appellant to abuse and misuse the MSMED Act. We say so because the Appellant No. 1 admittedly (i) has not paid lease rent in excess of Rs.7 Crores and (ii) has contrary to the terms of the lease agreement parted with possession of the machinery taken on lease. Thus, in the facts of the present case, to permit the Appellant to press into service the provisions of the MSMED Act would in fact not only amount to putting a premium on dishonesty but also result in a gross abuse of the salutary provisions of the MSMED Act.

C. Also, we must note here that the impugned order is an interim order which has been passed by the Learned Single Judge in the exercise of his discretionary jurisdiction. It is plain that no prejudice whatsoever has and could be caused to the Appellants by the impugned order as it is an admitted position that Appellant No.1 is not even in possession much less in use of the said machinery. Given this undisputed fact, the balance of convenience is entirely in favour of Respondent No. 1 who is admittedly the owner of the said machinery. Thus, for the reasons stated aforesaid, the Appeal is dismissed.

4

FROM THE GOVERNMENT

- CLARIFICATION ON HOLDING OF ANNUAL GENERAL MEETING (AGM) AND EGM THROUGH VIDEO CONFERENCE (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) AND PASSING OF ORDINARY AND SPECIAL RESOLUTIONS BY THE COMPANIES UNDER THE COMPANIES ACT, 2013 READ WITH RUES MADE THEREUNDER -EXTENSION OF TIMELINE-REG
- CONSTITUTION OF THE COMPANY LAW COMMITTEE
- LIMITED LIABILITY PARTNERSHIP (SECOND AMENDMENT) RULES, 2023
- NOMINATION FOR MUTUAL FUND UNIT HOLDERS – EXTENSION OF TIMELINES
- EXTENSION OF TIMELINES (I) FOR NOMINATION IN ELIGIBLE DEMAT ACCOUNTS AND (II) FOR SUBMISSION OF PAN, NOMINATION AND KYC DETAILS BY PHYSICAL SECURITY HOLDERS; AND VOLUNTARY NOMINATION FOR TRADING ACCOUNTS
- REDRESSAL OF INVESTOR GRIEVANCES THROUGH THE SEBI COMPLAINT REDRESSAL (SCORES) PLATFORM AND LINKING IT TO ONLINE DISPUTE RESOLUTION PLATFORM
- REGULATORY REPORTING BY AIFs
- BOARD NOMINATION RIGHTS TO UNITHOLDERS OF REAL ESTATE INVESTMENT TRUSTS (REITs)
- BOARD NOMINATION RIGHTS TO UNITHOLDERS OF INFRASTRUCTURE INVESTMENT TRUSTS (InvITs)
- CLARIFICATION REGARDING INVESTMENT OF MUTUAL FUND SCHEMES IN UNITS OF CORPORATE DEBT MARKET DEVELOPMENT FUND
- MECHANISM FOR SHARING OF INFORMATION BY CREDIT RATING AGENCIES (CRAS) TO DEBENTURE TRUSTEES (DTs)
- CHANGE IN MODE OF PAYMENT W.R.T. SEBI INVESTOR PROTECTION AND EDUCATION FUND BANK A/C
- NEW FORMAT OF ABRIDGED PROSPECTUS FOR PUBLIC ISSUES OF NON-CONVERTIBLE DEBT SECURITIES AND/OR NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES'
- DISPLAY OF INFORMATION - SECURED ASSETS POSSESSED UNDER THE SARFAESI ACT, 2002
- MASTER DIRECTION - RESERVE BANK OF INDIA (PRUDENTIAL REGULATIONS ON BASEL III CAPITAL FRAMEWORK, EXPOSURE NORMS, SIGNIFICANT INVESTMENTS, CLASSIFICATION, VALUATION AND OPERATION OF INVESTMENT PORTFOLIO NORMS AND RESOURCE RAISING NORMS FOR ALL INDIA FINANCIAL INSTITUTIONS) DIRECTIONS, 2023
- DATA QUALITY INDEX FOR COMMERCIAL AND MICROFINANCE SEGMENTS BY CREDIT INFORMATION COMPANIES
- PM VISHWAKARMA SCHEME
- RESPONSIBLE LENDING CONDUCT – RELEASE OF MOVABLE / IMMOVABLE PROPERTY DOCUMENTS ON REPAYMENT/ SETTLEMENT OF PERSONAL1 LOANS
- MASTER DIRECTION - CLASSIFICATION, VALUATION AND OPERATION OF INVESTMENT PORTFOLIO OF COMMERCIAL BANKS (DIRECTIONS), 2023
- RESERVE BANK OF INDIA ACT, 1934 - SECTION 42(1A) - REQUIREMENT FOR MAINTAINING ADDITIONAL CRR
- OPERATION OF PRE-SANCTIONED CREDIT LINES AT BANKS THROUGH UNIFIED PAYMENTS INTERFACE (UPI)

Corporate Laws

01 Clarification on holding of Annual General Meeting (AGM) and EGM through Video Conference (VC) or Other Audio Visual Means (OAVM) and passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with Rues made thereunder -Extension of timeline-reg

[Issued by the Ministry of Corporate Affairs [File No. Policy-17/57/2021-CL-MCA] dated 25.09.2023. Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (1)]

In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

2. However, it is hereby clarified that General Circular shall not be construed as conferring any extension of statutory time for holding of AGMs by the companies under the Companies Act, 2013 (the.1ct) and the companies which have not adhered to the relevant statutory timelines shall beliable to legal action under the appropriate provisions of the Act.

3. Further, in continuation to this Ministry's General Circular No.14/2020 dated 08.04.2020, General Circular No. 03/2022 dated 05.05.2022 and General Circular No.11/2022 dated 28.12.2022 and after due examination, it has also been decided to allow companies to conduct their EGMs through Video Conference (VC) or Other Audio Visual Means (OAVM) or transact items through posta l ball ot in accordance with framework provided in the aforesaid Circulars up to 30th September, 2024. All other requirements provided in the said Circulars shall remain unchanged.

4. This issues with the approval of the Competent Authority.

KARL MARX
Deputy Director

02 Constitution of the Company Law Committee

[Issued by the Ministry of Corporate Affairs [F. No. 2/1/2018-CL-V] dated 13.09.2023. Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (1)]

In continuation of the Orders of even no. dated 05.09.2022, 23.09.2021, 17.09.2020 and dated 18.09.2019 (annexed herewith), the tenure of the Company Law Committee is hereby further extended by one year i.e. till 16.09.2024.

2. This issues with the approval of the Competent Authority.

P. PREM PRAKASH
Assistant Director

03 Limited Liability Partnership (Second Amendment) Rules, 2023

[Issued by the Ministry of Corporate Affairs [F. No. 01/03/2021-CL-V (Pt. IV] dated 01.09.2023. Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (1)]

In exercise of the powers conferred by sub-sections (1) and (2) of section 79 of the Limited Liability Partnership Act, 2008 (6 of 2009), the Central Government hereby makes the following rules further to amend the Limited Liability Partnership Rules, 2009 namely: -

1. Short title and commencement- (1) These rules may be called the Limited Liability Partnership (Second Amendment) Rules, 2023.

   (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Limited Liability Partnership Rules, 2009, for the Form 3 and Form 4, the following Forms shall respectively be substituted, namely: -

MANOJ PANDEY
Joint Secretary

Complete details are not published here for want of space. For complete notification readers may log on to www.mca.gov.in

04 Nomination for Mutual Fund Unit Holders – Extension of timelines

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/IMD/IMD-I POD1/P/CIR/2023/160 dated 27.09.2023]

1. SEBI vide Circular No. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/82 dated June 15, 2022 read with SEBI Circular No. SEBI/HO/IMD/IMD-I DOF1/P/CIR/2022/105 dated July 29, 2022, and SEBI Circular No. SEBI/HO/IMD/IMD-I POD1/P/CIR/2023/47 dated March 28, 2023 prescribed the requirement for nomination/ opting out of nomination for all the existing individual unit holder(s) holding mutual fund units either solely or jointly, by September 30, 2023, failing which the folios shall be frozen for debits.

2. Based on representations received from the market participants, it has been decided that the provision mentioned at para 4 of SEBI Circular dated June 15, 2022 with regard to freezing of folios, shall come into force with effect from January 01, 2024 instead of September 30, 2023.

3. AMCs and RTAs shall encourage the unit holder(s) to fulfil the requirement for nomination/ opting out of nomination by sending a communication on fortnightly basis by way of emails and SMS to all such unit holder(s) who are not in compliance with the requirement of nomination. The communication shall provide guidance by which the unit holder(s) can provide nomination or opt out of nomination.

4. All other provisions of Circular No. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/82 dated June 15, 2022 and SEBI/HO/IMD/IMD-I DOF1/P/CIR/2022/105 dated July 29, 2022 shall remain unchanged.

5. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with the provisions of Regulation 77 of SEBI (Mutual Funds) Regulations, 1996, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.

6. This Circular is available on SEBI Website at www.sebi.gov.in

PETER MARDI
Deputy General Manager

05 Extension of timelines (i) for nomination in eligible demat accounts and (ii) for submission of PAN, Nomination and KYC details by physical security holders; and voluntary nomination for trading accounts

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated 26.09.2023]

For trading and demat accounts

1. SEBI, vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July 23, 2021, stipulates that trading accounts and demat account which do not have 'choice of nomination' by September 30, 20231 shall be frozen.

2. In this respect, based on the representations received from the Exchanges, Depositories, Brokers' Associations and various other stakeholders, the following has been decided:

   2.1. Submission of 'choice of nomination' for trading accounts has been made voluntary as a step towards ease of doing business;

   2.2. With respect to demat accounts, it has been decided to extend the last date for submission of 'choice of nomination' to December 31, 2023.

For physical security holders

3. As regards physical securities, SEBI, vide circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, stipulated that folios shall be frozen if PAN, Nomination, Contact details, Bank A/c details and Specimen signature are not submitted by the holders by September 30, 2023.

4. Based on the representations received from investors, Registrars Association of India and various other stakeholders, it has been decided to extend the last date for submission of PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers to December 31, 2023.

5. Stock Exchanges, Depositories, RTAs and Listed Companies are advised to:

   a) take necessary steps to implement the provisions of this circular, including making necessary amendment to the relevant bye-laws / business rules / regulations / operational instructions, as the case may be;

   b) bring the provisions of this circular to the notice of their respective constituents and also disseminate this circular on their websites;

   c) communicate to SEBI, the status of the implementation of the provisions of this circular; and

   d) monitor the compliance of this circular.

6. This circular shall come into effect immediately in supersession of relevant provisions contained in various circulars issued by SEBI including Master Circulars issued for Stock Brokers and Registrars to an Issue and Share Transfer Agents dated May 17, 2023.

7. This circular is issued in exercise of powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992, and Section 19 of the Depositories Act, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

8. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework → Circulars".

ARADHANA VERMA
General Manager

06 Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20.09.2023]

1. SEBI Complaint Redressal System (SCORES) is a centralised web based complaint redressal facilitation platform launched in 2011 vide circular dated June 3,

2011 (bearing reference number CIR/OIAE/2/2011) to provide a facilitative platform for the benefit of the aggrieved investors, whose grievances against (a) listed company, (b) registered intermediary or (c) market infrastructure institution ("Entities") remain unresolved. Since then, SEBI has revised and strengthened the process of facilitating the redressal of grievances by such Entities. Currently, the process of investor grievances redressal on SCORES is governed by the Master Circular dated November 07, 2022 on "Processing of investor complaints against listed companies in SEBI Complaints Redress System – SCORES" (bearing reference SEBI/HO/OIAE/IGRD/P/CIR/2022 /0150).

