■ Vol: 3 Issue:03 | ■ MUMBAI | ■ June 2025 | ■ PAGES:68 | SUBSCRIBER COPY | www.boardstewardship.com

BOARD STEWARDSHIP

Enabling Future Boards

Surendra Sharma
Managing Director And CEO Of DivaCygnet

COVER STORY

ACCELERATING

BOARDROOM CULTURE THROUGH TECHNOLOGY AND INSIGHT

CCO INTERVIEW
GAURANG SHAH
Sr. VP Legal, Corporate Affairs & Company Secretary at Ajanta Pharma Ltd.

GUEST EDITOR
PROF. SUNDER RAM KORIVI
Adjunct Faculty - Indian Institute of Corporate Affairs | Board Stewardship - Advisory Board Member

EDITOR'S NOTE

RISK MANAGEMENT
RUSSIA'S PEARL HARBOUR MOMENT

The most valuable lesson in risk management is this: your ship may be safe in your harbour, but your harbour itself isn't secure unless you actively safeguard it. Your aircraft may be well-protected in their hangars, but the hangars too can be vulnerable. The US never anticipated what Japan would attempt at Pearl Harbour, and Russia remained overconfident that no one could penetrate its borders. What fighter jets cannot achieve, drones now can — and the real question is: are organisations prepared to counter simultaneous, multi-directional drone attacks or comparable disruptions?

Disruptions are the new constant. Boards must move beyond passive monitoring and embrace active preparedness. Perhaps it's time to invite NextGen leaders to present potential disruption threats and opportunities through innovative initiatives like an ethical hackathon. Risks today arise from both expected and unforeseen avenues — be it business model disruptions, geopolitical instability, reputational challenges, non-compliance issues, ESG risks, and more.

Much like the US and Russia in history, our corporate Boards too often grow complacent amidst success, neglecting the regular drills and strategic foresight necessary for robust risk management. It's for this reason that the Risk Management Committee has become one of the most vital Board Committees today. SEBI would do well to consider mandating it across all listed companies. The time has come for risk management and insurance to become not just compliance mandates but a way of life.

At Board Stewardship, our recent 'Huddle' and 'Webinar' were dedicated to these very themes — bringing insightful case studies to our audiences, sparking meaningful conversations, and reinforcing the need for continuous risk vigilance. It's been gratifying to see the growing engagement across our community — evident in the steady rise of our newsletter subscribers, LinkedIn followers, webinar participants, and members of our board community.

Last month's cover story spotlighted our landmark event at the National Stock Exchange, which featured a compelling panel discussion and the second edition of our 'Hall of Fame' showcase. This initiative honours individuals and organisations that exemplify excellence in sustainability and Corporate Governance. We were proud to present the 'Stewards of Corporate Governance' awards, recognising leaders setting benchmarks in responsible leadership and community impact.

In this edition, we feature on the cover Surendra Sharma, Managing Director and CEO of DivaCygnet, as well as Global Business Managing Director at Avant Group Corporation. Surendra shares his views on the growing importance of technology in board transformation, emerging governance trends, and modernisation as the pathway to long-term value creation.

We are also pleased to present a guest editorial by Prof. Sunder Ram Korivi, Adjunct Faculty at the Indian Institute of Corporate Affairs and Advisory Board member at Board Stewardship. He highlights why governance must go beyond mere compliance, advocating for transparency, accountability, probity, diversity of perspectives, active stakeholder engagement, and a sustained focus on long-term value. He reminds us that lasting corporate worth is built not just on numbers, but on intrinsic values.

From the Chairman's Desk, —in the concluding part of his two-part series on 'Apple's shareholder manifesto,' Shailesh Haribhakti envisions an ideal manifesto that Apple should adopt—one where every stakeholder is treated with respect and AI is wielded with wisdom. In our Chief Compliance Officer's column, Gaurang Shah, Sr. VP – Legal, Corporate Affairs & Company Secretary at Ajanta Pharma Ltd., reflects on the rich learnings from his distinguished and diverse career journey.

We trust you will find this edition both insightful and thought-provoking. As always, we look forward to your feedback and thoughts as we continue to support a culture of learning, recognition, and governance excellence.

Vikesh **Wallia**
Managing Director & Editor
Board Stewardship

ADVISORY BOARDS

INTERNATIONAL


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Chairman & Director,
Tata International Singapore Pte. Ltd. & TML Holdings Pte. Ltd.,
Former Resident Director – ASEAN,
Tata Sons, Singapore


Shailesh Haribhakti
Non-Executive Chairman &
Independent Director
on multiple Boards


Sunita Rajakumar
Climate Governance Advocate,
Adjunct Professor, several MNC
Boards Kuala Lumpur, Malaysia


Helle Bank Jørgensen
CEO
Competent Boards, Canada


Vikesh Wallia
Former Board Member Times
of India Group, Steward of
Board Community

NATIONAL


Prafulla Chhajed
Board Member,
Former President, ICAI


G N Bajpai
Former Chairman, SEBI
Former CMD, LIC of India


Preeti Malhotra
Former President, ICSI Chairman,
Smart Bharat Group,
Chair ASSOCHAM Committees


Shailesh Haribhakti
Non-Executive Chairman &
Independent Director
on multiple Boards


Deena Mehta
Former President & MD, BSE
Independent Director on
several Boards


Vikesh Wallia
Former Board Member Times of
India Group, Steward of Board
Community


Sunder Ram Korivi
Academic Head,
HSNC University,
Founding Dean of NISM

ISSUE OF THE MONTH

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This e-magazine is exclusively posted on our website:
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OUR TEAM

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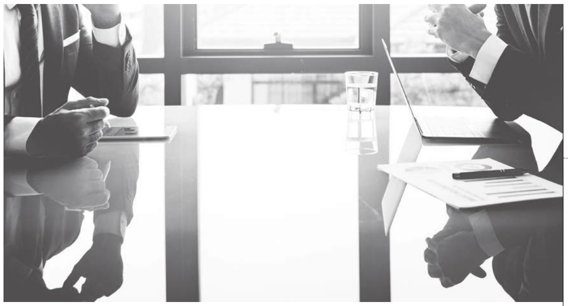


BOARD STEWARDSHIP


Huzeifa Unwala
The Ready Reckoner - Your Fast track to Financial Integrity

BOARD STEWARDSHIP

Enabling Future Boards

YOUR VOICE MATTERS AT BOARD STEWARDSHIP

At Board Stewardship, we're always looking for fresh, real-world insights from those who live and breathe boardroom life. Whether you're a Board Director, Independent Director, KMP, senior executive, or a policymaker shaping governance—your perspective counts.
We especially value authentic experiences and thoughtful reflections from within the board community, but we also welcome standout ideas from anyone passionate about great governance.
If you've got a story, a lesson, or a big idea from your time in leadership—we'd love to hear it.

CONTENT RELEVANCE

Submissions should focus on topics related to Corporate Governance and should be relevant to the Board community.

FORMAT

Articles must adhere to the following format:

- **File Type:** MS Word
- **Title:** Bold and uppercase, placed at the top of the article
- **Subtitles:** Bold and sentence case
- **Structure:** Include an Introduction and Conclusion.
- Think of this article as a conversation with your reader—thoughtful, engaging, and reflective. Unlike a research paper, it should feel less like a list of facts and more like a story that flows naturally. Share your insights in a way that resonates, weaving them into a compelling narrative.
- **Language:** British English
- **Diagrams & Tables:** Properly placed within the document
- **Images:** If submitted separately, must be in high-resolution JPEG format

WORD COUNT

- **Website Content:** Less than 550 words
- **Short Magazine Article (1 Page):** 450 words
- **Long Magazine Article (2 Pages):** 900 to 1,100 words
- **Questionnaire Responses:** Not exceeding 450 words

PERSONAL PHOTO & PROFILE

(To Be Included With The Article)

- **Photo:** 1 high-resolution headshot (JPEG format, more than 1MB)
- **Credentials:** Name, Designation, Name of the organisation
- **Bio:** A brief author introduction (max. 50 words) including Title, Full Name, Current Designation, Organisation's Name and your email address

DISCLAIMER

- **Editorial Approval:** Submitted articles are subject to editorial review and approval.
- **Originality:** The content must be original, and a declaration of originality is required to be submitted along with the article.

CONTENT SUBMISSION

- For submissions and queries, **please email:** content@boardstewardship.com

We look forward to your valuable contributions!

PROF. SUNDER RAM KORIVI

Adjunct Faculty - Indian Institute of Corporate Affairs | Board Stewardship - Advisory Board Member

GUEST EDITOR

Prof. Sunder Ram Korivi is currently an adjunct faculty at the Indian Institute of Corporate Affairs. Earlier, he was a Senior Consultant with the National Institute of Financial Management, engaged in policy research. Before that, he was a founding Dean at the National Institute of Securities Markets, Dean at NMIMS and Assistant Professor at SP Jain Institute. His industry experience includes stints at Business India, Tata Industrial Finance and Axiome Merchant Bankers. He is a CA, CMA, AIII, MA and PhD, with 35 years of experience.

PLACING GOVERNANCE BACK INTO CORPORATE GOVERNANCE

The three core ingredients of governance are transparency, accountability and probity, which apply to all kinds of organisations: businesses, government bodies, trusts and non-profit organisations. However, with regard to Corporate Governance, the tendency is to emphasise the word 'corporate,' pushing governance per se to the background. This may be evident in the compliance-heavy manner in which meetings are conducted, recorded and reported. These are essential in the letter, but not the essence, in the spirit of governance. The focus of corporate laws is to prevent the abuse of public money for private gain; the focus of market regulation is to reduce asymmetric information and prevent insider trading. Today, financial markets help in raising resources for corporate as well as other kinds of organisations, such as government agencies, authorities, municipal corporations and special purpose entities. The principles of governance pervade across all such forms of organisation.

In the letter, board diversity is achieved through Women Directors and Independent Directors. The true purpose of diversity is in thought processes so that course corrections take place earlier. There is also a need to reflect on whether the intellectual firepower of the Independent Directors is fully utilised. This may not be possible in a formal setting of 30 to 90 minutes. It may be a good idea to engage more frequently and informally with the core management, board committee members and external experts. What is done between meetings is as important, if not more, than what happens during meetings.

Over time, Corporate Governance has embraced several aspects, thereby blurring the concept of governance itself. These include compliance, ethics & integrity and philanthropy. Compliance is enforceable and already occupies a bulk of the space in public discourse. Ethics and fraud are at the two ends of the behavioural spectrum. Fraud detection, reporting and punishment are hardwired into corporate law, and internal financial controls are the preventive mechanism. Ethics and integrity are to be built very early on in life: at home, school and societal levels. Money is to be viewed as a means to the end of societal well-being, not an end in itself. Philanthropy, in true spirit, cannot be performed with ill-gotten wealth; in the Indian context, it should be done discretely in order to maintain the dignity and privacy of the donee. Clarity in distinguishing between ethics & integrity, philanthropy and governance helps in bringing focus back to governance per se.

Governance involves all stakeholders—not just shareholders—including employees, regulators, and society. Sustainability has two aspects, though public focus tends to centre on environmental sustainability, which demands aligning business practices with eco-friendly goals. A K-shaped recovery highlights that some firms adapt, while others struggle due to environmental or business challenges. This links to short-termism, where listed companies face pressure for quick results, often at the expense of long-term value. Boards must communicate effectively to align shareholder expectations and avoid compromising future sustainability. Diverse, agile Boards are better equipped to balance short-term performance with long-term business resilience and success.

Ultimately, values, and only values, will sustain valuation.

BOARD STEWARDSHIP
Enabling Future Boards

BOARD STEWARDSHIP WEBINARS

STEWARDSHIP IN BOARDROOM

MONTHLY WEBINAR CALENDAR*

JUNE 2025 — FIRST FRIDAY OF THE MONTH*

Time	4 pm To 6 pm	Theme*	Compliance and Decision-Making in Complex Environment
Session 1*	Navigating Insider Trading Laws & UPSI Handling		
Session 2*	Decision-Making Under Uncertainty: A Director's Toolkit		

JULY 2025 — FIRST FRIDAY OF THE MONTH*

Time	4 pm To 6 pm	Theme*	Financial Acumen & Strategic Inquiry in the Boardroom
Session 1*	Interpreting Financial Statements: A Board-Level Deep Dive		
Session 2*	From Data to Dialogue: Asking the Right Questions in the Boardroom		

AUGUST 2025 — FIRST FRIDAY OF THE MONTH*

Time	4 pm To 6 pm	Theme*	Ethical Transactions & Innovative Governance
Session 1*	Managing Related Party Transactions with Integrity		
Session 2*	Shadow Boards & NextGen Governance: A Fresh Lens		

*Subject to change

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*Only for registered invitees

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FROM CHAIRMAN'S DESK

SHAILESH HARIBHAKTI'S PAGE

Shailesh is a distinguished professional, holding certifications as a Chartered and Cost Accountant, Internal Auditor, and Certified Financial Planner & Fraud Examiner. He serves as a Board Chairman, Audit Committee Chair, and Independent Director in renowned organisations. With expertise in the Indian Economy and Public Policy, he is a thought leader. He advocates for Exponential Technologies (ExTech), ESG (Environmental, Social, Governance), and Integrated Reporting (IR). He is also an author of two books and actively shares his insights at various forums.