2. In order to strengthen the existing investor grievance handling mechanism through SCORES by making the entire redressal process of grievances in the securities market comprehensive by providing a solution that makes the process more efficient by reducing timelines and by introducing auto-routing and auto-escalation of complaint, SEBI notified the Securities and Exchange Board of India (Facilitation of Grievance Redressal Mechanism) (Amendment) Regulations, 2023 and amended the regulations as mentioned under 'Schedule I' vide notification dated August 16, 2023. Consequently, it becomes necessary to revise the extant process for redressal of investors' grievances against Entities and provide for a mechanism through which Designated Bodies (as specified in 'Schedule II') may monitor the process of the redressal of investors' grievances by Entities.

3. The revised framework for handling of complaints received through SCORES platform for Entities and for monitoring the complaints by designated bodies is specified in 'Annexure I' to this circular. A pictographic representation of the process is also set out in 'Schedule III'.

4. The other general provisions applicable to all Entities concerning SCORES portal are at 'Annexure II'.

5. Implementation of this circular:

5.1. Notwithstanding anything contained in this circular or any other circular, the Entities shall, submit the Action Taken Report ("ATR") on SCORES within 21 calendar days from the date of receipt of the complaint.

5.2. The provisions of this circular related to work flow of processing of investor grievances by Entities and framework for monitoring and handling of investor complaints by the Designated Bodies shall come into force with effect from December 04, 2023.

5.3. The designated bodies referred to in the Schedule II ("Designated Bodies") may apply for SCORES Authentication and/or for Application Programming Interface (API) integration as per Annexure I within such period so as to ensure that Designated Bodies can comply with provisions of this circular by December 04, 2023 and onwards.

6. This Circular shall rescind the Master Circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 07, 2022 above with effect from December 04, 2023.

7. Notwithstanding such rescission,

7.1. Anything done or any action taken or purported to have been done or taken under the rescinded circulars, prior to such rescission, shall be deemed to have been done or taken under the corresponding provisions of this Circular;

7.2. The previous operation of the rescinded circulars or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the rescinded circulars, any penalty, incurred in respect of any violation committed against the rescinded circulars, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded circulars has never been rescinded.

8. All the Entities and Designated Bodies shall comply with this Circular. Market Infrastructure Institutions and Designated Bodies shall bring the provisions of this Circular to the notice of all listed companies and registered intermediaries, and disseminate the same on their respective websites.

9. 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.

VANDANA RAJESH KUMAR
Deputy General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.sebi.gov.in

07 Regulatory Reporting by AIFs

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/AFD/SEC-1/P/CIR/2023/0155 dated 14.09.2023]

1. In terms of Regulation 28 of SEBI (AIF) Regulations, 2012 read with Clause 15.1 of SEBI Master Circular for AIFs dated July 31, 2023, AIFs shall submit quarterly reports to SEBI in the formats specified with respect to the activities carried on by the AIFs.

2. In order to enable the AIF industry to have uniform compliance standards, ease compliance reporting

and for regulatory and developmental purposes, the existing quarterly reporting format has been reviewed in consultation with AIF Industry Associations – Indian Venture and Alternate Capital Association (IVCA) and Equalifi (hereinafter referred to as 'association') and the revised format has been prepared.

3. The said revised reporting format shall be hosted by the AIF associations on their website within 2 working days of issuance of this circular.

4. The association shall assist all AIFs in understanding the reporting requirements and in clarifying or resolving any issues which may arise in connection with reporting to ensure accurate and timely reporting.

5. The quarterly report shall be submitted by AIFs online on the SEBI Intermediary Portal (SI Portal) as per the aforesaid revised format. The report shall be submitted within 15 calendar days from the end of each quarter.

6. To keep pace with the fast-changing landscape of AIF industry and for policy and supervision purposes, the aforesaid reporting format shall be reviewed periodically by association / any AIF Standard Setting Forum in consultation with SEBI. In case of any revisions in the reporting format, revised format shall be made available on websites of association / the AIF Standard Setting Forum at least 1 month prior to end of the quarter.

Applicability:

7. The association shall engage with all AIFs to ensure that to begin with and to carry out a trial run, quarterly report for the June 2023 quarter is submitted in the revised format by October 15, 2023 on the SI Portal.

8. The report for the quarter ending September 30, 2023 shall be submitted in the revised format by November 15, 2023.

9. From quarter ending December 31, 2023 onwards, AIFs shall submit quarterly report in the revised format as mentioned at paragraph 5 above.

10. 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 interest of investors in securities and to promote the development of, and to regulate the securities market.

11. This Circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework - Circulars" and "Info for-Alternative Investment Funds".

RAJESH GUJJAR

General Manager

08 Board nomination rights to unitholders of Real Estate Investment Trusts (REITs)

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/154 dated 11.09.2023]

1. Regulation 4(2)(g) of SEBI (Real Estate Investment Trusts) Regulations, 2014 ("REIT Regulations") inter-alia provides that unitholder(s) holding not less than ten percent of the total outstanding units of the REIT, either individually or collectively, shall be entitled to nominate one director on the board of directors of the Manager, in the manner as may be specified by the Board.

2. Accordingly, the framework to exercise board nomination rights by the Eligible Unitholder(s) has been specified at Annexure - A.

3. Reporting and Monitoring

   The Manager of the REIT shall, within ten days from the end of each calendar month, review whether the Eligible Unitholder(s) who have exercised the board nomination right, continue to have/hold the required number of units of REIT and make a report of the same. The Manager of the REIT shall submit such report to the Trustee of the REIT.

4. This circular shall come into force with immediate effect.

5. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 4(2)(g) of the SEBI (Real Estate Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.

6. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.

7. This circular is available on the website of Securities and Exchange Board of India at www.sebi.gov.in under the category "Legal → Circulars".

RITESH NANDWANI

Deputy General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.sebi.gov.in

09 Board nomination rights to unitholders of Infrastructure Investment Trusts (InvITs)

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated 11.09.2023]

1. Regulation 4(2)(h) of SEBI (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") inter-alia provides that unitholder(s) holding not less than ten percent of the total outstanding units of the InvIT, either individually or collectively, shall be entitled to

nominate one director on the board of directors of the Investment Manager, in the manner as may be specified by the Board.

2. Accordingly, the framework to exercise board nomination rights by the Eligible Unitholder(s) has been specified at Annexure - A.

3. Reporting and Monitoring

   The Investment Manager of the InvIT shall, within ten days from the end of each calendar month, review whether the Eligible Unitholder(s) who have exercised the board nomination right, continue to have/hold the required number of units of InvIT and make a report of the same. The Investment Manager of the InvIT shall submit such report to the Trustee of the InvIT.

4. This circular shall come into force with immediate effect.

5. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 4(2)(h) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.

6. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.

7. This circular is available on the website of Securities and Exchange Board of India at www.sebi.gov.in under the category "Legal → Circulars".

RITESH NANDWANI
Deputy General Manager

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10 Clarification regarding investment of Mutual Fund schemes in units of Corporate Debt Market Development Fund

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/IMD/PoD2/P/CIR/2023/152 dated 06.09.2023]

1. This has reference to SEBI Circular SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund ("CDMDF").

2. In this context, AMFI has requested that for calculation of asset allocation limits, the base may be considered as net asset excluding of investment in units of CDMDF.

3. It is therefore clarified that for calculation of asset allocation limits of mutual fund schemes in terms of Part IV of Chapter 2 on 'Categorization and Rationalization of Mutual Fund Schemes' of Master Circular for Mutual Funds dated May 19, 2023, investment in units of CDMDF shall be excluded from base of net assets.

4. The provisions of this circular shall come into force with immediate effect.

5. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with the provisions of regulations 77 of SEBI (Mutual Funds) Regulations, 1996, to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.

6. This Circular is available at www.sebi.gov.in under the link "Legal → Circulars".

LAKSHAYA CHAWLA
Deputy General Manager

11 Mechanism for Sharing of Information by Credit Rating Agencies (CRAs) to Debenture Trustees (DTs)

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/DDHS-POD2/P/CIR/2023/ 151 dated 04.09.2023]

I. SEBI (Credit Rating Agencies) Regulations, 1999 ("CRA Regulations") and circulars issued thereunder require sharing of certain information from CRAs to Debenture Trustees (DTs).

II. Due to the large quantum of information submitted daily by CRAs to DTs, as well as short timelines mandated for disclosure of this information by DTs, it is essential that the data shared by CRAs be structured and submitted in a specified format for easier accessibility and analysis of the submitted data.

III. Accordingly, based on discussion with CRAs and DTs, an excel template is placed as Annexure. CRAs shall use the same template for their daily submissions of rating revisions to DTs.

IV. Such submissions shall be sent by CRAs to DTs on the same day as the day of rating revisions, on either the generic email ID being used for regulatory purposes, or email IDs/URL as may be communicated for this purpose by DTs.

V. Applicability: The circular shall be applicable with effect from October 01, 2023, and CRAs shall report on their compliance with this circular (as ratified by their respective board of directors) to SEBI within one quarter from the date of applicability of this circular.

VI. Monitoring: Monitoring of this circular shall be done in terms of the half-yearly internal audit for CRAs, mandated under Regulation 22 of the CRA Regulations and circulars issued thereunder.

VII. This circular is issued with the approval of competent authority, 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 CRA Regulations to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.

RITESH NANDWANI
Deputy General Manager

12 Change in Mode of Payment w.r.t. SEBI Investor Protection and Education Fund Bank A/C

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/GSD/TAD/P/CIR/2023/149 dated 04.09.2023]

1. Please refer to Circular no. SEBI/HO/ISD/ISD/CIR/P/2020/135 dated July 23, 2020 wherein SEBI had prescribed that the amounts shall be credited to the SEBI Investor Protection and Education Fund through online mode or by way of a demand draft (DD) in favour of the Board (i.e. SEBI IPEF). Henceforth, remittances to SEBI IPEF shall be made only through the below mentioned link.
2. SEBI has opened a new bank account to facilitate market participants to make payment to SEBI Investor Protection and Education Fund (SEBI IPEF). In this regard, a link has been provided in the Homepage of SEBI website (www.sebi.gov.in) under the head "Click here to make payment to SEBI IPEF". The link enables the remitter to make payment in any of the following manner:
   - Net banking
   - NEFT/RTGS
   - Debit Cards
   - UPI
3. While making the remittances online, through the above link, remitters shall furnish the requisite information like name of the payer, PAN, mobile number, email ID, the purpose for which payment is made, the amount to be paid, etc.
4. The Stock Exchanges are advised to take note of the same and inform the above changes to all the companies listed on their Exchange through a Circular.
5. This circular is issued in exercise of the powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992 and shall come into force with immediate effect.
6. This circular is available on SEBI Website at www.sebi.gov.in under the category "Circulars".

SALMANU K K
Deputy General Manager

13 New format of Abridged Prospectus for public issues of Non-Convertible Debt Securities and/or Non-convertible Redeemable Preference Shares'

[Issued by the Securities and Exchange Board of India vide Circular No. SEBI/HO/DDHS/PoD1/CIR/P/2023/150 dated 04.09.2023]

1. Section 2(1) of the Companies Act, 2013 defines an abridged prospectus as a memorandum containing such salient features of a prospectus as may be specified by the Securities and Exchange Board of India by making regulations in this behalf.
2. Further, Section 33(1) of the Companies Act, 2013 states that no form of application for the purchase of any of the securities of a company shall be issued unless such form is accompanied by an Abridged Prospectus.
3. As per Regulation 2(1)(a) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("NCS Regulations") "abridged prospectus" means a memorandum accompanying the application form for a public issue containing such salient features of a prospectus as specified by the Board.
4. Further, in terms of Regulation 32(3) of the NCS Regulations, abridged prospectus shall be in the format as specified in Part B of Schedule I of the NCS Regulations.
5. In order to further simplify, provide greater clarity and consistency in the disclosures across various documents and to provide additional but critical information in the abridged Prospectus, the format for disclosures in the abridged Prospectus has been revised and is placed at Annex-I of this Circular.
6. Further, instructions to investors for completing the application form is specified in Annex- II. Issuer/ Merchant Bankers/ syndicate members like brokers who are involved in the public issue shall disclose the same on their websites during the period a public issue is kept open.
7. This Circular shall be applicable for all public issues opening on or after October 1, 2023. Accordingly, for public issues that open on or after October 1, 2023, the format of an Abridged Prospectus shall be as per Annex-I of this Circular instead of Part B of Schedule I of the NCS Regulations.
8. A copy of the Abridged Prospectus shall be made available on the website of issuer, merchant bankers, registrar to an issuer and a link for downloading Abridged Prospectus shall be provided in issue advertisement for the public issue.
9. Further, the issuer/ Merchant Bankers shall insert a Quick Response (QR) code on the last on the last page of the Abridged Prospectus. The scan of such QR code on the Abridged prospectus would lead to the Prospectus. Further, the issuer entity/ Merchant Bankers shall insert a QR code on the front page of the documents such as front outside cover page, advertisement, etc. as deemed fit by them. The scan of the QR code would lead to the prospectus or abridged prospectus as applicable.
10. The Issuer /Merchant Bankers shall ensure that the disclosures in the Abridged Prospectus are adequate, accurate and do not contain any misleading or misstatement.
11. Furthermore, the Issuer/ Merchant Bankers shall ensure that the qualitative statements in the Abridged Prospectus shall be substantiated with quantitative factors. Also, no qualitative statement shall be made which cannot be substantiated with quantitative factors.
12. The Stock Exchanges are directed to bring the provisions of this circular to the notice of listed entities and also to disseminate the same on their website.

13. This circular is issued in exercise of powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 55 read with Regulation 32(3) of the NCS Regulations to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

14. The contents of this circular will appropriately be added to Chapter II (Application form and Abridged Prospectus) of the Master Circular dated August 10, 2021, for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, as updated.

15. A copy of this circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework-Circulars".

PRADEEP RAMAKRISHNAN
General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.sebi.gov.in

14 Display of information - Secured assets possessed under the SARFAESI Act, 2002

[Issued by the Securities and Exchange Board of India vide Circular No. RBI/2023-24/63 DoR.FIN.REC.41/20.16.003/2023-24 dated 25.09.2023]

As a part of the move towards greater transparency, it has been decided that the Regulated Entities (REs) of the Reserve Bank which are secured creditors as per the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, shall display information in respect of the borrowers whose secured assets have been taken into possession by the REs under the Act.

2. REs shall upload this information on their website in the format as prescribed in the Annex. The first such list shall be displayed on the website of REs within six (6) months from the date of this circular, and the list shall be updated on monthly basis.

J.P. SHARMA
Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.sebi.gov.in

15 Master Direction - Reserve Bank of India (Prudential Regulations on Basel III Capital Framework, Exposure Norms, Significant Investments, Classification, Valuation and Operation of Investment Portfolio Norms and Resource Raising Norms for All India Financial Institutions) Directions, 2023

[Issued by the Reserve Bank of India vide RBI/DoR/2023-24/105 DoR.FIN.REC.40/01.02.000/2023-24 dated 21.09.2023]

In exercise of the powers conferred by Section 45L of the Reserve Bank of India Act, 1934, the Reserve Bank of India (hereinafter called the Reserve Bank) being satisfied that it is necessary and expedient in the public interest and in the interest of financial sector policy so to do, hereby, issues the Directions hereinafter specified.

16 Data Quality Index for Commercial and Microfinance Segments by Credit Information Companies

[Issued by the Reserve Bank of India vide RBI/2023-24/62 DoR.FIN.REC.39/20.16.056/2023-24 dated 20.09.2023]

Please refer to our circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014, inter alia setting out a common Data Quality Index (DQI) for assessing the quality of data submissions by Credit Institutions (CIs) to Credit Information Companies (CICs) and improving the same over a period of time. Currently, the DQI is being used for data submitted under the consumer segment.

2. With a view to enable further implementation of DQI, it has been decided that CICs shall prepare DQIs for Commercial and Microfinance segments also as per Annex I and II, respectively. CICs shall provide the DQIs for Commercial and Microfinance segments to all CIs latest by March 31, 2024.

3. Further, CICs are advised as under:

(i) CICs shall provide DQIs for Commercial and Microfinance segments in the form of numeric scores on a monthly basis to all member credit institutions.

(ii) DQI scores for Commercial and Microfinance segments shall be provided at CI and file level. The DQI scores for Commercial and Microfinance segments at CI level shall be computed as weighted average of file level DQI scores of commercial and microfinance segment respectively of that CI.

(iii) CICs shall compute industry level DQIs for each of the three reporting segments1 as weighted average of the CI level DQI in their respective category (e.g. Public Sector Banks, Private Sector Banks, Foreign Banks, Co-operative Banks, RRBs, NBFCs etc.)

on monthly basis. Further, a half yearly Industry Benchmark shall be calculated as a rolling average of preceding six months Industry level DQI score of respective category of CIs.

(iv) CICs shall provide reasons for decline in score to each CI, if its (a) CI level score has declined over the previous month or (b) CI level score is lower than the half yearly industry benchmark.

(v) CICs shall provide monthly data of CI level DQI and industry level DQI of all segments to Department of Supervision, Reserve Bank of India, Central Office at half yearly intervals as on September 30 and March 31 each year, for information and monitoring purposes.

4. CIs are advised to undertake half yearly review of the DQI for all segments to improve the quality of the data being submitted to CICs. Corrective steps taken on the above issues along with a report on the same shall be placed before its top management by each CI for review within two months from the end of that half-year.

J. P. SHARMA
Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

17 PM Vishwakarma Scheme

[Issued by the Reserve Bank of India vide RBI/2023-24/61 FIDD.CO.MSME. BC.No.10/06.02.031/2023-24 dated 13.09.2023]

Government of India (GoI) has introduced the 'PM Vishwakarma Scheme' which aims to provide support to artisans and craftspeople to enable them to move up the value chain in their respective trades. The Scheme envisages, among other measures, credit support to the beneficiaries at concessional interest rate, with interest subvention support by GoI.

2. In this regard, eligible lending institutions may refer to the Scheme guidelines issued by the Ministry of Micro, Small and Medium Enterprises, for appropriate action.

NISHA NAMBIAR
Chief General Manager

18 Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal[1] Loans

[Issued by the Reserve Bank of India vide RBI/2023-24/60 DoR.MCS. REC.38/01.01.001/2023-24 dated 13.09.2023]

In terms of the guidelines on Fair Practices Code issued to various Regulated Entities (REs) since 2003, REs are required to release all movable / immovable property documents upon receiving full repayment and closure of loan account. However, it hasbeen observed that the REs follow divergent practices in release of such movable / immovable property documents leading to customer grievances and disputes. To address the issues faced by the borrowers and towards promoting responsible lending conduct among the REs, the following Directions are being issued:

Release of Movable / Immovable Property Documents

2. The REs shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/ settlement of the loan account.

3. The borrower shall be given the option of collecting the original movable / immovable property documents either from the banking outlet / branch where the loan account was serviced or any other office of the RE where the documents are available, as per her / his preference.

4. The timeline and place of return of original movable / immovable property documents will be mentioned in the loan sanction letters issued on or after the effective date.

5. In order to address the contingent event of demise of the sole borrower or joint borrowers, the REs shall have a well laid out procedure for return of original movable / immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the REs along with other similar policies and procedures for customer information.

Compensation for delay in release of Movable / Immovable Property Documents

6. In case of delay in releasing of original movable / immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the RE shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the RE, it shall compensate the borrower at the rate of RS 5,000/- for each day of delay.

7. In case of loss/damage to original movable / immovable property documents, either in part or in full, the REs shall assist the borrower in obtaining duplicate/certified copies of the movable / immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at paragraph 6 above. However, in such cases, an additional time of 30 days will be available to the REs to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

8. The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation as per any applicable law.

Applicability

9. These Directions shall be applicable to all cases where release of original movable / immovable property documents falls due on or after December 1, 2023.

10. The above Directions are issued under sections 21, 35A and 56 of the Banking Regulation Act, 1949, sections 45JA and 45L of the Reserve Bank of India Act, 1934, and section 30A of the National Housing Bank Act, 1987.

SANTOSH KUMAR PANIGRAHY
Chief General Manager

19 Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023

[Issued by the Reserve Bank of India vide RBI/DOR/2023-24/104 DOR. MRG.36/21.04.141/2023-24 dated 12.09.2023]

The extant regulatory instructions on classification and valuation of investment portfolio by commercial banks, as contained in the Reserve Bank of India (Classification, Valuation and Operation of Investment Portfolio of Commercial Banks) Directions, 2021, are largely based on a framework introduced in October 2000 drawing upon the then prevailing global standards and best practices.

2. In view of the significant developments in the global standards on classification, measurement and valuation of investments, the linkages with the capital adequacy framework as well as progress in the domestic financial markets, a need was felt to review and update these norms. Pursuant to the announcement made in the Statement on Developmental and Regulatory Policies dated December 8, 2021, a discussion paper on the subject was issued for public comments on January 14, 2022. Based on the inputs received, it has now been decided to put in place a revised regulatory framework for the investment portfolio.

3. The revised framework updates the regulatory guidelines with global standards and best practices while introducing a symmetric treatment of fair value gains and losses, a clearly identifiable trading book under Held for Trading (HFT), removing the 90-day ceiling on holding period under HFT, removal of ceilings on Held to Maturity and more detailed disclosures on the investment portfolio. Further, to facilitate smooth implementation, illustrative guidance has been developed on the revised framework and annexed to the Directions.

Applicability

4. The revised framework as detailed in the Reserve Bank of India (Classification, Valuation and Operation of Investment Portfolio of Commercial Banks) Directions, 2023 annexed hereto shall be applicable from April 1, 2024, to all Commercial Banks excluding Regional Rural Banks.

5. Reserve Bank of India is issuing these Directions in the exercise of its powers conferred under section 35A of the Banking Regulation Act, 1949, and all the powers enabling it on this behalf.

USHA JANAKIRAMAN
Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

20 Reserve Bank of India Act, 1934 - Section 42(1A) - Requirement for maintaining additional CRR

[Issued by the Reserve Bank of India vide RBI/2023-24/59 DOR.RET. REC.34/12.01.001/2023-24 dated 08.09.2023]

Please refer to the circular DOR.RET.REC.29/12.01.001/2023-24 dated August 10, 2023 and relative notification on the captioned subject.