THE APPLE STAKEHOLDER MANIFESTO
BUILDING A RESPONSIBLE FUTURE, TOGETHER - 2

In a world where corporate responsibility is often reduced to compliance checklists and annual reports, a fictional Apple manifesto dares to imagine a more audacious path, one where purpose is not a brand veneer but the heartbeat of business. This imagined document doesn't just outline initiatives; it reframes the role of a global company in society. It begins with a bold premise: Apple's success is inextricably linked to the well-being of all its stakeholders—not just shareholders, but also employees, suppliers, customers, communities, and the planet. This signals a significant departure from traditional profit-centric models, embracing a more inclusive and equitable vision of capitalism.

AI is the defining technological force of our time, and its deployment at Apple will be guided by responsibility. Apple pledges to ensure AI remains explainable, unbiased, and free from harmful manipulation. The company will use AI to amplify human intelligence, not replace it, and protect consumer data with the highest level of encryption, privacy controls, and ethical use policies. If AI is to be the heartbeat of the future, it must beat with a conscience.

The future belongs to those who can deliver impact at speed and scale. However, efficiency must never come at the cost of ethics. Apple's growth strategy will prioritise rapid yet responsible deployment of new AI-powered solutions, expanding market reach while ensuring inclusivity and accessibility, and balancing speed with stakeholder engagement so that no voice is left unheard. Agility and responsibility are not opposing forces, they are twin pillars of enduring success.

The true power of innovation is not in its novelty but in its ability to multiply value for all stakeholders. Every breakthrough at Apple will be measured by its impact on human well-being and societal progress, its contribution to sustainability and long-term viability, and its ability to empower rather than exploit. Innovation without purpose is merely an experiment. Innovation with purpose is a revolution.

Governance must evolve alongside business. At Apple, the Board will play a pivotal role in ensuring that stakeholder interests remain the North Star of the company's strategy. There is a strong commitment to embedding stakeholder impact assessment in all decision-making processes, ensuring transparency and accountability in the management of AI, privacy, and sustainability, and leading with integrity while setting an example for the global business community. Leadership is not just about vision; it is about accountability.

This manifesto is not just a set of ideals, it is a pledge. These principles will be embedded into the company's DNA, ensuring that Apple remains a beacon of responsible business in an AI-driven world. The promise is to prioritise stakeholders over short-term profits, use AI as a force for ethical, human-centric innovation, and build a future where technology uplifts, rather than exploits, humanity. Success will not be measured solely by market valuation but by the positive impact created in the world.

Apple does not walk this path alone. This is an open invitation to businesses, leaders, policymakers, and innovators across the globe to join in redefining corporate responsibility. Together, it is possible to create an ecosystem where growth and ethics coexist, AI becomes a guardian rather than a disruptor of trust, and sustainability forms the foundation rather than an afterthought. The future we build today will be the legacy we leave tomorrow. Let us ensure it is one of integrity, inclusion, and impact.

Apple stands at the frontier of a new business paradigm, one where every stakeholder is treated with respect, and AI is wielded with wisdom. This manifesto serves as a compass, guiding the company toward a future where technology serves humanity, businesses uplift communities, and innovation fuels long-term prosperity. The world is watching. The future is listening. And Apple is ready to lead.

Creating the Future, Responsibly. This manifesto may be adapted by any corporation seeking to act with conscience and courage in the age of AI.

Note: This piece has been created and curated by Shailesh Haribhakti purely from imagination. None may be attributed to Apple.

Shailesh **Haribhakti**
Non-Executive Chairman &
Independent Director on multiple Boards

CORPORATE GOVERNANCE NEWS

CII Urges Government To Amend Tribunal Law, Proposes Oversight Mechanism

The Confederation of Indian Industry (CII) has urged the government to create a centralised oversight mechanism for tribunals by amending the Tribunals Reforms Act, 2021, to improve consistency and performance. The proposed body would monitor tribunal performance, manage data, coordinate with selection committees, support capacity building, and address grievances. Highlighting the absence of real-time data—unlike the National Judicial Data Grid for courts—CII stressed the need for reforms, especially with Rs 6.7 trillion in tax disputes pending before the Income Tax Appellate Tribunal. CII backed its proposal with Supreme Court rulings and the Law Commission's 272nd report, calling for a statutory foundation for the oversight body.

India Records 23,776 Company Registrations In April; LLPs Lead In Growth

Registrations of limited liability partnerships (LLPs) in India are growing faster than company registrations. India recorded 23,776 new company registrations in April 2025—the highest ever in a month—marking the second consecutive monthly record, following 21,157 in March, per MCA data. Notably, LLP registrations grew faster, rising 19.2% year-on-year to 394,818, driven by lower compliance requirements. In contrast, total company registrations rose 7.4%. The service sector led in both company and LLP formations. Active companies crossed 1.87 million, comprising 65% of all registered entities. Additionally, 42% of new Directors registered in April were aged 31–45, reflecting growing interest among younger professionals in business leadership.

Proxy Firm IiAS Opposes Rajeev Jain's Reappointment As Vice Chairman Of Bajaj Finance

Institutional Investor Advisory Services (IiAS) has recommended that shareholders vote against the reappointment of Rajeev Jain as Vice Chairman and Executive Director of Bajaj Finance starting April 2025. The firm cited concerns over Corporate Governance, transparency, and inadequate disclosures. Voting began on May 9 and will conclude on June 7. IiAS also flagged the proposed redesignation of Anup Kumar Saha as MD till March 2028 under its 'Governance Matters' category. While analysts back Jain's leadership for stability, IiAS emphasised the need for stronger governance in companies with significant public shareholding. It has supported proposals for a bonus issue and stock split.

MCA Plans IBC Change To Ease Insolvency Bid Rules

The Ministry of Corporate Affairs (MCA) is expected to amend the Insolvency and Bankruptcy Code (IBC) to clarify that bidders are not required to seek prior approval from the Competition Commission of India (CCI) before submitting resolution plans. The move follows the Supreme Court's rejection of AGI Greenpac's bid for Hindustan National Glass due to missing CCI clearance before Committee of Creditors (CoC) approval. The amendment may revise Section 31(4) of the IBC to prevent such procedural hurdles. Experts say this change will streamline the process. The proposal is expected to be introduced in the upcoming Parliament session as part of broader insolvency reforms.

Managing Directors Excluded From MIIs' Audit Panels Under SEBI's Revised Rules

The Securities and Exchange Board of India (SEBI) issued revised norms affecting the Audit Committees of market infrastructure institutions (MIIs), including stock exchanges, depositories, and clearing corporations. The Managing Directors (MDs) and other Executive Directors will no longer be members of Audit Committees but may attend meetings without voting rights with the Chairman's permission. Key management personnel may also be heard during auditor reviews but cannot vote. SEBI now mandates annual internal audits for all MII functions, to be conducted by independent firms reporting solely to the audit committee. These updates, shaped by industry input and SEBI's Secondary Market Advisory Committee, take effect in three months. Core committee responsibilities like financial reviews and risk assessments remain unchanged.

KEY APPOINTMENTS AND RESIGNATIONS

Shailesh Haribhakti Joins Adani Power Board As Independent Director

Adani Power Ltd has appointed Shailesh Haribhakti as a Non-Executive Independent Director, effective November 4, 2025. A renowned Chartered Accountant with over five decades of experience, Haribhakti chairs several organisations, including Shailesh Haribhakti & Associates and Bharat Clean Rivers Foundation. He holds Board roles at TVS Motor, Bajaj Electricals, Swiggy, Adani Total Gas, and Brookfield India Real Estate Trust, among others. He is also part of the Advisory Boards for IRM India and Board Stewardship. Haribhakti holds a Global Competent Boards designation from Competent Boards Inc., Canada, and an honorary Doctor of Letters from ITM University.

Burjis Nadir Godrej Appointed MD Of Astec LifeSciences

Astec LifeSciences has appointed Burjis Nadir Godrej as Managing Director, effective April 1, 2025, with Board approval on May 30, 2025. Son of Nadir B. Godrej, Burjis currently serves as Head of Special Projects at Godrej Agrovet, focusing on agrochemical and crop protection initiatives. He has been Executive Director at GAVL since November 2022 and is a Non-Executive Director at Astec LifeSciences and Godrej Maxximilk. Burjis holds an MBA from Harvard Business School, completed in 2021.

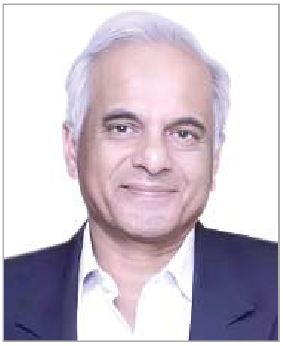
Shyamal Mukherjee Reappointed As Independent Director Of ITC

Shyamal Mukherjee has been reappointed as an Independent Director of ITC Limited, effective August 11, 2026. Mukherjee is the ex-Chairman of PwC India. Began his career with the firm in 1984 and became a partner in 1993. Before being elected Chairman, he served as the Brand and Strategy Leader for PwC India. He established the firm's transfer pricing practice in 2001 and worked with government authorities on draughting related regulations. He has worked in PwC's offices in London and New York. He holds a B.Com. and LL.B. from Delhi University, is a Chartered Accountant, and is a member of the Bar Council of Delhi.

Vinati Kastia Kilambi Joins DLF Board As Independent Director

DLF Limited has named Vinati Kastia Kilambi as an Independent Director for a five-year term starting May 19, 2025. She is a Senior Partner at AZB & Partners and has been associated with corporate legal practice since 1996. Her work includes handling cross-border and domestic M&A and private equity transactions, corporate restructuring, regulatory investigations and enforcement matters involving agencies such as the Enforcement Directorate, ICAI, and NFRA. She also advises on employment issues, Corporate Governance, and general corporate matters.

Vikram Singh Mehta Appointed IndiGo Chairman



InterGlobe Aviation, the parent company of IndiGo, has appointed Vikram Singh Mehta as the new Chairman of its Board. He is currently Chairman and Distinguished Fellow at the Centre for Social and Economic Progress. Started his career in 1978 as an IAS official before switching to the energy industry. He has served on the Boards of Larsen & Toubro, Mahindra & Mahindra, Colgate Palmolive India, and Jubilant FoodWorks. He was the Executive Chairman of Brookings India and led Shell Group's operations in India. He also holds Board roles with the Fletcher School, Thomson Reuters Founders Share Company, and Macro Advisory Partners.

Narayan Ramachandran Redesignated As Non-Independent Director Of TeamLease

Narayan Ramachandran has been redesignated as a Non-Executive Non-Independent Director of TeamLease Services Limited, effective July 8, 2025. Associated with TeamLease since 2015, he served as Independent Director, later becoming Lead Independent Director and, in 2021, Non-Executive Chairman. A former CEO and Country Head for Morgan Stanley India, he also led its Global Emerging Markets division. Ramachandran was a founding member and Chairman of RBL Bank. He holds a B.Tech., an MBA from the University of Michigan, Ann Arbor, and is a Certified Financial Analyst.

SURENDRA SHARMA IS THE MANAGING DIRECTOR AND CEO OF DIVACYGNET, AS WELL AS THE GLOBAL BUSINESS MANAGING DIRECTOR AT AVANT GROUP CORPORATION OF JAPAN. HE LEADS AVANT'S GLOBAL EXPANSION AND GROWTH, OVERSEEING HIGHLY SKILLED TEAMS THAT DEVELOP INNOVATIVE, NEXT-GENERATION SOFTWARE SOLUTIONS FOCUSED ON FINANCE AND BUSINESS INTELLIGENCE. AVANT, UNDER HIS GUIDANCE, PROVIDES CUTTING-EDGE AUTOMATED SYSTEMS THAT IMPROVE BUSINESS EFFICIENCY AND CUSTOMER HAPPINESS. SURENDRA SUPERVISES WORLDWIDE PROFIT AND LOSS STATEMENTS AND PROMOTES PRODUCT DEVELOPMENT THAT IS IN LINE WITH MARKET NEEDS, REPORTING DIRECTLY TO THE FOUNDER, CHAIRMAN, AND GROUP CEO. AVANT GROUP CORPORATION, A JAPANESE LEADER LISTED ON THE TOKYO STOCK EXCHANGE, PROVIDES LARGE CLIENTS WITH COMPLETE FINANCIAL CONSOLIDATION SOFTWARE, HOLDS OVER 45% OF THE TOTAL FINANCIAL CONSOLIDATION SOFTWARE MARKET SHARE IN JAPAN, AND BUSINESS INTELLIGENCE SOLUTIONS VIA SUBSIDIARIES SUCH AS DIVA CORPORATION, AVANT CORPORATION, ZEAL CORPORATION, AND INTERNET DISCLOSURE. IN AN EXCLUSIVE CONVERSATION WITH **TEAM BOARD STEWARDSHIP,** SURENDRA SPEAKS ON THE IMPORTANCE OF TECHNOLOGY IN BOARD TRANSFORMATION, GOVERNANCE TRENDS, AND MODERNISATION FOR LONG-TERM VALUE DEVELOPMENT.