2. As announced in the RBI Press Release dated September 08, 2023, on a review, it has been decided to discontinue the incremental CRR (I-CRR) in a phased manner. Based on an assessment of current and evolving liquidity conditions, it has been decided that the amounts impounded under the I-CRR would be released in stages so that system liquidity is not subjected to sudden shocks and money markets function in an orderly manner. The release of funds would be as follows:

Date	Amount to be released
September 09, 2023	25 per cent of the I-CRR maintained
September 23, 2023	25 per cent of the I-CRR maintained
October 07, 2023	50 per cent of the I-CRR maintained

3. A copy of the relative notification DOR.RET. REC.35/12.01.001/2023-24 dated September 08, 2023 is enclosed.

BRIJ RAJ
Chief General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.rbi.org.in

21 Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI)

[Issued by the Reserve Bank of India vide RBI/2023-24/58 CO.DPSS.POLC. No.S-567/02-23-001/2023-2024 dated 04.09.2023]

Please refer to the Statement on Developmental and Regulatory Policies dated April 06, 2023, expanding the scope of UPI by enabling transfer to / from pre-sanctioned credit lines at banks. Currently, savings account, overdraft account, prepaid wallets and credit cards can be linked to UPI. As announced, the scope of UPI is now being expanded by inclusion of credit lines as a funding account.

2. Under this facility, payments through a pre-sanctioned credit line issued by a Scheduled Commercial Bank to individuals, with prior consent of the individual customer, are enabled for transactions using the UPI System.

3. Banks may, as per their Board approved policy, stipulate terms and conditions of use of such credit lines. The terms may include, among other items, credit limit, period of credit, rate of interest, etc.

4. This directive is issued under Section 10(2) read with Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

GUNVEER SINGH
Chief General Manager

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NEWS FROM THE INSTITUTE

- MEMBERS RESTORED DURING THE MONTH OF AUGUST 2023
- CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF AUGUST 2023
- LIST OF PEER REVIEWED UNITS
- NEW ADMISSIONS
- OBITUARIES
- CHANGE / UPDATION OF ADDRESS
- UPLOADING OF PHOTOGRAPH AND SIGNATURE

Institute News

MEMBERS RESTORED DURING THE MONTH OF AUGUST 2023

SL. NO	NAME	MEMB NO	REGION
1	CS V SRIDHAR	ACS - 10430	SIRC
2	CS VIVEK ATRI	ACS - 11050	NIRC
3	CS S. RAMESH	ACS - 12603	SIRC
4	CS HARSHAD HASMUKHLAL KAPADIA	ACS - 13018	WIRC
5	CS SANDEEP KUMAR CHOPRA	ACS - 13076	NIRC
6	CS D KARTHIK	ACS - 13256	SIRC
7	CS DEEPAK SHARMA	ACS - 14225	SIRC
8	CS NATARAJAN RAMAKRISHNAN	ACS - 15792	SIRC
9	CS SWETA JAIN	ACS - 16174	WIRC
10	CS ANAND V SUBRAMANIAM	ACS - 16984	SIRC
11	CS UTTAM KUMAR CHOUHAN	ACS - 18317	WIRC
12	CS RACHANA HINGAR	ACS - 20863	SIRC
13	CS VISHVANATH AGARWAL	ACS - 23915	SIRC
14	CS CHETALI BANGIA	ACS - 24466	NIRC
15	CS TEJINDER KAUR BROGU	ACS - 24558	NIRC
16	CS TEJAL JAYANT WAJE	ACS - 26782	WIRC
17	CS VERSHA SAROHA	ACS - 27051	NIRC
18	CS HARDIK BABUBHAI LIMBACHIYA	ACS - 27865	WIRC
19	CS MAGGIE AUGUSTINE	ACS - 28388	SIRC
20	CS BHAGWATI PRASAD SINGH	ACS - 29089	EIRC
21	CS PUSHPENDRE GUPTA	ACS - 31496	NIRC
22	CS REENA PRASAD	ACS - 31895	EIRC
23	CS NANCY AGARWAL	ACS - 32206	EIRC
24	CS SANDEEP KUMAR	ACS - 33273	NIRC
25	CS ISHITA SARAOGI	ACS - 33627	SIRC
26	CS RAKHI BHATTACHARYA	ACS - 33989	NIRC
27	CS SUNISTHA SINGH	ACS - 34166	NIRC
28	CS PRAGATI JAIN	ACS - 34980	WIRC
29	CS KIRTI GOEL	ACS - 35187	NIRC
30	CS SAUMYA DUBE	ACS - 37421	SIRC
31	CS KOMAL CHAPLOT	ACS - 39743	NIRC
32	CS RITHIKA RAMESH SHETTY	ACS - 40623	WIRC
33	CS AMIT KITHANIA	ACS - 42447	NIRC
34	CS A V R VARADAN	ACS - 4271	SIRC
35	CS DIKSHANT SINGH PANWAR	ACS - 42741	NIRC
36	CS NIKITA BANSAL	ACS - 43136	NIRC
37	CS GEETIKA SEHGAL	ACS - 43240	NIRC
38	CS VIKASH KUMAR SHARMA	ACS - 43267	EIRC
39	CS NEHA PANKAJ PASORIA	ACS - 43329	WIRC
40	CS VINITA SHARMA	ACS - 43895	SIRC
41	CS RAJEEV JAGGI	ACS - 45857	NIRC
42	CS SNEHA AGARWAL	ACS - 46559	EIRC
43	CS JITIN WASAN	ACS - 47624	WIRC
44	CS BEENA RANI	ACS - 48160	NIRC
45	CS GARIMA TIWARI	ACS - 48181	WIRC
46	CS NIKITA SAHA	ACS - 50145	EIRC
47	CS NABIN AGARWAL	ACS - 50817	EIRC
48	CS LATIKA	ACS - 52001	NIRC
49	CS S VENKATARAMAN	ACS - 5202	SIRC
50	CS SHWETA GOENKA	ACS - 52229	EIRC
51	CS ASHIMA CHHATWAL	ACS - 52291	WIRC
52	CS SONAM SURESHKUMAR JAIN	ACS - 52327	WIRC
53	CS SAKSHI JAIN	ACS - 53142	NIRC
54	CS DEEPANSHU GUPTA	ACS - 53210	NIRC
55	CS DEEPAK SHARMA	ACS - 53734	NIRC
56	CS AMBIKA SHARMA	ACS - 55088	NIRC
57	CS MANTHAN KIRIT SANGHAVI	ACS - 58870	WIRC
58	CS SHIKHA PUBBI	ACS - 59723	NIRC
59	CS NANDINI SRIVASTAVA	ACS - 59868	WIRC
60	CS MONIKA RAUNAK PAMNANI	ACS - 61741	WIRC
61	CS DEEPAK SURESH JAIN	ACS - 63045	WIRC
62	CS MOHINI RAJU WAGHADE	ACS - 68056	WIRC
63	CS NILESH MAHESHKUMAR JOSHI	ACS - 7797	WIRC
64	CS VISHWAS JAIN	FCS - 11741	NIRC
65	CS MOHAN LAL TATER	FCS - 5331	EIRC

CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF AUGUST 2023

SL. NO	NAME	MEMB NO	COP NO	REGION
1	CS GOWRI	ACS - 12437	3180	SIRC
2	CS AAFRIN MUSHTAQUE SHEIKH	ACS - 40159	15065	WIRC
3	CS ABHILASH SATYARTHI	ACS - 69609	25948	EIRC
4	CS ADITYA TIWARI	ACS - 32204	19584	EIRC
5	CS AMIT AGARWAL	ACS - 49201	22344	EIRC
6	CS AMIT NAKRA	FCS - 10042	12735	NIRC
7	CS ANUBHA BANSAL	ACS - 40238	22438	NIRC
8	CS ARUN CHAURASIA	ACS - 59309	23330	NIRC
9	CS ARUSHI JAIN	ACS - 63618	24259	NIRC
10	CS ASHWINKUMAR JIVANBHAI PATEL	FCS - 6765	10782	WIRC
11	CS AVANTIKA SHUKLA	ACS - 47558	23863	NIRC
12	CS BHAVNESH	ACS - 70389	26309	WIRC
13	CS BINOY CHACKO	FCS - 4792	4221	SIRC
14	CS DEEP KAMLESHBHAI PATEL	ACS - 55335	23209	WIRC
15	CS DURGA BANSAL	ACS - 34249	14729	NIRC
16	CS GAURAV GARG	FCS - 11188	15840	NIRC
17	CS GAURI HEMANT GOKHALE	ACS - 45512	26515	WIRC
18	CS HARSH TIWARI	ACS - 45643	17951	NIRC
19	CS HASSAN SRIDHAR NARASIMHA	FCS - 12333	26555	SIRC
20	CS HENY PAHUJA	ACS - 47509	21329	WIRC
21	CS JATIN AGGARWAL	ACS - 61662	23318	NIRC
22	CS JYOTI MAHENDRA SHARMA	ACS - 36431	21866	WIRC
23	CS JYOTI SINHA BANERJEE	ACS - 55830	25523	EIRC
24	CS KAILASH KORLA	ACS - 57771	25876	NIRC
25	CS KAJAL GUPTA	ACS - 52114	26491	NIRC
26	CS KAVIRAJ JAGADISH BADIGER	ACS - 62840	25604	SIRC
27	CS KOMAL	ACS - 59656	25757	NIRC
28	CS KUSHAL KUMAR	ACS - 35851	19029	WIRC
29	CS MADHU JAIN	ACS - 41143	15373	EIRC
30	CS MADHURIMA SANE	FCS - 12743	16245	SIRC
31	CS MEGHA MANDHANA	ACS - 59949	22835	WIRC
32	CS MUKTA SUYAL	FCS - 8201	9243	NIRC
33	CS NAVNEET KAUR BATHLA	ACS - 43605	20939	WIRC
34	CS NEHA AGARWAL	ACS - 26090	15109	NIRC
35	CS NIKET MAHESH SHAH	ACS - 68399	25454	WIRC
36	CS NIKHIL NANDAKUMAR CHITALE	FCS - 9869	12222	WIRC
37	CS POOJA PAHUJA	ACS - 60532	23893	NIRC
38	CS PREETIKA CHAWLA	ACS - 54018	26268	NIRC
39	CS PRIYA KESARI	ACS - 22710	8180	NIRC
40	CS PRIYANKA TARIYAL	ACS - 56024	22368	NIRC
41	CS PUNEET BHATIA	ACS - 59682	22412	NIRC
42	CS PUNIT HANDA	FCS - 5084	7143	NIRC
43	CS RUCHIKA AGARWAL	ACS - 30792	19651	SIRC
44	CS RUCHIKA JAIN	ACS - 54986	24230	NIRC
45	CS SADASIVAM DEIVANAYAGAM	FCS - 7316	24777	SIRC
46	CS SAJAN JAIN	ACS - 60771	22733	NIRC
47	CS SARIKA MAHENDRA MORE	ACS - 32414	20157	WIRC
48	CS SATYA PRAKASH	FCS - 8175	17471	NIRC

49	CS SHILPI SINHA	FCS - 11690	25386	NIRC
50	CS SIDTHI SUNIL VYAS	ACS - 43883	17835	SIRC
51	CS SIMARJEET SINGH	FCS - 11779	18054	NIRC
52	CS SOURABH WALIA	ACS - 49029	20605	NIRC
53	CS SRIKANTH RAMANI	ACS - 24121	26344	SIRC
54	CS SUMITRA PADMA MALINI SUNKARANAM	ACS - 54893	25571	SIRC
55	CS SUNILA KALRA	ACS - 43380	25158	WIRC
56	CS SWATI JAIN	FCS - 12030	18761	NIRC
57	CS TANVEER KAUR	ACS - 61685	23138	NIRC
58	CS TARUNA	ACS - 37606	24011	NIRC
59	CS THOTHU IYER RAMA-SUBRAMANIAN	ACS - 25197	16072	SIRC
60	CS VIVEK KUMAR	ACS - 58195	22159	NIRC

LIST OF PEER REVIEWED UNITS

The List of Peer Reviewed Units is updated on ICSI Website from time to time and can be accessed at https://tinyurl.com/PRList2023

We request members to visit the list for their reference and records.

Peer Review Secretariat

ICSI

NEW ADMISSIONS

For latest admission of Associate and Fellow Members, Life Members of Company Secretaries Benevolent Fund (CSBF), Licentiates and issuance of Certificate of Practice, kindly refer to the link https://www.icsi.edu/member

OBITUARIES

Chartered Secretary deeply regrets to record the sad demise of the following members:

CS Vinjamuri Govindrajachari (23.03.1941 – 03.08.2023), a Fellow Member of the Institute from Mumbai.

CS K R Gurumurthy (17.10.1935 – 14.07.2023), an Associate Member of the Institute from Thanjavur.

CS Kaliappagounder Muthusamy (02.02.1958 – 11.08.2023), a Fellow Member of the Institute from Coimbatore.

May the Almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

May the departed souls rest in peace.

UPLOADING OF PHOTOGRAPH AND SIGNATURE

Members are requested to ensure that their latest scanned passport size front-facing colour photograph (in formal wear) and signature in .jpg format (each on light-colored background of not more than 200 kb file size) are uploaded on the online portal of the Institute.

Online Steps for Uploading of photo and signature.

- Use ONLINE SERVICES tab on www.icsi.edu
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Under My Profile --- Click on View and Update
- Upload/update the photo and signature as required
- Press Save button

CHANGE / UPDATION OF ADDRESS

The members are requested to check and update (if required) your professional and residential addresses ONLINE only through Member Login. Please indicate your correspondence address too.

The steps to see your details in the records of the Institute:

1. Go to www.icsi.edu
2. Click on **MEMBER** in the menu
3. Click on **Member Search** on the member home page
4. Enter your membership number and check
5. The address displayed is your Professional address (Residential if Professional is missing)

The steps for online change of address are as under:

1. Go to www.icsi.edu
2. On the Online Services ----select **Member Portal** from dropdown menu
3. Login using your membership number e.g. A1234/F1234
4. Under **My Profile** --- Click on View and update option and check all the details and make the changes required and save
5. To change the mobile number and email id click the side option "**Click Here to update Mobile Number and E-mail Id**"
6. Check the residential address and link the Country-State-District-City and check your address in the fields Add. Line1/Add. Line2 & Add. Line3 (Click Here to change residential address)
   a) Select the Country#
   b) Select the State
   c) Select the City
   d) Submit the Pincode which should be 6 digits without space.
   e) Then click on "Save" button.
7. Select the appropriate radio button for Employment Status and check your address in the fields Add. Line1/ Add. Line2 & Add. Line3 click the link on the right (Click Here to change Professional address)
   a) Select the Country#
   b) Select the State
   c) Select the City
   d) Submit the Pincode which should be 6 digits without space.
   e) Then click on "Save" button.
8. Go back to the Dashboard and check if the new address is being displayed.

#in case of Foreign Country and State is not available in options then Select "**Overseas**" – A pop-up will open and you can add the "City, District, State" of that Country alongwith Zipcode

Members are required to verify and update their address and contact details as required under Regulation 3 of the CS Regulations, 1982 amended till date

For any further assistance, we are available to help you at http://support.icsi.edu

COMPANY SECRETARIES BENEVOLENT FUND

Be a proud member of CSBF

The Company Secretaries Benevolent Fund (CSBF) provides safety net to the Company Secretaries who are members of the Fund and their family members in distress.

CSBF

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- Subscription/Contribution to the Fund qualifies for deduction under section 80G of the Income Tax Act,1961
- Has a membership base of over 15000

ELIGIBILITY : A member of the Institute of Company Secretaries of India (ICSI) is eligible for the membership of the CSBF.

HOW TO JOIN : By making an online application using the link **https://stimulate.icsi.edu/** alongwith one time subscription of ₹10,000/-.

BENEFITS

- ₹10,00,000 in the event of death of a member under the age of 60 years
- Upto ₹3,00,000 in the event of death of a member above the age of 60 years
- Upto ₹50,000 per child on time (upto two children) for education of minor children of a deceased member upto the age of 60 years.
- Upto ₹75,000 for medical expenses in deserving cases
- Limited benefits for Company Secretaries who are not members of the CSBF

DONATION : The donation to CSBF can be made online at link **www.icsi.in/ ICSIDonation**

CONTACT : For further information / clarification, please write at email id **csbf@icsi.edu** or contact on telephone no. 0120-4522000

For more details please visit https://www.icsi.edu/csbf/home/

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"

ICSI Motto
सत्यं वद। धर्मं चर। speak the truth. abide by the law.

MISSION
"To develop high calibre professionals facilitating good corporate governance"

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THE INSTITUTE OF
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भारतीय कम्पनी सचिव संस्थान
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Documents downloadable from the DigiLocker Platform

The National Digital Locker System, launched by Govt. of India, is a secure cloud based platform for storage, sharing and verification of documents and certificates. In the wake of digitization and in an attempt to issue documents to all the members in a standard format and make them electronically available on real-time basis, the Institute of Company Secretaries of India had connected itself with the DigiLocker platform of the Government of India. The initiative was launched on 5th October, 2019 in the presence of the Hon'ble President of India.

In addition to their identity cards and Associate certificates, members can also now access and download their Fellow certificates and Certificates of Practice from the Digilocker anytime, anywhere.

How to Access:

- Go to https://digilocker.gov.in and click on Sign Up
- You may download the Digilocker mobile app from mobile store (Android/iOS)

How to Login:

- Signing up for DigiLocker with your mobile number.
- Your mobile number is authenticated by an OTP (one-time password).
- Select a username & password. This will create your DigiLocker account.
- After your DigiLocker account is successfully created, you can voluntarily provide your Aadhaar number (issued by UIDAI) to avail additional services.

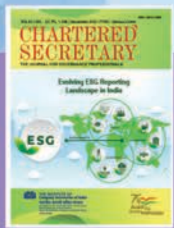
How to Access your Documents digitally:

Members can download their digital ID Card / ACS / FCS / COP certificate(s) by following the steps given below:

1. Log in to https://www.digilocker.gov.in website
2. Go to Central Government and select Institute of Company Secretaries of India
3. Select the option of ID card / Membership Certificate / Practice Certificate
4. For ID Card, enter your membership number e.g. ACS 12345 / FCS 12345.
5. For membership certificate, Enter your membership and select ACS / FCS from drop down.
6. For COP certificate enter your COP number e.g. 12345 and select COP.
7. Click download / generate.
8. The ID Card / Membership certificate / Practice Certificate can be downloaded every year after making payment of Annual Membership fees.

CHARTERED SECRETARY

Advertisement Tariff



(With Effect from September 2018)

BACK COVER (COLOURED)		COVER II/III (COLOURED)	
Non – Appointment		Non – Appointment	
Per Insertion	₹1,00,000	Per Insertion	₹ 70,000
4 Insertions	₹ 3,60,000	4 Insertions	₹2,52,000
6 Insertions	₹ 5,28,000	6 Insertions	₹ 3,69,000
12 Insertions	₹ 10,20,000	12 Insertions	₹ 7,14,000

FULL PAGE (COLOURED)			HALF PAGE (COLOURED)		
	Non – Appointment	Appointment		Non – Appointment	Appointment
Per Insertion	₹ 50,000	₹ 15,000	Per Insertion	₹ 25,000	₹ 7,500
4 Insertions	₹ 1,80,000	₹ 54,000	4 Insertions	₹ 90,000	₹ 27,000
6 Insertions	₹ 2,64,000	₹ 79,200	6 Insertions	₹ 1,32,000	₹ 39,600
12 Insertions	₹ 5,10,000	₹ 1,53,000	12 Insertions	₹ 2,55,000	₹ 76,500

PANEL (QTR PAGE) (COLOURED)			EXTRA BOX NO. CHARGES	
Per Insertion	₹15,500	₹4,500	For 'Situation Wanted' ads	100
(Subject to availability of space)			For Others	200

MECHANICAL DATA		
Full Page - 18X24 cm	Half Page - 9X24 cm or 18X12 cm	Quarter Page - 9X12 cm

- The Institute reserves the right not to accept order for any particular advertisement.
- The Journal is published in the 1st week of every month and the advertisement material should be sent in the form of typed manuscript or art pull or open file CD before 20th of any month for inclusion in the next month's issue.

For further information write to:
The Editor
CHARTERED SECRETARY
Mail to : cs.journal@icsi.edu
Ext. 0120-4082123

ICSI
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Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
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30%
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6

MISCELLANEOUS CORNER

NOTIFICATIONS AND CIRCULARS

CENTRAL TAX NOTIFICATIONS

NOTIFICATION NO. 45/2023-CENTRAL TAX DATED 6TH SEPTEMBER, 2023

This notification seeks to notify Rules 31B and 31C for determining the value of supply in case of online gaming including online money gaming and value of supply of actionable claims in case of casino.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009850/ENG/Notifications*

NOTIFICATION NO. 46/2023-CENTRAL TAX DATED 18TH SEPTEMBER, 2023

This notification seeks to appoint common adjudicating authority in respect of show cause notice issued in favour of M/s Inkuat Infrasol Pvt. Ltd.

Source*:https://taxinformation.cbic.gov.in/view-pdf/1009860/ENG/Notifications*

NOTIFICATION NO. 47/2023-CENTRAL TAX DATED 25TH SEPTEMBER, 2023

This notification seeks to amend Notification No. 30/2023-CT dated 31st July, 2023.

Source*:https://taxinformation.cbic.gov.in/view-pdf/1009862/ENG/Notifications*

NOTIFICATION NO. 48/2023-CENTRAL TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to notify the provisions of the Central Goods and Services Tax (Amendment) Act, 2023.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009870/ENG/Notifications*

NOTIFICATION NO. 49/2023-CENTRAL TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to notify supply of online money gaming, supply of online gaming other than online money gaming and supply of actionable claims in casinos under section 15(5) of CGST Act.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009871/ENG/Notifications*

NOTIFICATION NO. 50/2023-CENTRAL TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to amend Notification No. 66/2017-Central Tax dated November 15, 2017 to exclude specified actionable claims.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009872/ENG/Notifications*

NOTIFICATION NO. 51/2023-CENTRAL TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to make amendments (Third Amendment, 2023) to the CGST Rules, 2017 in supersession of Notification No. 45/2023 dated September 6, 2023.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009873/ENG/Notifications*

CENTRAL TAX (RATE) NOTIFICATIONS

NOTIFICATION NO. 11/2023-CENTRAL TAX (RATE) DATED 29TH SEPTEMBER, 2023

This notification seeks to amend Notification No. 01/2017- Central Tax (Rate) dated June 28, 2017.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009877/ENG/Notifications*

INTEGRATED TAX NOTIFICATIONS

NOTIFICATION NO. 2/2023-INTEGRATED TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to notify the provisions of the Integrated Goods and Services Tax (Amendment) Act, 2023.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009874/ENG/Notifications*

NOTIFICATION NO. 3/2023-INTEGRATED TAX DATED 29TH SEPTEMBER, 2023

This notification seeks to notify the supply of online money gaming as the supply of goods on import of which, integrated tax shall be levied and collected under sub-section (1) of section 5 of the Integrated Goods and Services Tax Act, 2017.