ACCELERATING

BOARDROOM CULTURE THROUGH TECHNOLOGY AND INSIGHT

Q. What are the key differentiators that technology introduces in transforming board effectiveness?

The technology significantly transforms board effectiveness by providing a centralised platform, such as 'Trinity Board,' which streamlines all Board communications, document access, and approvals in a secure environment. Customisable dashboards provide visual summaries of key focus areas, including finance, compliance, and strategy, enabling the early identification of any imbalances. Real-time engagement features, including pre-read access, electronic voting, and survey analytics, improve director preparedness and participation. Automating administrative tasks, such as scheduling meetings, drafting minutes, and sharing documents, reduces overhead and enhances efficiency. Additionally, robust auditability and compliance measures, including secure logs, digital signatures, and traceability, safeguard against governance lapses. Mobile access further allows Directors to contribute remotely and asynchronously, ensuring flexibility and continuity in Board operations.

Q. What inspired the development of Trinity Board, and how did the Avant–Cygnet JV influence its execution?

The development of the 'Trinity Board' was motivated by Avant Group's own internal transformation process. Board reforms contributed to a spectacular 60-fold increase in corporate value over 13 years while operating in a slow-growth environment like Japan. The joint venture with Cygnet was important in this process, offering significant engineering experience to translate these useful insights into a scalable product. This collaboration ensured that true boardroom difficulties were integrated as basic parts of the product, rather than being viewed as mere technology add-ons.

Q. How has 'Trinity Board' enabled companies to shift from traditional advisory to investor-driven monitoring Boards?

'Trinity Board' has helped companies shift from traditional Advisory Boards to investor-driven monitoring Boards by giving quick access to crucial papers and easy reference to previous conversations, decisions, and rationales.

> Boards should be more than just a compliance formality; they should be active contributors to the business, helping to build corporate value and sustained growth.

It enables monthly Board cycles rather than just quarterly sessions, allowing for near real-time supervision. The platform ensures cross-review, audit trails, and action tracking, all of which meet shareholder monitoring expectations. It also provides analytics that assist Boards in shifting their focus away from operational problems and toward key strategic drivers.

Q. How do technological innovations support or accelerate the cultural shift needed for board transformation?

Technological innovations play a crucial role in supporting and accelerating the cultural shift required for Board transformation. They level the playing field by ensuring all Directors have timely access to the same version of agendas, data, and resolutions, promoting transparency and fairness. Technology also encourages open participation, allowing executives to present roadmaps directly, which helps build mutual respect among board members. Furthermore, it facilitates Board self-evaluation by using analytics to identify whether board time is being spent disproportionately, for example, focusing more on compliance than on strategic matters. Plus, technology fosters collaborative decision-making through tools such as offsite meetings, digital feedback loops, and pre-meeting surveys, enhancing engagement and collective input.

Q. What is your strategic advice for Boards aiming to modernise for value creation and market performance?

Boards aiming to modernise for value creation and improved market performance should begin by establishing a clear long-term vision, similar to Avant's Vision 2030. It is important to develop a skills matrix and align the Board's composition with the company's current stage of growth. Implementing digital governance systems helps to institutionalise knowledge and prevent fragmentation. Besides, executives should be actively involved, ensuring the boardroom does not become a disconnected echo chamber. Finally, leveraging analytics to prioritise time and focus on areas that directly influence valuation—such as technology, innovation, and customer engagement—is essential.

Progressive Boards, with Trinity’s support, are effectively addressing major governance issues in today’s boardrooms. They have included succession planning and sustainability as regular agenda items, ensuring that these critical problems receive constant consideration.

Q. Are critical governance themes being meaningfully addressed in today’s boardrooms?

Progressive Boards, with Trinity's support, are effectively addressing major governance issues in today's boardrooms. They have included succession planning and sustainability as regular agenda items, ensuring that these critical problems receive constant consideration. To avoid compliance lapses, they created compliance dashboards that give explicit oversight. Financial approvals have become more accountable as a result of streamlined summaries and pre-briefings for Directors. Furthermore, these Boards have increased their visibility across subsidiaries, encouraging effective distributed governance throughout the business.

Q. How do ethical AI and automation shape your governance strategy?

The ‘Trinity Board’ automates administrative chores such as RSVP management, minute and agenda preparation, and action item monitoring. It also uses summary elements to simplify complex documents, making them easier for non-executive Directors to comprehend. The governance plan is shifting towards ethical AI, with future modules expected to generate alerts, expose imbalances, and offer fairness indications while maintaining secrecy and decision autonomy.

Q. Which emerging governance trends are likely to impact tech firms most, and how is DivaCygnet responding?

Emerging governance trends set to significantly impact technology firms include Board platformisation, the availability of real-time ESG and compliance insights, a sharper focus on analysing how Boards allocate their time, and better alignment between parent and subsidiary governance structures. DivaCygnet is actively addressing these developments by integrating board-level analytics, providing digital trail visibility across global entities, and designing tools that reflect evolving Corporate Governance codes, with particular emphasis on the finance and technology sectors.

Q. When building and scaling global teams, what core governance principles guide your approach?

When it comes to developing and scaling global teams, I stick to a few key governance principles. First and foremost, I believe in the value of inclusiveness – bringing together diverse abilities and viewpoints to avoid groupthink and encourage a variety of thinking. It is also critical to have a clear long-term vision, which is supported by a board structure and oversight framework that matches those goals. Another important part is to ensure good subsidiary governance connectivity, which entails being fully aware of whether board meetings are taking place, who is attending, and what decisions are being made, whether in Thailand, Mexico, or elsewhere. Above all, Boards should be more than just compliance formality; they should be active contributors to the business, helping to build corporate value and sustained growth.

Q. How do you evaluate the impact of the Board Stewardship e-magazine?

The Board Stewardship e-magazine is a strong platform that brings together all board stakeholders—Directors, company secretaries, legal professionals, and investors—in a single knowledge-sharing area. It promotes board learning, facilitates benchmarking, and enhances understanding of new governance risks and instruments. It also expands DivaCygnet's objective to develop better Boards beyond just software.

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INTERVIEW

CHIEF COMPLIANCE OFFICER

FROM RISK TO RESILIENCE

THE EVOLVING ROLE OF LEGAL IN CORPORATE GOVERNANCE

GAURANG SHAH, SR. VICE PRESIDENT - LEGAL, CORPORATE AFFAIRS & COMPANY SECRETARY AT AJANTA PHARMA LTD., IS A SEASONED LEGAL PROFESSIONAL WITH OVER 30 YEARS OF EXPERIENCE SPANNING THE MANUFACTURING, SERVICES, AND PHARMACEUTICAL SECTORS. HIS EXPERTISE INCLUDES LEGAL RISK MANAGEMENT, REGULATORY COMPLIANCE, CONTRACT NEGOTIATION, CORPORATE GOVERNANCE, AND GLOBAL OPERATIONS OVERSIGHT. KNOWN FOR BUILDING ROBUST LEGAL AND COMPLIANCE FRAMEWORKS, GAURANG HAS PLAYED A PIVOTAL ROLE IN ELEVATING GOVERNANCE STANDARDS. IN THIS CONVERSATION WITH **TEAM BOARD STEWARDSHIP**, HE SHARES KEY INSIGHTS FROM HIS DIVERSE AND IMPACTFUL CAREER.

Q. With over 30 years of experience in legal, corporate, and compliance functions, how has your role evolved across industries—from manufacturing to pharmaceuticals?

It has been a challenging yet enriching journey, marked by diverse roles and responsibilities across the manufacturing, engineering, services, and logistics sectors.

My career began in a chemical manufacturing company where I supported managing the entire IPO process. This was followed by a role at Mafatlal Finance, where I managed legal and secretarial functions within the NBFC regulatory framework. I then led Legal & CS at Tilaknagar Industries Ltd., handling litigation, arbitration, contracting and corporate secretarial practices.

Subsequently, at Reliance Logistics, I managed legal contracting, compliances, and corporate secretarial affairs for joint ventures. Thereafter, as Chief Corporate Counsel & CS at Batliboi Ltd., I spearheaded legal and secretarial operations across domestic and international entities. For the past 11 years, I have been with Ajanta Pharma Ltd. as SVP – Legal, Corporate Affairs & CS, leading group-wide legal, compliance, governance, IP protection, and secretarial functions across global operations.

Q. You've built robust compliance management systems and legal risk frameworks in your past roles. What are the key pillars of an effective legal risk and compliance architecture in today's dynamic regulatory environment?

I believe that effective legal risk and compliance management is essential for a company's long-term success. The key pillars include:

Corporate Culture: A strong compliance mindset starts with the Board and leadership, shaping the organisation's overall approach.

Governance Framework: Clear policies, procedures, and accountability structures ensure everyone understands their compliance roles.

Risk Assessment & Mitigation: Early identification and mitigation through controls, sound contracts, and proactive systems help manage exposure.

Continuous Monitoring: Ongoing reviews and reporting ensure compliance efforts stay aligned with evolving regulations and business needs.

> The legal function must serve as a catalyst for business growth rather than a constraint. To achieve this, it is imperative to embed legal considerations into business decision-making

Q. As the legal and compliance head of a global pharmaceutical company, how do you ensure adherence to local and international regulations, especially when managing overseas subsidiaries?

The pharmaceutical industry operates in a highly regulated environment, and maintaining strict adherence to applicable regulations is vital for sustainable growth and organisational success. We have instituted a comprehensive regulatory framework, as outlined below.

For compliance with local laws, an extensive legal review, supplemented by inputs from external professional advisors, has been conducted to map all applicable laws and compliance requirements. Responsibilities are delineated among designated task owners and approvers, who are regularly sensitised to the importance of compliance. Amendments and newly enacted regulations are monitored with necessary updates seamlessly integrated into our compliance systems. Factory teams and Quality Control/Quality Assurance personnel are tasked with ensuring adherence to license conditions, and to the quality standards and norms stipulated.

Similarly, for ensuring compliance with international regulations, in each geography, we engage local law firms and regulatory professionals to ensure compliance with regulatory framework, labour laws and other jurisdiction-specific requirements. These compliance activities are overseen by my team.

Q. From litigation management to arbitration and dispute resolution across geographies, what has been one of your most complex legal challenges, and how did you resolve it?

I have handled a diverse range of legal matters, including arbitrations, commercial litigations, criminal cases, labour disputes, and intellectual property infringement matters—both in India and internationally. Navigating these challenges has been both intellectually stimulating and professionally rewarding.

Among the complex assignments I have dealt with, one particularly stands out. It involved a misappropriation of goods in an African country, which led to multiple legal proceedings, including civil and criminal actions, and necessitated filing a formal complaint with the country's economic offences regulator. The case demanded persistent follow-up and legal inputs to ensure its logical and just conclusion.

Q. You've overseen critical corporate actions like ESOPs, buybacks, mergers, and bonus issues. What, in your view, are the governance best practices companies must uphold during such strategic transitions?

Effective management of corporate actions requires strict adherence to sound governance practices. I've had the privilege of overseeing a diverse range of corporate actions—including ESOP administration, multiple buybacks, bonus issues, and other strategic initiatives. Throughout these processes, I've remained guided by a few core principles. These include a thorough understanding of the legal and regulatory framework applicable to each action, ensuring that all offer documents and related filings are aligned with relevant regulations and precedents, and maintaining full and timely disclosures to uphold transparency.

I've also ensured that all necessary approvals—whether from Board Committees, the Board of Directors, or shareholders—are obtained wherever required. A comprehensive checklist approach has helped ensure that every step is completed within prescribed timelines, and all forms and returns are filed accurately and on time with the relevant regulatory authorities.

Q. The compliance landscape is constantly changing. How do you ensure your team stays ahead of the curve in terms of legal awareness, training, and agility?

The compliance landscape is continuously evolving, necessitating agility and promptness in tracking, analysing, and adapting to regulatory changes.

At our organisation, compliance is proactively embedded into operations. Regulatory changes are monitored via reliable sources, analysed for impact, and promptly communicated to relevant teams. Task owners and reviewers receive targeted guidance and training to ensure effective implementation. Our legal & compliance teams engage in continuous learning through internal and external programs. Periodic team meetings are convened to discuss updates in the legal domain, share perspectives, and develop implementation strategies.

Q. With your strong background in contract negotiation and drafting, what are the common pitfalls businesses should avoid when entering into high-value or international agreements?

Having watertight contracts plays a crucial role in mitigating risks and protecting against potential liabilities or regulatory actions. However, there are several common pitfalls that must be avoided to ensure their effectiveness.

Contracts often suffer from ambiguous or overly verbose language, which can lead to confusion and misinterpretation. Performance metrics may be poorly defined, making it difficult to assess whether obligations are being met. A lack of clarity around the rights and responsibilities of each party can further complicate matters, especially if disputes arise.

It is equally important to include a well-defined exit mechanism, along with the consequences of early termination, to avoid uncertainty during unforeseen circumstances. Intellectual property rights must be adequately safeguarded, particularly in knowledge- or innovation-driven agreements. Moreover, every contract should be reviewed to ensure full compliance with local laws and regulations. Lastly, the absence of clear provisions on the governing law and dispute resolution mechanism can leave parties exposed to legal ambiguity and procedural delays.

With ESG gaining momentum, global investors are increasingly evaluating companies on both financial and non-financial parameters. It is imperative for corporates to adapt to these emerging trends by placing greater emphasis on ESG initiatives.

Q. How do you balance proactive legal risk identification with the need to support business agility and innovation—especially in a high-growth sector like pharma?

The legal function must serve as a catalyst for business growth rather than a constraint. To achieve this, it is imperative to embed legal considerations into the business decision-making. By adopting a collaborative approach, legal risks can be effectively managed while enabling business objectives. Key elements of this approach include:

- Legal risks are identified, assessed, and mitigated through robust compliance protocols.
- Legal risk assessments are incorporated into strategic & operational decision-making processes, ensuring that potential legal implications are addressed effectively.
- Key internal stakeholders are involved in the legal risk assessment and compliance process.
- Legal tech tools & compliance platforms are used to monitor and manage risks proactively.

Q. Technology is reshaping legal and compliance functions. How has Ajanta Pharma embraced digital tools in governance, risk, or legal operations under your leadership?

In the dynamic business environment, technology plays a pivotal role in enhancing the efficiency and responsiveness of the legal function. We have adopted various legal tech tools, which include:

Contract Lifecycle Management with AI Capabilities to manage the end-to-end contract lifecycle. The AI features enhance the review and finalisation process. The tool also supports seamless tracking and renewal alerts and minimising contractual risks.

Compliance Management Tool to map and monitor all statutory and regulatory obligations, thereby ensuring timely and error-free compliance.

The Trademark Management Tool facilitates the management of the trademark portfolio and monitors the published trademarks to identify similar marks and take appropriate actions.

Insider Trading Tool to monitor and prevent insider trading and ensure compliance with the insider trading norms.

Q. Finally, what's your vision for the future of Corporate Governance and compliance in India, especially in light of global investor expectations and ESG trends?

Robust Corporate Governance practices are essential for the long-term success of any organisation. Strong business performance and sound Corporate Governance must go hand in hand to ensure sustainable growth and long-term value creation.

Best Corporate Governance practices comprise having the right Board and Board Committees, adherence to regulatory frameworks, risk mitigation, transparency and disclosures, ethical practices, effective stakeholder management, etc.

With ESG gaining momentum, global investors are increasingly evaluating companies on both financial and non-financial parameters. It is imperative for corporates to adapt to these emerging trends by placing greater emphasis on ESG initiatives. Encouragingly, many Indian corporates have recognised this and are actively implementing robust ESG practices. It is imperative that more companies align with these changing expectations on the ESG front.

DR. V. S. PARTHASARATHY

Social work with SEWA, Computer Shiksha | Independent Director LIC, NIIT MTS, Pennar Industries | ID @ Car Dekho, Cloud9, Everenviro, GreenCell, Imperial & SEWA | Board Of Governors, IIM Mumbai

To reimagine board evaluation practices, we can draw inspiration from timeless epics like the Ramayana, which offers profound lessons in leadership, accountability, and collective wisdom.

Dr. Parthasarathy is a Chartered Accountant from ICAI and an Associate Chartered Accountant from ICAEW. Additionally, he is an alumnus of Harvard Business School. Formerly serving as the President, Group CFO, and Group CIO of the M&M Group, he currently holds the position of Independent Director on several esteemed Corporate Boards, including LIC, NIIT MTS, and Car Dekho, among others. He also serves on the Board of Governors of IIM Mumbai. In addition to his professional engagements, he actively volunteers for SEWA and is a highly sought-after speaker at both national and international forums.

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PEER ASSESSMENT AND BOARD FUNCTIONING EVALUATION

LESSONS FROM THE RAMAYANA FOR MODERN GOVERNANCE

In the contemporary landscape of Corporate Governance, the effectiveness of a Board hinges on its ability to introspect, adapt, and evolve. Regular peer assessments and Board functioning evaluations are essential mechanisms designed to uphold high standards of governance. However, despite widespread recognition of their value, many Boards struggle to implement these evaluations meaningfully. Challenges include a reluctance to provide candid feedback, a lack of follow-up on findings, and an absence of mechanisms to convert insights into action. To reimagine board evaluation practices, we can draw inspiration from timeless epics like the Ramayana, which offers profound lessons in leadership, accountability, and collective wisdom.

The Ramayana: A Model of Transparent Governance

The Ramayana—one of India's most revered epics—is not merely a spiritual or cultural text; it also serves as a rich repository of governance principles. A striking example of self-evaluation and accountability is found in the actions of Lord Rama. Upon returning to Ayodhya after a triumphant exile and the defeat of Ravana, Rama does not settle into complacency. Instead, he remains acutely attuned to public sentiment and the expectations of his citizens. When concerns arise about Sita's purity—even after enduring the *Agni Pariksha*—Rama makes the painful decision to send her to the forest. While controversial, this act underscores Rama's prioritisation of public trust over personal emotions, reflecting his commitment to the principles of dharma and ethical governance.

This episode illustrates the importance of leaders holding themselves and others accountable, even in emotionally fraught situations. Rama's kingdom functioned effectively because its leadership was under constant self-scrutiny, guided by a higher standard of moral and civic duty. The kingdom's leadership did not shy away from difficult truths, a quality modern Boards must emulate.

The Current State of Board Evaluations

In today's corporate world, board evaluations often become mere checkbox exercises. Surveys are completed superficially, discussions lack depth, and actionable outcomes are rare. Fear of conflict, interpersonal dynamics, and a culture equating criticism with disloyalty discourage constructive feedback. As a result, Boards risk inefficiency, misalignment, and impaired leadership.

Moreover, peer assessments—where individual board members evaluate one another—are frequently avoided or diluted to maintain harmony. This avoidance undermines the very essence of governance: ensuring that each member contributes effectively and is aligned with the organisation's strategic goals.

Creating a Culture of Constructive Evaluation

To move beyond surface-level assessments, Boards must cultivate a culture of candour, trust, and continuous improvement. Here are some actionable steps to enhance board evaluations, inspired by the introspective leadership seen in the Ramayana:

Set the Tone at the Top: Just as Rama modelled self-reflection and accountability, Board Chairs must lead by example. They should openly invite feedback on their own performance and encourage others to do the same.

Use Independent Facilitators: To remove bias and ensure honest dialogue, many Boards have begun engaging third-party facilitators to conduct evaluations. These facilitators can extract insights that internal reviews might overlook.

Create Safe Spaces for Dialogue: Establishing forums where board members can express views without fear of repercussion is essential. Confidential, well-structured peer reviews can help surface critical but constructive feedback.

Focus on Development, Not Just Judgment: Evaluations should identify strengths and areas for growth, with a focus on ongoing professional development. Training and mentoring should follow evaluation cycles to close gaps.

Follow Through with Action: Evaluation results must lead to clear, measurable changes. Whether it's adjusting board composition, redefining roles, or providing targeted education, action is what makes evaluation meaningful.

Conclusion

As shown in the Ramayana, effective leadership arises from listening, reflecting, and serving the greater good. Modern Boards must embrace this ethos. Sincere evaluations align Board performance with purpose. By fostering open feedback and accountability, Boards fulfill fiduciary duties and inspire governance that builds trust, resilience, and lasting success.

CATACLYSMIC CONFLUENCES

ORCHESTRATING SUPPLY CHAIN FORTITUDE AMIDST GEOPOLITICAL MAELSTROMS

ULLHAS PAGEY
Organisation Development & HR | Advisor to the Boards

By leveraging its demographic dividend and burgeoning technological prowess, India can position itself as a linchpin in global trade, bridging the Global South with advanced economies.

Ullhas is an MBA and Organisation Development and Transformation Specialist with over 40 years of experience in consulting and teaching. He has led OD & HR functions as a CXO in multiple organisations. Having closely worked with the Board, one of his consulting assignments involved being a strategic OD advisor to the Board of Directors.

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As the pre-eminent leader of the Global South on the Asian continent, India stands at a pivotal juncture where tectonic geopolitical shifts underscore its imperative to entrench itself within the global supply chain. The confluence of Middle Eastern shipping disruptions, the protracted Russia-Ukraine conflict, and the strategic pivot from China-centric sourcing have amplified the urgency for India to fortify its supply chain resilience. This is not merely a matter of economic expediency but a strategic necessity to sustain India's projected economic growth, forecasted to propel it toward a $5 trillion economy by 2030. By leveraging its demographic dividend and burgeoning technological prowess, India can position itself as a linchpin in global trade, bridging the Global South with advanced economies.

Given the context, where global trade trembles under the weight of cataclysmic confluences, geopolitical tempests, economic volatilities, and technological upheavals; the resilience of supply chains has emerged as the crucible of corporate survival. Amidst this turbulent zeitgeist, Indian corporates, helmed by visionary Boards, must navigate a labyrinth of disruptions with strategic finesse. 'Cataclysmic confluences' mirror the convergence of crises—Middle Eastern shipping turmoil, Russia-Ukraine fallout, and regulatory complexities that threaten supply chain continuity. 'Orchestrating' evokes the boardroom's role as a conductor of intricate strategies, harmonising vendor diversification, technological innovation, and regulatory compliance. 'Fortitude' underscores the resolute endurance required, while 'geopolitical maelstroms' vividly portray the chaotic global stage.

Here we would dive a bit deeper, highlighting the role of Indian Boards, as stewards of resilience to emerge as vanguards of a new economic order, poised for global ascendancy.

The boardrooms, once preoccupied with financial metrics and market share, must now resonate with the lexicon of supply chain fortitude, geopolitical risk matrices, vendor diversification, and technological integration. This seismic shift in strategic focus is not merely a response to transient disruptions but a profound recalibration of corporate priorities in an era of unrelenting uncertainty.

The catalyst for this transformation lies in the crucible of geopolitical tensions, which have rent under the fragile threads of global trade. The Middle East, a linchpin of maritime commerce, has witnessed perturbations in its shipping corridors, with ripple effects cascading across the Indian subcontinent. The Russia-Ukraine imbroglio has further constricted the arteries of trade, inflating the cost of raw materials. Boards, once insulated from such externalities, now find themselves poring over geopolitical risk assessments with the rigour of actuaries. These assessments, replete with probabilistic scenarios and contingency frameworks, have become de rigueur in strategic planning, as Boards grapple with the spectre of supply chain fragility. The boardroom, once a sanctum of high finance, has metamorphosed into a war room for supply chain resilience.

Amid this maelstrom, the China+1 strategy has emerged as a clarion call for Indian corporates seeking to unshackle themselves from overreliance on Chinese suppliers. This strategic pivot, born of necessity and ambition, is fraught with both peril and promise. The challenge of forging new vendor relationships, often with untested partners in Southeast Asia or Eastern Europe, entails significant transaction costs and operational risks.

Yet, the opportunity to position India as a preeminent manufacturing hub in a multipolar world is tantalising. Boards should therefore engage in a delicate balancing act, weighing the short-term dislocations of supply chain reconfiguration against the long-term dividends of strategic autonomy. The calculus is complex, involving not merely cost-benefit analyses but also the intangibles of brand perception and national interest. As Indian conglomerates announce sweeping supply chain restructuring initiatives, the Board's role as steward of this transition has never been more critical.

An Indian organisation, for example, has recalibrated its supply chain to reduce dependence on Chinese components. By forging partnerships with suppliers in Vietnam and Thailand, its Board has not only mitigated geopolitical risks but also enhanced its competitive positioning in the ASEAN market. This strategic manoeuvre, approved after rigorous board-level deliberations, exemplifies the proactive stance Indian corporates are adopting, transforming vulnerabilities into opportunities for regional dominance.

Compounding these challenges is the imperative of technological integration, a domain where Indian Boards are displaying both ambition and acumen. The adoption of blockchain, Internet of Things (IoT), and artificial intelligence (AI)-powered control towers is no longer the preserve of tech savants but a board-level priority. These technologies, with their promise of end-to-end supply chain visibility, enable real-time monitoring and proactive risk mitigation. Blockchain, with its immutable ledgers, ensures traceability and authenticity in supply chains, particularly in sectors like pharmaceuticals, where counterfeit risks loom large. IoT devices provide granular data on inventory and logistics, enabling just-in-time efficiencies that reduce working capital requirements. AI, the apotheosis of this technological triumvirate, empowers predictive analytics, allowing firms to anticipate disruptions, whether a port strike or a monsoon-induced delay, before they metastasise. Yet, the path to technological nirvana is paved with capital-intensive decisions, requiring Boards to navigate the Scylla of upfront costs and the Charybdis of competitive necessity. The semiconductor shortage, a stark reminder of technological interdependence, has further galvanised Boards to forge strategic partnerships in the electronics and automotive sectors, underscoring the nexus between technology and resilience. For instance, another Indian enterprise recently sanctioned a joint venture with a South Korean chipmaker, a move that not only secures critical inputs but also positions India as a node in the global semiconductor ecosystem.

The trend toward reshoring and nearshoring, meanwhile, represents a tectonic shift in the global footprint of Indian corporates. As Western markets demand proximity and agility, Boards are reevaluating their manufacturing strategies, contemplating hubs in regions like Eastern Europe or North Africa. This strategic realignment, while promising reduced lead times and enhanced market responsiveness, entails significant capital expenditure and operational reconfiguration. Rising freight costs, exacerbated by global shipping bottlenecks, have further prompted Boards to approve investments in warehousing and distribution capabilities in key markets. For example, another organisation has expanded its logistics infrastructure in Poland to serve European markets, a decision driven by board-level recognition of the need for localised supply chains. These investments, often involving multimillion-dollar outlays, reflect a broader recognition that proximity to end markets is no longer a luxury but a strategic imperative. The Board's role in sanctioning such investments is pivotal, requiring a synthesis of macroeconomic foresight and microeconomic prudence.