Source:*https://taxinformation.cbic.gov.in/view-pdf/1009875/ENG/Notifications*

NOTIFICATION NO. 4/2023-INTEGRATED TAX DATED 29^{TH} SEPTEMBER, 2023

This notification seeks to provide simplified registration Scheme for overseas supplier of online money gaming.

***Source:**https://taxinformation.cbic.gov.in/view-pdf/1009876/ENG/Notifications*

UNION TERRITORY TAX (RATE) NOTIFICATIONS

NOTIFICATION NO. 11/2023- UNION TERRITORY TAX (RATE) DATED 29^{TH} SEPTEMBER, 2023

This notification seeks to amend Notification No 01/2017- Union territory Tax (Rate) dated June 28, 2017.

***Source:**https://taxinformation.cbic.gov.in/view-pdf/1009878/ENG/Notifications*

INTEGRATED TAX (RATE) NOTIFICATIONS

NOTIFICATION NO. 11/2023-INTEGRATED TAX (RATE) DATED 26^{TH} SEPTEMBER, 2023

This notification seeks to amend Notification No. 8/2017- Integrated Tax (Rate) dated June 28, 2017 to implement decisions of the 50^{th} GST Council Meeting.

***Source**:https://taxinformation.cbic.gov.in/view-pdf/1009863/ENG/Notifications*

NOTIFICATION NO. 12/2023-INTEGRATED TAX (RATE) DATED 26^{TH} SEPTEMBER, 2023

This notification seeks to amend Notification No. 09/2017- Integrated Tax (Rate) dated June 28, 2017 to implement decisions of the 50^{th} GST Council Meeting.

***Source**:https://taxinformation.cbic.gov.in/view-pdf/1009864/ENG/Notifications*

NOTIFICATION NO. 13/2023- INTEGRATED TAX (RATE) DATED 26^{TH} SEPTEMBER, 2023

This notification seeks to amend Notification No. 10/2017- Integrated Tax (Rate) dated June 28, 2017 to implement decisions of the 50^{th} GST Council Meeting.

***Source**:https://taxinformation.cbic.gov.in/view-pdf/1009865/ENG/Notifications*

NOTIFICATION NO. 14/2023-INTEGRATED TAX (RATE) DATED 29^{TH} SEPTEMBER, 2023

This notification seeks to amend Notification No. 01/2017- Integrated Tax (Rate) dated June 28, 2017.

***Source:**https://taxinformation.cbic.gov.in/view-pdf/1009879/ENG/Notifications*

YOUR OPINION MATTERS

'Chartered Secretary' has been constantly striving to achieve Excellence in terms of Coverage, Contents, Articles, Legal Cases, Govt. Notification etc. for the purpose of knowledge sharing and constant updation of its readers. However, there is always a scope for new additions, improvement, etc.

The Institute seeks cooperation of all its readers in accomplishing this task for the benefit of all its stakeholders. We solicit your views, opinions and comments which may help us in further improving the varied segments of this journal. Suggestions on areas which may need greater emphasis, new sections or areas that may be added are also welcome.

You may send in your suggestions to the Editor, Chartered Secretary, The ICSI at cs.journal@icsi.edu

The Appellate Authority

The Appellate Authority has been established by the Central Government in terms of Section 22A of the Company Secretaries Act, 1980, Section 22A(1) of the Chartered Accountants Act, 1949 and Section 22A of the Cost and Works Accountants Act, 1959.

Any member of the Institute held guilty of Professional or Other Misconduct, who is aggrieved by an Order of the Board of Discipline or the Disciplinary Committee of the Institute imposing a penalty on him, may file an appeal against such Order to the Appellate Authority. The Director (Discipline) can also appeal against the decision of the Board of Discipline or the Disciplinary Committee, as the case may be, to the Appellate Authority.

Section 22A of the Company Secretaries Act, 1980 deals with the Constitution of Appellate Authority. The Appellate Authority constituted under sub-section (1) of Section 22A of the Chartered Accountants Act, 1949, shall be deemed to be the Appellate Authority for the purposes of the Company Secretaries Act, 1980 subject to the modification that for clause (b) of said sub-section (1), the Central Government shall, by notification appoint two part-time members from amongst the persons who have been members of the Council of the Institute of Company Secretaries of India for at least one full term and who is not a sitting member of the Council, for the Appellate Authority for the purposes of the Company Secretaries Act, 1980.

The Appellate Authority is headed by a Chairperson, who is or has been a judge of a High Court, two former members of the Council of each of the three Institutes (i.e. two former members of the Council of the ICSI with reference to Section 22A of the Company Secretaries Act, 1980) and two nominees of the Central government having knowledge and practical experience in the field of law, economics, business, finance or accountancy.

Section 22E of the Company Secretaries Act, 1980 deals with Appeal to Authority. Any member of the ICSI aggrieved by any order of the Board of Discipline or the Disciplinary Committee imposing on him any of the penalties referred to in sub-section (3) of section 21A and sub-section (3) of section 21B of the Company Secretaries Act, 1980, may within ninety days from the date on which the order is communicated to him, prefer an appeal to the Authority. The Director (Discipline) may also appeal against the decision of the Board of Discipline or the Disciplinary Committee to the Authority if so authorized by the Council, within ninety days.

The Appellate Authority may entertain any such appeal after the expiry of the said period of ninety days, if it is satisfied that there was sufficient cause for not filing the appeal in time.

The Appellate Authority shall give an opportunity of being heard to the parties concerned before passing any order.

The Appellate Authority may, after calling for the records of any case, revise any order made by the Board of Discipline or the Disciplinary Committee under sub-section (3) of section 21A and sub-section (3) of section 21B of the Company Secretaries Act, 1980 and may-

a) confirm, modify or set aside the order;
b) impose any penalty or set aside, reduce, or enhance the penalty imposed by the order;
c) remit the case to the Board of Discipline or Disciplinary Committee for such further enquiry as the Authority considers proper in the circumstances of the case; or
d) pass such other order as the Authority thinks fit:

As per Section 21C of the Company Secretaries Act, 1980, for the purposes of an inquiry under the provisions of the Company Secretaries Act, 1980, the Appellate Authority, the Disciplinary Committee, Board of Discipline and the Director (Discipline) shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, in respect of (a) summoning and enforcing the attendance of any person and examining him on oath; (b) the discovery and production of any document; and (c) receiving evidence on affidavit.

CASE STUDY 1

1. A complaint of professional misconduct has been filed against a Company Secretary in Practice. The Complainant is one of the single largest shareholders of one company and earlier he was also the Managing Director. Later, he had filed a company petition alleging oppression and mismanagement against the company and its directors. Parties to the petition entered a Joint Compromise Petition (JCP) agreeing therein that all the immovable properties of the company would be sold, and the sale proceeds would be distributed amongst the shareholders of the company. Hon'ble NCLT, Bangalore had appointed Executor in-charge of implementation of the terms of the JCP. The Complainant has alleged that the Respondent has charged fee on commission basis based on outcome of assignment and engagement in business/occupation other than the secretarial practice. He had raised invoice @ 3% of the total realised value of properties sold and registered under JCP and being a Company Secretary in Practice acted as Real Estate Agent under Section 2(zm) of the Real Estate (Development and Regulation) Act, 2016 in contravention of Regulations 168(1) of the Company Secretaries Regulations, 1982. The Respondent was providing secretarial services to the company and additionally, he was engaged as an advisor/counsel in the proceeding before the Executor. He has certified the documents relating to incorporation of another company in December 2017 in which one of the promoter directors was disqualified to hold office of director u/s 164(2) of the Companies Act, 2013 for a period of 5 years. The Respondent has received payments from the current

and Escrow account of the company for the unknown bills in contravention of order of Hon'ble NCLT. The Respondent has wrongly advised the company that a Special resolution can be passed by the company under Section 179 and 180 of the Companies Act, 2013 for sale/ disposal of the company properties without conducting the postal ballot as provided under Section 110 read with Rule 22(16) of the Companies (Management and Administration) Rules, 2014. The Respondent has used abusive language and threatened the Complainant and others and made serious attempt to assault them at the venue of proceedings before the Executor. The Respondent has submitted that since the company was not having sound financial position to pay fees, they instead set a fixed fee for his services before starting the role of mediator, which they proposed to pay post receipt of sale proceeds. The Respondent agreed to raise the invoice post receipts of sale proceed based on the man hours spent and work force involved to complete the task and the services rendered to the company are in consonance with the provisions of Section 2(2) of the Company Secretaries Act, 1980. He was neither directly nor indirectly associated with the directors of the company or another company. He had honestly believed that the DIN provided by the directors are PAN based and are valid. After knowing that one person was holding two DINs, he immediately advised him to resign from all the companies and told him to confess this fact before the jurisdictional authorities which was complied with by him. He denied the allegation of violent behavior, use of abusive language and attempt to assault the Complainant, and others. The Complainant has deliberately twisted the facts to suit his agenda. Despite unwarranted personal attacks on a professional of his standing and repute, he had exercised maximum extent of restraint in his behavior in tune with his professional ethics and integrity.

2. The Respondent has submitted that he made his submissions before the Hon'ble NCLT giving complete background of the proposal of the Complainant and the point regarding invoice at a rate of 3% should not be read in isolation. The narration of background given by him should not be construed as his admission of charging fee as a percentage of the value of property realized. Management and operations of the Bank Accounts of the company is the responsibility of the Board of Directors of the company and outsiders including the Respondent would not have any information or control over such matters. The Respondent was given an understanding that the company opined that the professional fee paid to him in respect of the aforesaid invoices were definitely beyond any doubt were expenses relating to sale of scheduled properties of the company and therefore such payments were very well as per the Joint Compromise Petition duly signed by the persons holding more than 90% of the active paid up share capital of the company, including the Complainant and directors of the company. The allegation of not advising the company on withdrawal of money from the escrow account which was open only for the purpose of property related expenses and receipt of amount from escrow account is baseless, incorrect, and misunderstood as the Respondent is an outsider to the company. It is thorough misleading, baseless and incorrect that the Hon'ble NCLT has observed unauthorised payment has been made to the Respondent in violation of its order. The Complainant has misled by producing various irrelevant documents which were discussed during the proceedings of the NCLT appointed Executor/ Observer, in which the Respondent was only a mere authorised representative of the company. All submissions of the Respondent were in the capacity of an authorised representative and not as an advisor to the company. The Respondent has categorically denied the opinion framed based on the baseless, irrelevant, misleading, and incorrect information provided by the Complainant, who has personal grudge against the Respondent for not facilitating him to siphon-off the money from the company.

3. The Director (Discipline) prima facie opined that the Respondent is 'Guilty' of professional misconduct under clause (9), (10) of Part I of the First Schedule and clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980.

4. The Disciplinary Committee asked the Respondent as to how the invoices raised by him is equivalent to 3% of the total realised value of the properties sold and registered under JCP. The Respondent has submitted that it is based on the time and efforts he has put in against each work carried out by him.