Yet, no discussion of supply chain resilience would be complete without

As Indian Boards navigate this uncharted terrain, they must contend with a multiplicity of risks – geopolitical, technological, regulatory and operational. By embracing supply chain resilience as a board-level priority, Indian corporates can not only mitigate risks but also seize the mantle of leadership in a world yearning for stability.

addressing the labyrinth of regulatory compliance. The global proliferation of supply chain transparency regulations, exemplified by the European Union's Corporate Sustainability Due Diligence Directive, has thrust Indian Boards into a complex web of juridical obligations. These frameworks, designed to ensure ethical sourcing and environmental stewardship, demand rigorous oversight of supply chain practices across multiple jurisdictions. For Indian corporates, compliance is not merely a legal necessity but a competitive differentiator, as global buyers increasingly prioritise sustainability. Boards must therefore ensure that their firms adhere to these stringent standards without ceding cost competitiveness, a task that requires both strategic vision and operational dexterity. The integration of compliance into board-level governance structures, often through dedicated sustainability committees, reflects the growing salience of regulatory considerations in supply chain strategy. For instance, another tech company has established a board-level task force to monitor compliance with EU regulations, ensuring that its supply chain aligns with global sustainability mandates while maintaining operational efficiency.

Recent developments underscore the urgency of these imperatives. In the past quarter alone, several Indian conglomerates have unveiled comprehensive supply chain restructuring initiatives, signalling a broader corporate awakening to the exigencies of resilience. The semiconductor shortage has spurred board-level strategic partnerships, particularly in the electronics and automotive sectors, where supply chain bottlenecks have exacted a heavy toll. Meanwhile, the inexorable rise in freight costs has compelled Boards to greenlight capital expenditure for localised warehousing and distribution networks, a trend that is reshaping the logistics landscape. These initiatives, while costly, are emblematic of a broader paradigm shift, wherein supply chain resilience is no longer a peripheral concern but a cornerstone of corporate strategy.

As Indian Boards navigate this uncharted terrain, they must contend with a multiplicity of risks – geopolitical, technological, regulatory and operational. By embracing supply chain resilience as a board-level priority, Indian corporates can not only mitigate risks but also seize the mantle of leadership in a world yearning for stability. The path is fraught, demanding both courage and ingenuity, but the rewards – strategic autonomy, competitive advantage, and global influence, are commensurate with the challenge.

In this endeavour, the words of John Maynard Keynes resonate with timeless clarity: "The important thing for government is not to do things which individuals are already doing and to do them a little better or a little worse, but to do those things which at present are not done at all." For Indian Boards, the task is not merely to emulate global best practices in supply chain resilience but to pioneer strategies that are uniquely suited to India's context and aspirations. In doing so, they will not only safeguard their enterprises but also chart a course for India's ascendancy in the global economic firmament as well!

MEET OUR FELLOW MEMBER

FROM CEO TO BOARDROOM STRATEGIST

A JOURNEY OF PURPOSE AND PERSPECTIVE

NIRANJAN GIDWANI IS A CERTIFIED BOARD DIRECTOR (MCA-INDIA), BOARD MEMBER, CERTIFIED ESG DIRECTOR, FELLOW OF BOARD STEWARDSHIP AND FORMER CEO OF EROS GROUP DUBAI. HE IS A MEMBER OF THE UAE SUPERBRANDS COUNCIL AND HBR ADVISORY COUNCIL. NIRANJAN HAS A MECHANICAL ENGINEERING DEGREE AND AN MBA. HE HAS RECENTLY QUALIFIED AS AN INTERNATIONAL CORPORATE DIRECTOR. NIRANJAN HAS WORKED IN INDIA, HONG KONG, AND SINGAPORE AND HAS NOW BEEN BASED IN DUBAI FOR 33 YEARS. IN THIS EXCLUSIVE CONVERSATION WITH **TEAM BOARD STEWARDSHIP,** NIRANJAN REFLECTS ON HIS TRANSITION INTO INDEPENDENT DIRECTORSHIP AND BOARD ADVISORY ROLES AND SHARES INVALUABLE INSIGHTS ON GOVERNANCE, GLOBAL BOARD CULTURE, AND THE VALUES THAT DEFINE EFFECTIVE BOARD LEADERSHIP.

Q. You've had a remarkable 43-year career. What inspired your transition toward Independent Directorship and board advisory roles?

My core strengths are leadership, coaching, mentoring, strategic value creation, brand building and building great businesses. I have over 43 years of hardcore senior management experience with strong exposure to handling international businesses in India, Hong Kong, Germany, Singapore and Dubai. At the time of Covid, the group that I was heading in Dubai decided to restructure, and I was asked to step down. Being a student of life, for life, I decided to upgrade my skills and look at directorship and board advisory roles since I have had extensive experience being part of Boards of the companies I worked for.

Q. As a Certified Board Director and ESG Director, how do you assess the current opportunities and challenges in taking up Independent Director positions in today's evolving business landscape?

Independent Directors play a critical role in today's dynamic business environment, offering oversight, strategic guidance, and accountability within corporate Boards. However, navigating the challenges and complexities that come with this position has become increasingly demanding. Our responsibility as Independent Directors is to oversee the company's performance, provide strategic guidance, and monitor executive actions. Embracing these challenges as opportunities for growth and improvement can ultimately contribute to a more robust and resilient business environment. From passive oversight to proactive stewardship. Independence is no longer enough. Relevance is essential. The caveat is that the system must allow the truly ethical to function that way.

Q. What do you look for when evaluating an Independent Director opportunity? Are there specific sectors or types of companies that align with your expertise and values?

Since I come from a predominantly consumer durables, mobiles, IT products, FMCD and FMCG background, I can add a lot of value to companies and organisations which are in these categories. I have handled more than a dozen globally renowned brands across various regions of the world and have extensive experience dealing with American, Japanese, Korean and Chinese giants in this space. Having lived in Dubai for over 33 years, I believe I can be the bridge between Indian companies and brands that wish to create a global footprint or international brands wishing to test Indian or GCC markets.

Q. With your extensive global exposure, how do you view the evolution of board culture across regions, particularly between the Middle East, India, and Southeast Asia?

As far as companies and Boards are concerned, even though cultures and sensitivities may differ, I am a strong believer that despite the diversity, there is more that unites us than separates us. It often comes down to individuals and how they choose to operate. There is no denying the fact that, slowly but surely, the globalisation of Boards is underway. Global corporations have a legal and moral responsibility to behave with integrity, wherever they operate. Aligning corporate cultures with cultures of regions is in everyone's interests. Culture building starts with the Board and top leadership. 'Can do' is not the same as 'should do.'

Q. You often write on leadership, values, and ethics. What personal philosophy guides your decisions as a board member?

As an ethical, honest and effective board member, I believe there are four essential outputs sorely needed – 'constant learning, evaluating, advising, and decision-making'. Board decision-making is a team effort that requires appreciating behavioural patterns driven by whatever happens in the boardroom context. Empathy, to me, is a quality that beats pedigree in making a point. And, above all, none of us can know it all. Therefore, vulnerability and courage are both needed in good measure to make for an effective board member. Finally, board members are like bridge builders. Helping to create a bridge between now and the future of the organisation.

ROBIN BANERJEE
Chairman, Nucleon Research Pvt. Ltd. | Independent Director

ALL ABOUT CORPORATE GOVERNANCE

ROBIN BANERJEE'S COLUMN

Robin Banerjee is the Chairman of Nucleon Research Pvt Ltd, a global clinical research company. He has been a governance advocate on several Boards. Honoured with the 'Hall of Fame' awards from both Manufacturing Today and CFO India magazines. He has authored three business non-fiction bestsellers, including "Corporate Frauds – Bigger, Broader, and Bolder."

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BOARD ROOM VALUE DEMOLISHERS

There are good Boards and not-so-good Boards (or should I say 'bad' Boards). Many of you may have experienced the touch and smell of these ground realities. To be fair, most Boards are good. If not, the country wouldn't have progressed, and many companies wouldn't have flourished consistently. But the presence of the 'black sheep' amongst the flock often destroys significant value.

Consider the recent developments at IndusInd Bank, India's fifth-largest private sector bank. IndusInd Bank's recent net loss of Rs 2,300 crore in Q4 FY25 - its first loss in 19 years - was primarily attributed to an over Rs 1,900 crore loss stemming from derivative accounting discrepancies. This led to overstated profits in previous years and a deferred recognition of valuation losses, which ultimately resulted in the bank being depicted in the red.

The market regulator, SEBI, has questioned the role of the Board, expressing doubts about the bank Chairman's claim that the Board was kept in the dark.

Let me tell you what SEBI has found out. On 21 May 2025, the IndusInd Bank Chairman stated that the Board was not informed of the derivatives discrepancies and that it took swift measures once it became aware. However, investigations have found that although the bank disclosed the matter to exchanges on 10 March 2025, the Board had hired KPMG as early as 29 January 2024, i.e., over a year before reviewing the discrepancies revealed by an internal team.

IndusInd Bank had formed an internal team in September 2023, following a directive from the RBI regarding banks' investment portfolios. The bank then asked KPMG to validate its findings. KPMG stated through its email of 21 February 2024 that there would be a negative impact of approximately Rs 2,100 crore due to discrepancies as of 31 December 2023. Therefore, the Board appears to have been aware of the significant problems, but it remained silent.

SEBI essentially raises questions about the internal governance and disclosure framework at IndusInd, as well as the role of the Board.

Five Board maladies

Let me highlight some significant woes that company Boards often encounter.

- **I scratch your back, you scratch mine:** There are companies where the Chairperson decides Board appointees based on their friendships or relations. 'Yes' persons surround the power centre. The result is obvious – poor governance.
- **Sleeping beauties:** Several Boards have members who attend meetings but contribute little to the organisation. Many lack business knowledge, and some display a sheer lack of interest. These are board members who would technically be in a state of slumber.
- **Conflicted caretakers:** The board members are the caretakers for the stakeholders, particularly the minority shareholders. If the board members have conflicts of interest with contracts where they may have their 'cuts', obviously, the decisions may not be taken for the overall benefit of the company. 'Related party' transactions are often the graveyard for good governance.
- **Micro vs macro mismanagement:** The Board is supposed to focus on strategies and action plans. But if they are busy in 'micro' management (like signing cheques), how on earth will they focus on the 'macro' matters of business?
- **Phony committees:** Boards are supposed to have various committees focusing on essential issues. These include the Audit Committee. What if these committees are only on paper?

Last few words

Boards are the pedestal on which companies stand. If that base itself is rickety and weak, what purpose will it perform? The cornerstone of good governance is an upright Board, with an adequate number of Independent Directors. However, when this institution is merely a sham, the company can be expected to destroy value sooner rather than later.

Be assured that a broken Board will create a fractured company.

THE AI IMPERATIVE

A PLAYBOOK FOR RISK-PROOFING COMPANIES AND FUTURE IMPERATIVES

PROF. MAJOR GENERAL DILAWAR SINGH

Author | Policy Researcher | Corporate Advisor

Noelle D'Costa, an AI governance expert, warns, "AI doesn't fl ash a warning sign when it goes off course. A model drifts, a system misfi res, and before anyone notices, customers pay the price."

Artificial Intelligence (AI) is now the backbone of business transformation, but unprecedented risks match its potential. As Dr. Fei-Fei Li of Stanford notes, "AI is a tool for people, not a replacement for people. Without careful stewardship, it can amplify the very risks we seek to avoid." In 2025, AI systems are making high-stakes decisions in finance, healthcare, logistics, and security. The need for a robust, actionable playbook for AI risk management has never been more urgent.

A McKinsey report from April 2025 reveals that while nearly all global companies invest in AI, only 1% consider themselves 'AI mature.' The gap between ambition and safe, effective implementation is glaring and dangerous.

The AI Risk Landscape: Why Status Quo Governance Fails

Traditional risk management is buckling under AI's complexity. As Splunk's 2025 review states, "AI introduces risks that are technical, ethical, and operational, often all at once. The old playbooks simply don't scale."

Case in Point: RAZE Banking and Indian Leaders

RAZE Banking, facing cyber fraud and compliance failures, deployed AI-powered analytics with RTS Labs, reducing fraud by 45% and boosting compliance efficiency by 20%.

In India, Axis Bank implemented an AI-driven third-party risk management platform, halving assessment time and improving risk detection. Maruti Suzuki's AI-based supply chain system helped maintain production during COVID-19 disruptions, while HDFC Bank's AI fraud detection and Lucideus's SAFE platform have set new standards in cyber risk management.

Ritesh Singh, Head of Risk at Axis Bank, states, "AI has transformed our ability to anticipate and mitigate third-party risks, allowing us to act before problems escalate."

The Cost of Failure

Neglecting AI risk is costly. In 2023, AI-related compliance fines topped USD2 billion globally. An unmonitored trading algorithm at a major institution lost USD440 million in minutes due to model drift. Noelle D'Costa, an AI governance expert, warns, "AI doesn't flash a warning sign when it goes off course. A model drifts, a system misfires, and before anyone notices, customers pay the price."

Technical Deep Dive: Why Traditional Governance Fails

AI risk is deeply technical. Adversarial attacks, as shown in MIT's 2024 study, can fool neural networks. Model drift requires constant

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monitoring with tools like Google's Model Monitoring or Evidently AI. Bias detection now uses LIME, SHAP, and IBM's AI Fairness 360. Without such safeguards, governance frameworks are ineffective.

Sectoral Diversity and Indian Context

AI risk is global. Flipkart uses machine learning to monitor vendor risks, flagging issues in real-time. Dr. Reddy's Laboratories leverages ML to ensure supplier compliance with global regulations. Dr. Ritu Anand of Tata Consultancy Services notes, "AI is helping Indian enterprises turn compliance and supply chain risk into a competitive advantage."

EY's 2025 report finds AI-first strategies have boosted EBITDA by up to 20% for Indian firms, with risk management a key driver. Rajiv Memani, Chairman of EY India, says, "AI is not just a technology upgrade; it's a strategic lever for risk-proofing and value creation."

Critical Counterpoints

Frameworks like NIST AI RMF and IBM's Fairness Checklist are invaluable but not panaceas. Over-reliance on checklists can create 'AI-washing.' Laws often lag behind technology. Professor Sandra Wachter of Oxford University cautions, "Frameworks are only as good as their implementation. The real test is in the day-to-day decisions made by engineers, managers, and frontline staff."

Human Impact: The Face of AI Risk

AI errors affect real people. Dr. Rajiv, a radiologist in India, caught a misdiagnosis by an AI system, averting a life-altering error for his patient. Their stories remind us that AI risk management is a deeply human challenge.

The AI Risk-Proofing Playbook: 7 Pillars for Resilience

1. Governance: From Silos to Synergy: Effective AI risk management starts at the top. JPMorgan Chase's AI Governance Council and SBI's AI Governance Committee ensure cross-functional oversight. Dinesh Kumar Khara, former Chairman of SBI, affirms, "Strong AI governance is the backbone of responsible innovation in Indian banking."

2. Data Integrity: The Foundation of Trust: AI is only as good as its data. ICICI Bank's AI-driven credit scoring uses transaction and utility data for more inclusive, accurate lending. Sandeep Bakhshi, CEO of ICICI Bank, notes, "AI-powered credit scoring has not only reduced default risk but also expanded access to financial services for millions of Indians."

3. Adaptive Risk Assessments: AI risk evolves with data and context. Flipkart's real-time vendor risk monitoring flags anomalies for swift intervention. Kalyan Krishnamurthy, CEO of Flipkart, says, "Real-time risk analytics are essential to maintaining trust and operational excellence."

4. Security: Beyond Traditional Cyberdefence: AI systems are vulnerable to new attacks. Quick Heal Technologies' AI platforms monitor network traffic and respond to threats in real-time, reducing cyberattacks by over 30% for clients. Vishal Salvi, CEO of Quick Heal, remarks, "AI is now our first line of defence against the ever-evolving landscape of cyber threats."

5. Ethical AI by Design: Bias, explainability, and fairness are business imperatives. SigTuple's explainable AI models for radiology provide visual explanations for diagnoses, building trust among clinicians and regulators. Tathagato Rai Dastidar, CEO of SigTuple, says, "Transparency and explainability are non-negotiable in healthcare AI."

6. Human-in-the-Loop (HITL) Safeguards: Human oversight is essential. Lendingkart uses AI to recommend loans, but every decision is reviewed by a human analyst. Harshvardhan Lunia, CEO, notes, "AI accelerates our process, but human judgement remains at the heart of every lending decision."

7. Crisis Simulation & Recovery: SBI conducts regular AI failure simulations, improving response times and reducing the impact of incidents. Noelle D'Costa notes, "Crisis simulation is about building muscle memory for a rapid, coordinated response."

Future Imperatives: The 2025 Horizon

1. Regulatory Tsunami Preparedness: The Reserve Bank of India mandates monthly audits of AI credit models. IRDAI is piloting regulatory sandboxes for insurers to test new AI solutions.

2. Quantum-Resistant AI: Tata Consultancy Services collaborates with Indian research institutes on quantum-resistant cryptography for AI. N. Ganapathy Subramaniam, COO of TCS, remarks, "Preparing for quantum disruption is not optional; it's the next frontier in AI risk management."

3. Sustainable AI Systems: Infosys uses AI-powered energy management in data centres, achieving double-digit reductions in electricity consumption. Salil Parekh, CEO of Infosys, says, "Sustainable AI is a business imperative, not just an environmental one."

4. Autonomous Governance Agents: Wipro's AI compliance agents monitor and audit models in real-time, automatically flagging anomalies and generating regulatory reports.

5. Embedded Generative AI Safeguards: Haptik, a Reliance Jio subsidiary, deploys generative AI chatbots with robust output validation, reducing misinformation and improving customer satisfaction. Aakrit Vaish, CEO, notes, "Guardrails are essential for generative AI, especially in customer-facing roles."

Case Studies: Leaders Setting the Standard

RAZE Banking's AI analytics cut fraud by 45%. Acciona's AI forecasting reduced project overruns by 15%. Bouygues' AI safety management cut accident rates by 22%. Turner Construction's AI risk management reduced project overruns by 12%. In India, Apollo Hospitals' partnership with Qure.ai led to a 30% reduction in missed tuberculosis diagnoses. Prashant Warier, CEO of Qure.ai, says, "AI is not just a tool for efficiency; it's a lifeline for patient safety in Indian healthcare." Amazon India's AI models analyse transaction patterns, flag anomalies, and automate escalation, improving marketplace integrity and customer trust.

Strategic Analysis: Why AI Risk Management is Now a Core Competency

Modern enterprises face a torrent of data. AI's ability to process 'grey data' is indispensable for proactive risk identification and fraud detection. Dr. Henry Papadatos states, "AI is the only way to keep up with the velocity and complexity of modern risk."

AI automates risk profiling, freeing managers for strategic analysis. Without a structured framework, organisations risk lawsuits, reputational damage, and regulatory fines. Over USD2 billion in AI-related compliance fines were levied in 2023 alone.

Paytm's continuous AI model monitoring detects anomalies in transaction patterns, ensuring compliance and trust. Vijay Shekhar Sharma, CEO of Paytm, says, "AI risk management is a daily discipline, not a one-time project."

Future Risks and Uncertainties

Organisations must prepare for 'unknown unknowns.' Infosys's AI 'red teams' proactively identify vulnerabilities. Dr. Vishal Sikka, former CEO, notes, "Continuous challenge and testing are the only ways to keep AI systems robust and trustworthy."

TCS's Elevate programme trains thousands in responsible AI and risk management, accelerating adoption and resilience.

From Risk Management to Strategic Advantage

The leaders of the AI era will treat risk-proofing as a catalyst for innovation, not just compliance. Embedding frameworks, prioritising ethical AI, and preparing for quantum and regulatory shifts will turn risk into resilience and resilience into market leadership.

Dr. Alondra Nelson, architect of the White House AI Bill of Rights, says, "AI's greatest risk lies not in the technology itself but in our failure to govern it with the urgency it demands."

Final Word

The AI playbook for risk-proofing is clear: build adaptive, ethical, and resilient systems; invest in continuous monitoring and human oversight; and treat risk management as a strategic, enterprise-wide imperative. In doing so, companies will not only protect themselves from today's threats but also unlock the full transformative potential of intelligent systems for the future.

DR. SRINATH SRIDHARAN

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A senior Director once whispered in the corridor after a meeting, “No one wants to say it out loud, but we’re all just expensive spectators.” Another replied, half-jokingly, “Yes, but the coffee’s good.”

BOARDROOM COMPLACENCY COSTS LIVES

TIME FOR CHANGE

THE MOST EXPENSIVE THING IN ANY BOARDROOM IS NOT THE ART ON THE WALLS OR THE INTELLIGENCE AROUND THE TABLE. IT IS THE SILENCE WHEN SOMEONE SHOULD HAVE SPOKEN

A young engineer dies by suicide. Not in a war zone. Not in a collapsing economy. But inside a celebrated, high-growth entity. The official reaction is swift and familiar — a press note, condolences, and a quiet in-memory standard note. And then, nothing. The engine of ambition resumes. The obituary fades. The Board, we assume, was either unaware or unable to act.

But what if it was neither?

For too long, Boards have been romanticised as the guardians of governance, the last defence against excess. In truth, many have become elaborate rituals. The language is precise, the coffee is strong, and the PowerPoint decks are exhaustive. But what is missing is the one thing that cannot be outsourced — conscience.

In the absence of this, Boards across corporate India and beyond have become complicit bystanders to cultural decay. They do not challenge the tone at the top. They observe toxicity through tinted glass. They attend meetings where no one speaks of burnout, exit patterns, or the quiet collapse of employee morale. They consume data but miss the signals. And sometimes, those signals come as screams. Or silence.

What is even more corrosive is the unspoken truth about how Directors arrive at the table in the first place. In most promoter-led entities, especially listed ones, the selection of board members is less about independence and more about alignment. The nomination process is often a polite choreography — facilitated, pre-approved, and silently endorsed by the promoter group. The NRC minutes are pristine, but the reality behind them is ritualistic. The terms ‘fit and proper’ have been stripped of all depth. Even amongst the most prestigious companies, one hears a version of this question far too often: “Is this person acceptable to the promoter?” That, in many cases, is the beginning and end of governance reform.

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> It's easy to blame HR for inaction, but what mandate have we given them? In most high-growth environments, HR professionals know better than to challenge the founder. To do so is to risk career suicide.

It is not merely a structural flaw. It is a cultural one. Most Directors in large listed entities know no one beyond the CEO, a few KMPs, and the compliance officer who collates their pre-reads. They recognise the admin team that coordinates their travel, their airport pick-ups, and sometimes their tee-off times. But the people who make the organisation — the junior staff, the team leads, the HR managers, the business and operations heads, and the ones who carry the daily load — remain invisible. Their lives, their exit decisions, and their distress signals rarely surface on the board agenda.

This alienation leads to something more insidious: an echo chamber. With each passing year, Boards begin to sound more like each other and less like the companies they are meant to steward. Directors are careful not to disrupt the room. After all, the founder is powerful. The CEO is well-connected. The company is lobbying the right ministries. Nobody wants to antagonise the crown. When the conversation drifts towards difficult topics — excessive churn, erratic leadership, problematic conduct — someone offers a polite deflection: "Let's not overreact. This happens in every growth phase." And so it continues.

This deference becomes an unspoken quid pro quo. In return for a seat at the table — and the reputational comfort that comes with it — many board members choose to look away. Or look through. There is a reason the regulator had to step back from mandating the separation of Chair and MD roles — the industry lobby is simply too strong. The message, repeatedly, is that some structures are too sacred to touch.

In this arrangement, performance metrics take centre stage. Boards spend inordinate time on valuations, KPIs, cost-efficiency plans, and reward structures. These are not irrelevant concerns. But when they overshadow every human signal, something gets lost. Attrition data is seen as a percentage, not a story. A bullying culture is explained away as a "stretch goal environment." Cultural toxicity is flattened into jargon — "fast-paced," "demanding," and "results-driven." The scorecard becomes scripture. And the scriptures demand obedience.

Nowhere is this failure more visible than in the treatment of HR. In most Indian companies, HR is meek. When HR enters the boardroom, it is usually to justify compensation trends or to present ESOP updates. But HR is — or ought to be — a risk function. When culture frays, when burnout spikes, and when early-career employees show signs of collapse, HR should be the sentinel. But Boards don't ask the CHRO to present on attrition quality, engagement, or psychological safety. They do not invite people managers to share real-time data on stress and toxicity. Even in firms where people are burning out, the HR voice remains muted — if not muffled.

It's easy to blame HR for inaction, but what mandate have we given them? In most high-growth environments, HR professionals know better than to challenge the founder. To do so is to risk career suicide. So instead, many become curators of euphemism. When a senior executive shouts at junior staff, it's explained as "high intensity." When an engineer quits citing emotional distress, it is logged as "personal reasons." The system absorbs these distortions quietly. The Board is none the wiser or worse — it is aware but chooses silence.

The future of societies will hinge not just on governments or markets, but on whether corporate Boards begin to see themselves as moral stewards, not merely statutory sentinels. The duties of Directors are not confined to clauses in the Companies Act or SEBI's rulebook — they are rooted in the idea of justice, fairness, and the quiet power to intervene before damage becomes death.

If Boards begin to act only when regulations compel them, they will always be reacting too late. The real test is whether they can govern by conscience, not just by compliance. The integrity of capitalism — and the very social licence of corporations — will depend on how earnestly Boards embody the spirit of stewardship. Not for the glory of the chair, but for the ordinary employee whose life is altered by decisions made in that room. Justice is not a quarterly deliverable. But it should be a permanent agenda.

All of this brings us back to a core question. If a Board does not interrogate culture, can it still claim to be practising governance?

If you are a board member, ask yourself, quietly and honestly:

- When was the last time your Board reviewed a cultural audit — not one done by management, but an independent one?
- Can you name five mid-level employees who have resigned in the past quarter, and why?
- Has your Board ever heard directly from someone outside the leadership suite about working conditions?
- When did your CHRO last present to the Board on people risks, not just pay bands?
- Have you ever confronted a toxic founder or CEO — and stayed in the room long enough for the discomfort to do its job?

A senior Director once whispered in the corridor after a meeting, "No one wants to say it out loud, but we're all just expensive spectators." Another replied, half-jokingly, "Yes, but the coffee's good."

We need to do better than this.

The silence of Boards is no longer just a governance concern. It has become a worrying human issue. Somewhere, as you read this, another name may be added to the list of those failed not by ambition but by its quiet enablers.

As author E.L. Doctorow once wrote, "The sinister thing about buried truth is that it doesn't stay buried. It whispers from the ground."