5. The Disciplinary Committee observed that the allegations of rendering services which are not permitted under the Company Secretaries Act, 1980 or under the Company Secretaries Regulations, 1982 is not proved against the Respondent. The allegation w.r.t certifying the documents for incorporation of the company in which one of the directors was disqualified by the ROC to hold the office of director u/s 164(2) of Companies Act, 2013, it is observed that at the relevant time DIN was not PAN based. No document is on record to prove allegation of defalcation and embezzlement against the Respondent. Regarding the allegation about providing wrong advice by the Respondent for passing of special resolution under Section 179 and 180 of the Companies Act, 2013, it is observed that the Respondent has merely given his opinion to the company, which cannot be termed as professional misconduct on his part. Regarding the allegation of receiving fee on commission basis, the Disciplinary Committee observed that from the invoices raised by the Respondent, consent letter to Hon'ble NCLT and the documents on record, it is amply clear that the Respondent had raised invoices at a rate of 3% of the total realized value of the properties sold and registered under the terms of JCP.

6. The Disciplinary Committee held the Respondent 'Guilty' of professional misconduct under clause (9) of Part I of the First Schedule to the Company Secretaries Act, 1980 and passed an Order of Reprimand and Fine of Rs. 10000/- against the Respondent.

ESG Assurance

Organisations across the globe are witnessing growing demands for clear and transparent disclosure on their long-term ESG commitments from government and stakeholders. Investors, suppliers, customers, and employees all want to understand the purpose and values of the businesses they work with or for. In view of this, corporate sector is under an obligation to embrace ESG assurance that serves the public interest by enhancing the credibility of the ESG and sustainability information disclosed by a company and the quality of the company's ESG reporting.

Assurance services consist of absolute and reasonable assurance. Absolute assurance differs from reasonable assurance in that absolute assurance means that there is certainty on the non-existence of risk, which auditors do not provide. In contrast, reasonable assurance depicts confidence that information is true and is provided by auditors. Examples of areas in which sustainability assurance is provided are- Energy Consumption & GHG Emissions, Waste generation and disposal, Water consumption and withdrawal, Human Rights, Labour Standards etc.

Merits of Assurance are as under:

- Increased recognition, trust and credibility
- Reduced risk, identification, tapping the opportunities and increased value
- Stakeholder engagement to ensure addressing their concerns
- Enhanced quality of disclosures-accuracy, balance, clarity, comparability & reliability
- Improved internal monitoring, control and reporting systems

In India, SEBI vide Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 has introduced assurance requirements as per the BRSR Core. The mentioned Circular requires the listed entity to ensure that there is no conflict of interest with the assurance providers for assuring the BRSR Core.

It is to be noted that the mentioned Circular has not mandated or recommended the use of any specific assurance standard. The assurance provider may appropriately use a globally accepted assurance standard on sustainability /non-financial reporting such as the International Standard on Assurance Engagements (ISAE) 3000.

From FY2023-2024, the top 1000 listed entities (by market capitalisation) shall make disclosures as per the updated BRSR format, as part of their Annual Reports. Listed entities shall mandatorily undertake reasonable assurance of the BRSR Core, as per the glide path specified in the following table:

Financial Year	Applicability of BRSR Core to top listed entities (by market capitalisation)
2023-24	Top 150 listed entities
2024-25	Top 250 listed entities
2025-26	Top 500 listed entities
2026-27	Top 1000 listed entities

It is to be noted that BRSR Core is a sub-set of the BRSR, consisting of a set of Key Performance Indicators (KPIs)/ metrics under nine ESG attributes, i.e., Green-house gas (GHG) footprint, Water footprint, Energy footprint, Embracing circularity-details related to waste management by the entity, Enhancing employee wellbeing and safety, Enabling gender diversity in business, Enabling inclusive development, Fairness in engaging customers and suppliers and Open-ness of business.

ESG assurance seems to be gaining grounds at a low pace as evident from the KPMG's research study that only 25% of companies feel they have the ESG policies, skills, and systems in place to be ready for independent ESG data assurance. Over half of the mentioned percentage of companies' management thinks that they are least ready for ESG assurance citing the reason that it is challenging to balance ESG assurance goals with the profit expectations of the shareholders.

However, there is a silver lining that those companies which are most ready for ESG assurance, their boards are more involved in ESG issues, conducting training on ESG on regular basis and have controls in place for ESG data. Apart from this, many corporate houses see benefits from ESG assurance beyond compliance that is about half surveyed in the research study stated it can lead to greater market share, spur innovation, solidify reputation and reduce costs.

REFERENCES:

1. https://kpmg.com/dp/en/home/industries/environmental-social-governance/esg-assurance.html
2. https://www.bdo.global/en-gb/microsites/bdo-sustainability/esg-assurance
3. https://www.sebi.gov.in/sebi_data/faqfiles/aug-2023/1691500854553.pdf
4. https://kpmg.com/xx/en/home/media/press-releases/2023/09/kpmg-esg-assurance-maturity-index html

ANNOUNCEMENT

The Institute has adopted the "Green Initiatives in the Corporate Governance" initiated by the Ministry of Corporate Affairs, allowing the companies to send Notices / Documents / Annual Reports and other communications to its shareholders by electronic mode. Accordingly, the Annual Report of the Institute for the Financial Year 2022-23, has been sent to all the Members of the Institute through electronic mode on 30th September, 2023. The Annual Report has also been hosted on the website of the Institute on link-

https://www.icsi.edu/media/webmodules/ICSI_Annual_Report_2022_23.pdf

7

BEYOND GOVERNANCE

Case Study

In order to make the Chartered Secretary Journal (CSJ) more interactive for the members and students, the Case Study section has been introduced from April issue. Each Case Study is followed by question(s) which are to be solved by member(s)/student(s). The answer(s) are to be sent to cs.journal@icsi.edu latest by 25th of each month.

The answer(s) will be reviewed by a Panel of reviewer(s). The winner will be given:

(i) Certificate of Appreciation.

(ii) His/Her name will be published in the next issue of the Journal.

(iii) He/She will be awarded cash award of ₹ 2,500.

Crossword

A new section 'Crossword' containing terminologies/concepts from Companies Act, IBC, NCLT and such related areas of profession is introduced. Members/students are to send the answers of Crossword to cs.journal@icsi.edu latest by 25th of each month.

- The answer(s) will be published in the next issue of CSJ.
- The winners will be selected randomly.
- The name of three winners will be published in the next issue of CSJ.

This case study has been divided in two parts-Part A and Part B

PART-A

India is the second largest exporter of sugar in the world. Sweetend Harvest Limited (hereinafter referred as "the company") is a leading sugar manufacturing company incorporated in India, with multiple production facilities across the country. With respect to units of the company manufacturing sugar from sugarcane in India, permission was granted by the respective State/Union Territory Pollution Control Boards (SPCBs) for Consent to Establish (CTE) in 2018 and thereafter, construction of plants- permission to operate the unit (CTO) was granted in 2019. Huge investments (huge loans from banks for which repayments have to be paid in installments) have been made by the company for the development of infrastructure and the company was earning huge profits not only from domestic market but also from international market, thereby, adding to Foreign Exchange Reserve of the country.

In the meanwhile, a Non-Governmental Organisation (NGO) hereinafter referred to as "Nischal" filed an application (PIL) on 20.07.2021 before the National Green Tribunal (NGT) on the ground that the units/plants have been set up in violation of Environment Impact Assessment (EIA) notification dated 14.09.2006 for which a prior environmental clearance(EC) is required. Therefore, it was prayed that the order of SPCBs be quashed and units which were operating without EC be closed. An Expert Appraisal Committee (EAC), hereinafter referred as "the Committee" was constituted by the Ministry of Environment, Forest and Climate Change (hereinafter referred as "the Ministry" (MoEF&CC)), to determine the applicability of the notification in the present case. The National Green Tribunal (NGT) took a prima facie view that the industry requires an environmental clearance and thus stayed all activities of such units on the basis of affidavit filed by the Ministry confirming applicability of 2006 Notification in this case and seeking time to file an additional response. The Committee (EAC) further recommended that where these units are established or operating under the CTEs/CTOs obtained from a statutory authority i.e. the respective State/UT Pollution Control Boards, a period of one year may be allowed so that they apply for EC and get covered by the EIA notification 2006. This will also ensure that the units remain in operation for the allowed period and closures, unemployment and related social issues/unrests are avoided. During this period of one year, they will have to follow all the conditions imposed under the CTE/CTO. It is on the basis of the said recommendation that the National Green Tribunal passed the order dated 12.2.2022 that in view of the large number of such mills operating on the strength of CTE/CTO, opportunity should be provided to such units to fall within EC regime by granting a period of at least one year to operate for the purpose. There were 2000 of such units established or operating under the CTEs/CTOs obtained from a statutory authority i.e. the respective State/UT Pollution Control Boards where almost 20,000 workers were employed.

Appeals were filed in the Apex Court on behalf of company challenging the need of prior EC while the applicant (NGO) filed appeal on the on the ground that the Tribunal has no jurisdiction to grant period for obtaining Environmental Clearance as the EIA notification mandates a prior Environmental Clearance. During the pendency of appeals in the Apex Court, closure notice has been served w.r.t. those units by State Pollution Control Boards. While the appeals were pending before the Hon'ble Court, the Government of India has published a notification on 20.7.2022 in terms of Section 3 of the Environment (Protection) Act, 1986 to apply Terms of Reference within one year followed by Environmental Clearance for the units which are in existence and in operation as on the date of this notification, with valid Consent to Establish (CTE) and Consent to Operate (CTO) from the concerned State Pollution Control Board or the Union territory Pollution Control Committee, as the case may be. The Government published such notice as there was ambiguity in the EIA notification 2006 because of which 2000 such units have come up in the country on the basis of CTE and CTO regime without obtaining prior Environmental Clearance.

All such units were bona fide under the impression that they were not required to obtain prior EC for setting up this establishment to manufacture sugar. They duly applied for EC in respect of their manufacturing units.

Q.1. (i) Whether order of the Tribunal in granting the time period of one year can be challenged on the ground that the Tribunal has no jurisdiction to grant period for obtaining Environmental Clearance as the EIA notification mandates a prior Environmental Clearance?

Q1(ii) Is it justifiable to close such units, which are involving huge investment (including loans) ,having such a huge workforce, contribution to the Indian Economy and adding to Balance of Trade, have been set up with the approval of concerned statutory authority itself mistaken regarding EIA notification 2006?

Q1(iii) Is it justified to let them continue such unit for further one year at the cost of environment if they found to be causing pollution on the ground that in terms of the Standard Operating Procedure (SOP) issued by "the Ministry" (MoEF&CC), the proposal for grant of EC in cases of violation are to be considered on merits, with prospective effect, applying principles of proportionality and the principle that the polluter pays and is liable for costs of remedial measures?

PART-B

Mr. A has joined the Board of Sweetend Green Harvests Limited, (hereinafter refered as"the company") as the Managing Director and he intends to integrate Environmental, Social, and Governance (ESG) principles into its corporate strategy. Pursuant to launch of the Global Biofuel Alliance and urge of Prime Minister Narendra Modi at the G20 Summit session on 'One Earth', to take ethanol blending with petrol globally to 20 per cent , he deliberated upon the proposal of forward integration by producing ethanol by direct fermentation of cane juice or from molasses, which is a by-product of the sugar manufacturing process. This in turn will not only add to their revenue but also reserve appreciation in the eyes of investors for their growth in compliance of ESG which is a win-win situation for all. Mr. A wants to pursue the mission of Global Biofuel by making changes in its existing operations also that they are now eco-friendly. He emphasized that going by backward integration, they can use ethanol in the production of sugar for fuel that can promote sustainability, reduce greenhouse gas emissions, and diversify revenue streams for sugar producers. Some of the directors have reservation w.r.t. huge investment in establishing ethanol processing facilities, storage tanks, and transportation systems to move ethanol to fuel markets. The company is already in compliance of Corporate Social Responsibility under section 135 of the Companies Act, 2013.

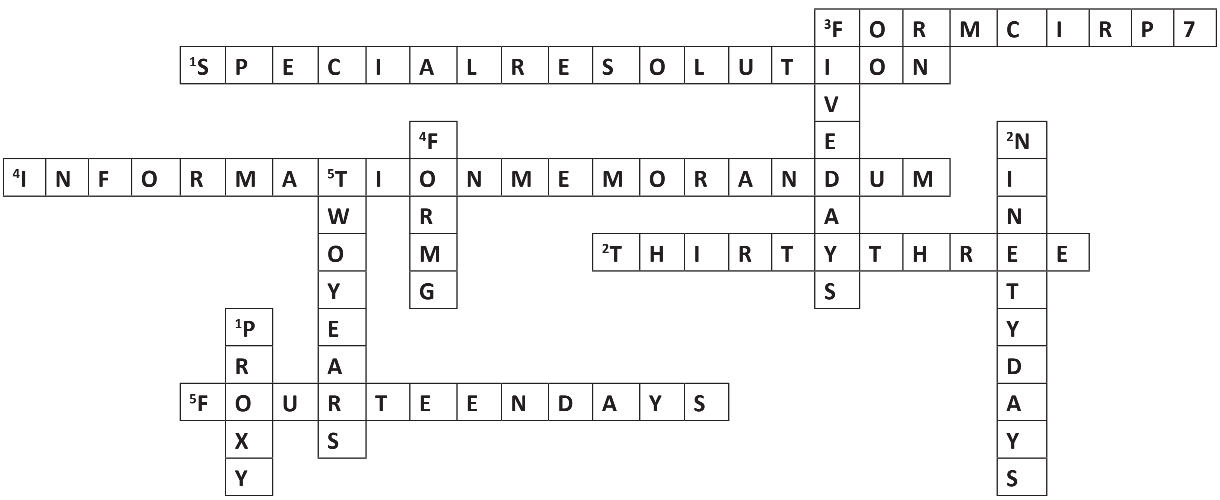
The Company has been in the list of top 1000 listed entities based on market capitalisation as on March 31, 2021 .The Company has been covered in top 1000 listed entities based on market capitalisation as on March 31,2022. However, it has fallen below such thresholds of list of top 1000 listed entities based on market capitalisation as on March 31, 2023.

(i) Pursuant to SEBI (Listing and Disclosure Obligation) Regulations 2015 ('LODR'), read with SEBI circular dated May 10, 2021 ('BRSR Circular'), the company sought clarification for mandate reporting for three financial years (FY 2020-2021, 2021-22, 2022-23) from SEBI. What could be clarification from SEBI in this respect?

(ii) Give your opinion on the proposal of Mr. A.

Disclaimer: The case study has been framed from the facts and figures available in the public domain with some modifications/assumptions so as to enable members to apply their professional skills to answer the same and hide the identity of the case.

CROSSWORD PUZZLE – SEPTEMBER 2023 ANSWERS



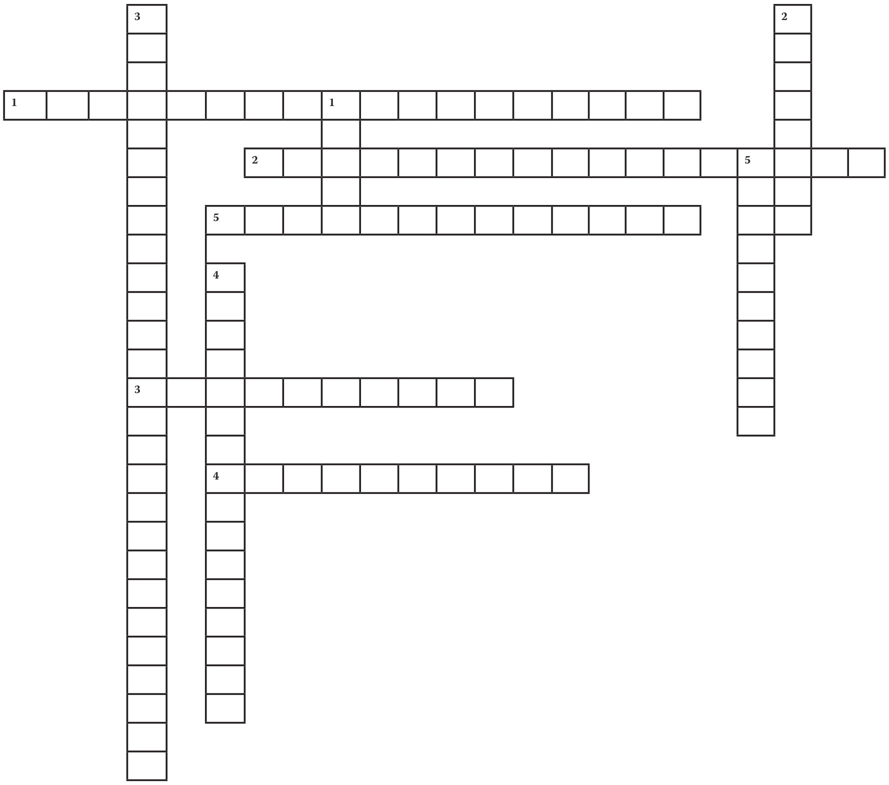
Winners - Crossword September 2023

1st CS Juhi Singhania - ACS-23548

2nd CS P Ranganathan - FCS-12852

3rd CS Heta Vinodchandra Patel - ACS-69811

CROSSWORD PUZZLE – COMPANY LAW
OCTOBER 2023



ACROSS

1. A subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year is termed as ______ under SEBI (LODR), 2015.

2. No company shall directly or indirectly purchase its own shares or other specified securities through any ____________.

3. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the request for resolution plans shall allow prospective resolution applicants a minimum of ___________to submit the resolution plan(s).

4. Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, where an auction fails at the reserve price, the liquidator may reduce the reserve price by up to _______________ percent of such value to conduct subsequent auction.

5. The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within ______________days from the end of each quarter.

DOWNWARDS

1. Under SEBI (LODR), 2015, a person shall not serve as an independent director in more than __________listed entities.

2. Under Companies Act, 2013 the company shall maintain a complete record of private placement offers in_______.

3. All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of ________________________Fund.

4. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, A regulatory fee calculated at the rate of 0.25 per cent of the realisable value to creditors under the resolution plan approved under section 31, shall be payable to the Board, where such realisable value is more than the ___________.

5. Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the liquidator may sell the assets of the corporate debtor by means of private sale in the manner specified in Schedule I when- (a) the asset is _______________.

Company Law Ready Referencer

CA Sanjay K Agarwal and CS Rupanjana De

Published by:

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Price: Rs.2,999

This 8th Edition of ***"Company Law Ready Referencer"*** is a new edition of the Authors with the latest updates which provides a significant source of information have been complied with the Companies Act, 2013 and the applicable Rules thereunder along with the amendments made therein from time to time with foot notes for easy reference and understanding of its users.

The Book has been divided into 3 (Three) Parts A, B, and C for contains proper summarised presentation to the users of the book for timely and accurate compliance of the applicable provisions Companies Act, 2023 and rules made thereunder by the various types of companies, such as private limited companies, small companies, public limited companies, Nidhi companies, dormant companies, government companies, foreign companies, etc. along with proper index of the subject matter and relevant pages also given at the beginning of the book.

Part A of the book containing Referencer is considered as the heart of the book as it provides chapter wise and title wise of the sections and relevant rules along with its effective dates and comparison with the previous Companies Act, 1956, narration/title of various circulars, orders and notifications issued by the Ministry of Corporate Affairs since 21st June, 2023, till 13th September, 2023.

The author has beautifully described the compliance requirement under the Companies Act, 2023 and rules made thereunder based on their applicability to Public, Private and Listed Companies with the status of paid-up capital, turnover and borrowings along with exemptions provided for applicability thereon, if any, to the specific category of companies.

The most required information relating to the disclosures required in the Boards' Report is based on sub-sections and clauses alongwith the requirements for attachments needs to be given with the Boards' Report. The Book also contains the requirement for filing fee needs to be paid based on the status along with the documents needs to be filed with the Registrar of Companies, Central Government. It has also covered the requirement for maintenance of the statutory records, and registers, rights of inspections of the books and records by the shareholders, etc. Powers of the Board of Directors, requirements for ordinary, special and by postal ballot, requirements for filing of Form MGT-14, tabulation for various exemptions granted to private companies, Section 8 companies, Nidhi Companies, Govt. companies, exemptions from the deposits, etc.

Part B of the Book provides chapter, wise sections along with the applicable, effective dates, required E-forms, time lines for compliance, etc. and step by step procedural aspects related thereto.

Part C of the Book simply provides appendixes for all the Schedules under the Companies Act, 2013.

Therefore, I consider that the Book has a very good source of knowledge and coverage relating to the entire Companies Act, 2013 and rules made thereunder covering all the amendments thereto from time to time. The Book is a compendium of everything relating to the Companies Act, 2013 alongwith the rules with 360-degree approach on applicability of various provisions on various types of companies based on their status as well as exemptions made thereunder with reference of various circulars, clarifications, orders and notification as issued from time to time by the Central Government.

The Authors have authored this book with valuable assemble of data relating to the entire Companies Act, 2013 and rules made thereunder which is really a significant contribution to the subject with their long professional background and understanding on the subject.

The Book also contains great source of information, as the law specifically prescribes the responsibility of Directors and Key Managerial Personnels in case of non-compliance of the applicable laws, they are accountable and liable for the consequences apart from the concerned company. However, for practical aspects I observe that there is no specific commentary on the various issues and topics, it also does not contain the decisions given by the various Tribunals, Appellate Tribunal, High Court and Supreme Court, as well no specimen for draft of various resolutions, notices, Board Report, application needs to be submitted before the Registrar of Companies, Regional Director, Tribunal which is also important to deal with the relevant matters by the users i.e. Company Secretaries either in employment or practice, corporate lawyers, and consultants engaged in the compliance of the company law matters.

I am sure that the readers will find this book a very useful source of knowledge for their practical use while discharging their various roles as a consultants, member of the Board of Directors. Careful reading of the book will put the concerned in good stead and they will be in a position to act with sheer confidence while discharging their duties as imposed by the law. The book will also serve as a guide for compliance managers, Company Secretaries, researchers and even students.

CA Sanjay K Agarwal and CS Rupanjana De must be complemented and appreciated for their 8th Edition on Company Law Referencer

CS (Dr.) D.K. Jain
Practicing Company Secretary and
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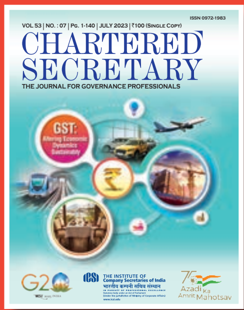

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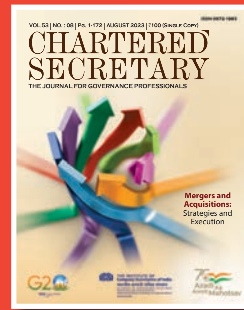

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