So let us end with a simple question. If your boardroom walls could speak, would they defend you or indict you?

MEET OUR FELLOW MEMBER

BRINGING ACCOUNTABILITY TO THE BOARDROOM

INSIGHTS FROM A BOARD AUDIT COMMITTEE EXPERT

CA R. LAKSHMI RAO, A VETERAN CHARTERED ACCOUNTANT AND ICAI LIFETIME ACHIEVEMENT AWARDEE, BRINGS 35+ YEARS OF EXPERTISE IN AUDITS, FINANCIAL ANALYSIS, AND GOVERNANCE. AN INDEPENDENT DIRECTOR AND STARTUP CO-FOUNDER, SHE SHARES INSIGHTS ON BOARDROOM DYNAMICS, EVOLVING DIRECTOR ROLES, AND THE VALUE OF ETHICS, TRANSPARENCY, AND RISK OVERSIGHT WITH **TEAM BOARD STEWARDSHIP.**

Q. Which sectors or companies do you believe would benefit most from your Board expertise?

My expertise is most impactful in highly regulated sectors like tech, healthcare, banking, NBFCs, financial services, and aviation, where complex risks and dynamic regulations prevail. I bring strategic insight to help Boards strengthen risk resilience, ensure regulatory alignment, and drive long-term value.

Q. How have your experiences in audits, forensics, and internal controls equipped you for the role of an Independent Director?

My audit and forensic experience sharpened my ability to assess financial integrity, identify operational risks, and evaluate control frameworks. This foundation enables me to offer independent, well-informed oversight, core to the role of an Independent Director.

Q. How has working across PSUs, private firms, and startups shaped your view of Board dynamics?

My experience across PSUs, private firms, and new-age platforms offers a broad view of Board dynamics under different governance models. Audits and forensic reviews have deepened my insight into risk, strategy, compliance and Board interactions. This multi-sector exposure helps me anticipate challenges and act proactively to support with strong, forward-looking governance.

Q. Which Board committees—Risk, Audit, CSR, or NRC—best align with your skills and interests, based on your professional journey?

With 35+ years of experience, I'm aligned with Risk and Audit Committees to identify risks and guide controls. My work with NGOs and healthcare also equips me to contribute meaningfully to CSR committees, driving authentic, purpose-driven social impact.

Q. Which governance gaps are most often overlooked and warrant greater attention from Independent Directors?

A key governance gap often overlooked is, the limited time and insufficient data access available to Independent Directors, which can constrain their ability to form , bring objective view , independent judgements while decision making. Independent Directors must bridge the gap between Boards and management, safeguarding assets of the entity and ensuring accountability with a focus on long-term resilience.

Q. What role should Independent Directors play in strengthening ethics and financial transparency in today's corporate world?

Independent Directors are custodians of ethics and transparency. Staying informed about financials, operations, stakeholders, and compliance risks is key. Through proactive engagement and strong committee interactions, they promote transparency, challenge assumptions, and ensure accountability, driving ethical governance at the highest level.

Q. How do you see the role of the Board evolving with increasing scrutiny, stakeholder expectations, and regulatory reforms?

Boards face unprecedented scrutiny as stakeholder demands and regulations grow. Independent Directors must uphold ethics, strengthen governance, and exercise active oversight. The future requires knowledgeable, courageous Directors who ask tough questions, challenge management and act decisively to protect interests of shareholders and stakeholders alike.

Q. What key factors do you consider when evaluating an Independent Director role or opportunity?

When considering an Independent Director opportunity, I place a strong emphasis on understanding the company's governance culture, board effectiveness, and the alignment of its purpose with my own values and expertise. Equally critical is the Board's commitment to regulatory compliance, its openness to independent judgement, and the willingness to engage in robust, forward-looking discussions. I seek opportunities where I can meaningfully contribute, invest the necessary time, and help shape a governance environment that is both accountable and progressive.

CORPORATE GOVERNANCE REPORTING FRAMEWORKS AND VALUATIONS

A STRATEGIC IMPERATIVE FOR THE BOARDROOMS

CA PRAMOD JAIN
Independent Board Director

> Today, investors, regulators, and customers increasingly demand transparency around corporate contributions to the SDGs. Integrating SDGs into strategy helps companies unlock new market opportunities, proactively manage emerging risks, and enhance operational resilience.

The business landscape is undergoing a profound transformation. Corporate success today is no longer measured solely by profitability but increasingly by a company's commitment to sustainable development, responsible governance, and stakeholder inclusiveness. Board members across the globe are now expected to guide their organisations toward integrated value creation that harmonises financial performance with environmental and social responsibility.

This article explores the interlinkages between Sustainable Development Goals (SDGs), the National Guidelines on Responsible Business Conduct (NGRBCs), Environmental, Social and Governance (ESG) principles, Business Responsibility and Sustainability Reporting (BRSR), and how these frameworks together influence corporate valuations.

1. SDGs: The Global Sustainability Compass

The United Nations Sustainable Development Goals (SDGs) comprise 17 interlinked goals and 169 specific targets aimed at ending poverty, protecting the planet, and ensuring prosperity for all by 2030. For businesses, SDGs act as a universal reference point for aligning strategic priorities with sustainable development.

Their relevance to business lies in the structured framework they offer, enabling organisations to align their strategies with long-term value creation for both shareholders and stakeholders. Today, investors, regulators, and customers increasingly demand transparency around corporate contributions to the SDGs. Integrating SDGs into strategy helps companies unlock new market opportunities, proactively manage emerging risks, and enhance operational resilience.

From a boardroom perspective, companies must embed SDG-linked key performance indicators into strategic decision-making. Boards should regularly assess and disclose the company's contributions to the most material SDGs relevant to their industry and region.

2. NGRBCs: India's Principles for Responsible Business Conduct

India's Ministry of Corporate Affairs has laid out the National Guidelines on Responsible Business Conduct (NGRBCs), which align with global sustainability frameworks and serve as a guiding document for responsible and ethical business practices within the Indian context.

The NGRBCs are built on nine core principles:

1. Conducting business with integrity, ethics, and transparency
2. Offering safe and sustainable goods and services

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3. Promoting employee well-being.
4. Respecting the interests of all stakeholders.
5. Respecting and promoting human rights.
6. Environmental protection and sustainability
7. Advocacy that supports public good.
8. Inclusive growth and equitable development ;
9. Providing customer value while ensuring grievance redressal.

For board members, it is imperative to translate these principles into governance structures and business policies. Boards must ensure that business practices comply with these principles and embed them within operational protocols, employee training, supplier agreements, and customer policies. Monitoring and disclosing adherence to the NGRBCs should become a regular agenda item in board meetings.

3. ESG: The Pillars of Corporate Sustainability

Environmental, Social, and Governance (ESG) factors have evolved from a peripheral concern to a boardroom necessity. ESG provides a framework for evaluating a company's sustainable and ethical impact and is central to investor decision-making today.

Under the Environmental pillar, companies must focus on climate strategy, carbon emissions, energy consumption, and waste management. Boards are responsible for setting science-based environmental targets and evaluating climate risks.

The Social aspect includes employee health and safety, diversity, equity and inclusion, community relations, and customer data privacy. Board oversight must ensure that the company fosters workplace fairness and strong stakeholder engagement.

The Governance dimension centres around ethical leadership, board diversity, transparency, and anti-corruption mechanisms. Boards must lead by example, instituting robust governance processes and ensuring ethical oversight throughout the organisation.

To effectively integrate ESG, Boards should assign ESG responsibilities to appropriate board committees, such as the Audit, Risk Management, or Corporate Social Responsibility (CSR) Committees. Independent assurance of ESG disclosures should be encouraged, and executive remuneration must increasingly be tied to ESG performance outcomes.

4. BRSR Framework: India's Mandated ESG Reporting Norm

The Business Responsibility and Sustainability Reporting (BRSR) framework was introduced by the Securities and Exchange Board of India (SEBI) as a comprehensive ESG disclosure requirement. It is aligned with the SDGs and the NGRBCs, and from FY 2022–23, it became mandatory for the top 1000 listed Indian companies by market capitalisation.

BRSR is structured into three sections:

- General Disclosures;
- Management and Process Disclosures; and
- Principle-wise Performance Disclosures aligned with the nine principles of the NGRBCs.

These sections require companies to report on parameters such as energy and water consumption, greenhouse gas emissions, gender and diversity statistics, human rights, and mechanisms for stakeholder grievance redressal.

Boards must ensure that systems for data collection, analysis, and validation are in place to produce accurate and meaningful BRSR reports. Beyond compliance, BRSR should be recognised as a strategic tool for engaging stakeholders, attracting investors, and enhancing brand credibility.

5. Valuations: The Financial Translation of Sustainability

Sustainability and ESG performance are no longer abstract ideals—they are critical inputs into modern valuation models. Investors now incorporate ESG risk and opportunity analysis into fundamental financial evaluations, impacting how companies are valued in capital markets.

For instance, in assessing revenue growth, traditional valuation focused solely on product-market fit. In contrast, ESG-integrated models consider green innovation, resource efficiency, and access to emerging sustainable markets as growth multipliers.

Regarding cost structures, ESG-oriented companies benefit from energy-efficient operations, reduced regulatory costs, and more sustainable supply chains.

Risk management has also been redefined. While earlier assessments focused on financial and market risks, today's valuation models factor in climate risk, regulatory penalties, social unrest, and reputational damage.

On the capital access front, companies with strong ESG credentials often benefit from preferential lending terms and broader investor interest, thereby lowering their cost of capital.

Key valuation mechanisms include:

- **Discount Rate Adjustments:** Lower ESG risks often translate into a reduced discount rate, improving discounted cash flow (DCF) valuations.
- **Cash Flow Enhancements:** Investment in green capital expenditure (Capex), circular economy models, and sustainable practices drive long-term cost savings and improved margins.
- **Valuation Multiples Premium:** Companies with high ESG scores often command higher price-to-earnings (P/E) or enterprise value-to-EBITDA (EV/EBITDA) multiples, reflecting investor confidence in their resilience and goodwill.

Institutional investors such as BlackRock, Vanguard, and Norges Bank have explicitly integrated ESG factors into their portfolio strategies. Globally, ESG-linked investing now surpasses $50 trillion in assets under management, highlighting its mainstream relevance in capital markets.

6. Aligning the Dots: SDGs + NGRBCs + ESG + BRSR = Value Creation

The alignment of SDGs, NGRBCs, ESG metrics, and BRSR reporting reflects a coherent and evolving system for assessing corporate responsibility and performance. This is not a fragmented effort but a harmonised framework that directly contributes to long-term value creation.

Boards should take an integrated approach when working with these frameworks. This means aligning corporate strategies with the relevant Sustainable Development Goals (SDGs), helping the organisation establish its place on the global sustainability map. It also involves embedding the principles of the National Guidelines on Responsible Business Conduct (NGRBCs) into the company's core charter and internal control systems to ensure they're truly institutionalised.

Tracking and monitoring ESG (Environmental, Social, and Governance) key performance indicators should become a regular part of business scorecards and strategic dashboards. Disclosures should be transparent and auditable, following the Business Responsibility and Sustainability Reporting (BRSR) format. Ultimately, these sustainability initiatives should translate into real, measurable value—whether through capital raising, strategic mergers, or enhancing the organisation's position in the market.

7. The Role of the Board: Navigating this ESG Era

The Board's role is central to leading the company through the ESG evolution. This entails not just governance and compliance, but also acting as the chief architect of sustainability.

Some leading practices for Boards involve setting up a dedicated Sustainability or ESG Committee to provide focused oversight. It's also important to bring in Directors who have expertise in areas like climate science, social equity, or sustainable finance so that decisions are informed by a deeper understanding of these critical issues.

Boards should prioritise regular training sessions for both Directors and senior management, helping them stay ahead of evolving ESG risks and opportunities. Conducting materiality assessments on a regular basis is another key step—this helps identify the ESG issues that matter most to the business and its stakeholders.

Finally, staying current with regulatory developments is essential. This includes monitoring frameworks like the EU Corporate Sustainability Reporting Directive (CSRD), India's ESG taxonomy, and the IFRS/ISSB sustainability standards to ensure the organisation remains compliant and well-prepared.

Conclusion: Sustainability is Governance, and Governance is Strategy

The future of business lies in integrating the principles of sustainability into the very fabric of Corporate Governance. SDGs provide the global context, NGRBCs offer national direction, ESG metrics help track performance, BRSR ensures standardised reporting, and valuations ultimately reflect the market's reward for responsible behaviour.

The question is no longer whether companies should adopt these frameworks but how swiftly and strategically they do so. Boards that champion sustainability today will build enterprises that are admired not only for their financial success but for their positive and enduring impact on people and the planet.

YOUR BOARD PROFILE

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YOUR BRAND FOR THE BOARDROOM

PERSONAL BRANDING FRAMEWORKS

MANY ASPIRING DIRECTORS ASK ME ABOUT THE STEPS TO BUILD A PERSONAL BRAND AND THE CORRECT SEQUENCE OF BRAND-BUILDING ACTIVITIES. USING PERSONAL BRANDING FRAMEWORKS AS GUIDEPOSTS PROVIDES STRUCTURED CLARITY AND STRATEGIC ALIGNMENT, WHICH IS ESPECIALLY CRITICAL FOR INDEPENDENT DIRECTORS WHO MUST CONVEY CREDIBILITY, GOVERNANCE EXPERTISE, AND STRATEGIC VALUE IN BOARD SETTINGS.

Benefits of Using Personal Branding Frameworks

Strategic Positioning: Help clarify your unique value proposition (UVP) in the boardroom—for example, as an ESG champion, risk management expert, or digital transformation enabler.

Consistency Across Platforms: Ensures that your communication on LinkedIn, board CV, keynote speeches, and investor interactions reflects a cohesive narrative.

Differentiation: Helps you stand out in a crowded space by packaging your experience, governance philosophy, and leadership style into a compelling story.

Trust and Credibility: Enhances trust with nomination committees, promoters, and stakeholders by demonstrating clarity of thought, depth of governance knowledge, and brand integrity.

Efficiency in Networking: This makes board-level networking sharper and more targeted, as others can easily identify how you fit into their governance needs.

Elevates Thought Leadership: This enables you to structure and disseminate insights aligned with your brand persona, whether through panels, blogs, or interviews.

Popular Frameworks

Here are some of the most well-known frameworks that are ideal for Board Directors:

1. VCP Model (Visibility, Credibility, Profitability) – Dr. Ivan Misner

- **Visibility:** People must be aware of you and your expertise.
- **Credibility:** You must establish trust and expertise within your domain.
- **Profitability:** Once visibility and credibility are established, you can leverage influence to achieve your goals, such as career growth.

❍ **Application:** This model is particularly helpful for networking, building professional relationships, and establishing a strong brand.

2. 4C Model (Connect, Converse, Collaborate, Convert)

- **Connect:** Connect with the board community & startup founders online and offline
- **Converse:** Engage and comment wisely. Remember, conversation builds relationships, and stories build bonds.
- **Collaborate:** Look for opportunities to co-create and collaborate, e.g., joint blog series.
- **Convert:** Convert the relationships into goals (ID leads & introductions, etc.)

❍ **Application:** This framework is ideal for social media platforms such as LinkedIn.

3. 3Ps of Personal Branding (Positioning, Presentation, Performance)

- **Positioning:** Define your niche and unique value proposition.
- **Presentation:** Communicate your brand effectively through storytelling and digital presence.
- **Performance:** Consistently deliver results and demonstrate impact.

❍ **Application:** Suitable for job seekers, entrepreneurs, and executives.

4. Kapferer's Brand Identity Prism

This model, initially used for corporate branding, can be adapted for personal branding:

- **Physique:** Your professional appearance and visual identity.
- **Personality:** Your traits and style.
- **Culture:** Your values and principles.
- **Relationship:** The way you engage with your audience.
- **Reflection:** How does your audience perceive you?
- **Self-Image:** Your perception of yourself.

❍ **Application:** This framework is Ideal for CXOs and professionals looking for a holistic approach to personal branding.

5. Dorie Clark's Recognised Expert Formula

- **Content Creation:** Establish yourself as a thought leader through articles, books, videos, and podcasts.
- **Social Proof:** Build credibility through media mentions, collaborations, and testimonials.
- **Network Building:** Cultivate high-value professional relationships.

❍ **Application:** The framework is ideal for consultants, speakers, domain experts, and Independent Directors.

These frameworks can serve as your guideposts on your branding and credibility journey. Choose any framework to give you direction, structure, and clarity.

Bon Voyage!

MEET OUR FELLOW MEMBER

BALANCING COMPLIANCE, CULTURE, AND GROWTH
LESSONS FROM THE BOARDROOM

AJAY B. BALIGA, IS A FREELANCE MANAGEMENT AND STRATEGY CONSULTANT WITH OVER FOUR DECADES OF PROFESSIONAL EXPERIENCE. HE ALSO SERVES AS AN INDEPENDENT DIRECTOR ON THE BOARDS OF SEVERAL REPUTED COMPANIES. HIS EXTENSIVE CAREER SPANS CORPORATE AND BUSINESS STRATEGY, GOVERNANCE, GENERAL MANAGEMENT, PROJECTS AND ACQUISITIONS, PROCUREMENT, SUPPLY CHAIN, AND OPERATIONAL EXCELLENCE. IN AN EXCLUSIVE CONVERSATION WITH **TEAM BOARD STEWARDSHIP**, AJAY SHARES HIS PERSPECTIVES ON BOARDROOM PRIORITIES, LEADERSHIP GOVERNANCE, AND THE INDUSTRIES THAT EXCITE HIM MOST FOR THE FUTURE.

Q. How do your transformation experiences at Diageo and USL shape your boardroom contributions?

The transformation journey of United Spirits into the Diageo fold was a very enriching experience, considering the various new learnings and the global perspective I was exposed to. The emphasis on compliance, safety, sustainability and risk management was noteworthy, and embedding that in every process, strategy and business plan at USL is something that is now ingrained and influences the way I think when sitting in the boardroom.

> With the increasing onus on Independent Directors, the constantly changing regulatory landscape and enhanced scrutiny on the conduct of business, more stringent testing would prepare Independent Directors better for discharging their role diligently and for performing boardroom challenges skilfully.

Q. Which Board Committee best fits your expertise, and how have you contributed meaningfully in that space?

The committee that best fits my expertise is the Risk Management Committee, and closely related to that is the Audit Committee.

Q. What new sectors or themes—like sustainability or digital—interest you as an Independent Director?

Among new sectors and themes, sustainability interests me the most. It's an important area for long-term business performance and governance. On the other hand, while IT and digital are crucial instruments for improving business performance and supporting governance procedures, they are not areas in which I have much experience. Rather than a core industry focus, I see digital technologies as facilitators to help businesses run more effectively and efficiently.

Q. How effective are Nomination & Remuneration Committees in ensuring fair leadership and pay governance?

It completely depends on how the NRC conducts itself, how it spells out its intent, sets its expectations and asks the Management to do the right thing for the organisation and its people. Developing and maintaining the right culture in the organisation and nurturing appropriate talent is crucial for growth. Having said that, it is not as simplistic or easy, but persistence certainly pays off.

Q. Has the Proficiency Test for Independent Directors added real value, or is it largely procedural?

It does add value but not to the extent that I expected it to. With the increasing onus on Independent Directors, the constantly changing regulatory landscape and enhanced scrutiny on the conduct of business, more stringent testing would prepare Independent Directors better for performing their role diligently and for handling boardroom challenges skilfully.

Q. Looking ahead, which sectors or industries are you most inclined to contribute to as an Independent Director—and why?

I would be interested in the FMCG space primarily because I see the potential for huge growth in this area due to the pace of urbanisation, improving disposable incomes, increasing internet penetration and e-commerce. It also gives one insight into the emerging trends and shape of things to come. Another sector that interests me is renewable energy, given the significant and exciting progress being made in this field. From my point of view, it is more about sustainability and a cleaner environment.

INDRA CHOURASIA
Senior Industry Advisor (BFSI), TCS

> These organisations are widely recognised for their commitment to ethical business practices. Their adopted standards and practice measures set a basic threshold of responsible business conduct for employees, management, and board members in dealing with customers, investors, communities, and other stakeholders.

Indra is a Senior Industry Advisor in the BFSI (Banking, Financial Services, and Insurance) unit at Tata Consultancy Services (TCS). With around three decades of global experience in business and IT consulting, he spearheads CXO advisory, strategic formulations, and Data and AI-led innovation-focused responsibilities. Apart from his extensive expertise in financial services domains, he also maintains a keen interest in sustainability, Corporate Governance, and organisational culture issues.

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CODE OF BUSINESS CONDUCT AND ETHICS

SNAPSHOTS OF SELECT LEADING COMPANIES

In this latest article in the ongoing series on ethical practices and responsible business conduct, we take a preview of the Code of Conduct adopted by a few leading Indian and multinational companies. These organisations are widely recognised for their commitment to ethical business practices. Their adopted standards and practice measures set a basic threshold of responsible business conduct for employees, management, and board members in dealing with customers, investors, communities, and other stakeholders.

In earlier issues of the series, we have explored what responsible business conduct really means, why it matters in today's world, where its roots lie, how legal rules and industry standards come into play, and how the international standards and guidelines set the benchmarks. Now, we focus our attention on gaining insights into the ethical practices of leading companies as well as their leadership commitment to nurturing a principled organisational culture across levels. For brevity, this article selects companies based on their traditional standing on various business conduct, ethical practices, and expressions in the public domain.

CODE OF CONDUCT OF LEADING INDIAN COMPANIES

■ Bharti Airtel

Airtel has adopted the Code of Conduct to maintain its reputation as a trusted and respected brand prior to regulatory mandates. The Code reckons nuances of new technology influences and the ESG agenda to keep it contemporary and relevant. Apart from the Code advocacy and awareness programs, the company has also set up an ombudsperson office. It provides an independent forum and vigil mechanism to raise concerns and report any breach or violation of the Code.

■ Biocon Biologics

Biocon's business culture is based on purpose, ethics, and equity. The company's success and reputation are ensured through honesty and transparency in business practices by its employees and board members. Biocon's Code of Conduct & Ethics assists the company in navigating

the ethical decisions that arise while doing business. The code upholds the company's commitment to integrity and serves as a practical guide for ethical behaviour among its employees and board members.

■ HDFC Bank

The bank recognises a Code of Ethics/ Conduct as its commitment to ensure the highest level of ethical and Corporate Governance while adhering to legal and regulatory requirements. The Code focuses on defining good corporate practices to help avoid situations in which the personal interest of an employee may conflict or appear to conflict with either the bank's or its customer's interests. The bank has also codified dos and don'ts for employees for their day-to-day dealings.

■ Hindustan Unilever Limited (HUL)

The Corporate Governance practices of HUL are built on the core philosophy led by the founders of Unilever. Guided by the framework of Unilever's Code of Business Principles and Code Policies, the Code of Business Principles of HUL emphasises its belief in growing responsibly and sustainably. Its Code of Business Principles codifies its values, making clear what is expected from its employees every day in everything they do by emphasising the non-negotiables.

■ ITC

ITC's corporate philosophy is centred on 'Trusteeship,' guiding its employees and Directors to manage the organisation in trust for its stakeholders. The company's Code of Conduct, based on good Corporate Governance, good corporate citizenship, and exemplary personal conduct, aligns with agility and trust expectations, promoting a customer-focused, high-performance culture, and creating value for all its stakeholders.

■ Mahindra Group

Mahindra Rise – the brand philosophy of group companies launched in 2011 – signifies a collective commitment to adhere to the Code of Conduct in all spheres of business. Inspired by the game of football, the company exhorts its employees to imbibe the Code through a gamified lens – equating to the various elements and rules of football, flouting which would accrue fouls, penalties, or red cards.

■ State Bank of India

The bank upholds core values of service, transparency, ethics, politeness, and sustainability to fulfil its fiduciary obligations as a trustee and custodian of public money. Its ethical practices include integrity, handling conflicts of interest, accepting gifts, reporting, and preventing unethical activities. To earn and enjoy the trust and confidence of the public at large, the bank's Code of Conduct sets the guiding principles for dealing with stakeholders, including government and regulatory agencies, media, and others.

■ Tata Group

Tata Group companies have remained guided by the values and ideals articulated by the founder and successive generations of leaders. The Tata Code of Conduct, introduced in the 1990s, codifies the values and ethos of the Tata Group, focusing on integrity, understanding, excellence, unity, and responsibility. While providing harmonised guidelines to govern the conduct of group companies, the Tata Code binds all employees and Directors of Tata companies to abide by these core values.

■ Thermax

The company recognises that global reputation demands a high standard of Corporate Governance to have a positive impact on its stakeholders. The company is committed to ethical business conduct, integrity and commitment to values, transparency and accountability, which are essential features of effective Corporate Governance. The company's Code of Conduct applies to all Directors, employees, and external partners, including consultants, distributors, channel partners, retainers, vendors, contractors, and service providers.

■ Wipro

Integrity, honesty, and fairness are the cornerstones of Wipro's commitment – making it a globally trusted brand. The company has framed ethical business practices and good governance policies to ensure non-negotiable compliance with globally accepted standards in every sphere of its business. With its Code of Business Conduct and more robust systems and processes in place, the company continues

to be a corporate model for transparency, ethical business practices, and good governance.

CODE OF CONDUCT OF LEADING MULTINATIONAL COMPANIES

■ ABB Group

At ABB, performance is measured by both the results achieved and the way these results were achieved. Driven by this stance, its Code of Conduct guides the business conduct of the company to shape its reputation. The Code applies to every employee, in every location, and at every level. They are bound to live up to the letter and the spirit of the Code, even if it means losing a vital contract or missing a business target.

■ Apple

Apple's business practices are guided by the core principles of honesty, respect, confidentiality, and compliance. Driven by its values — accessibility, education, environment, inclusion and diversity, privacy, racial equity and justice, and supplier responsibility - its Business Conduct Policy is foundational to guiding business practices on a day-to-day basis. The Business Conduct Policy applies to all employees of Apple and its subsidiaries and provides a standard guide for what is required of everyone at Apple.

■ General Electric (GE)

GE's core ethical practices are guided by its principles and policy guidelines, 'The Spirit and The Letter.' 'The Spirit' aims to act ethically at all times by all Directors, officers, and employees. 'The Letter' covers compliance policies for regulatory excellence, improper payments, supplier relationships, international trade, anti-money laundering, government collaboration, competition, fair employment practices, and conflicts of interest, among others. These policies apply to all employees in every business, everywhere in the world.

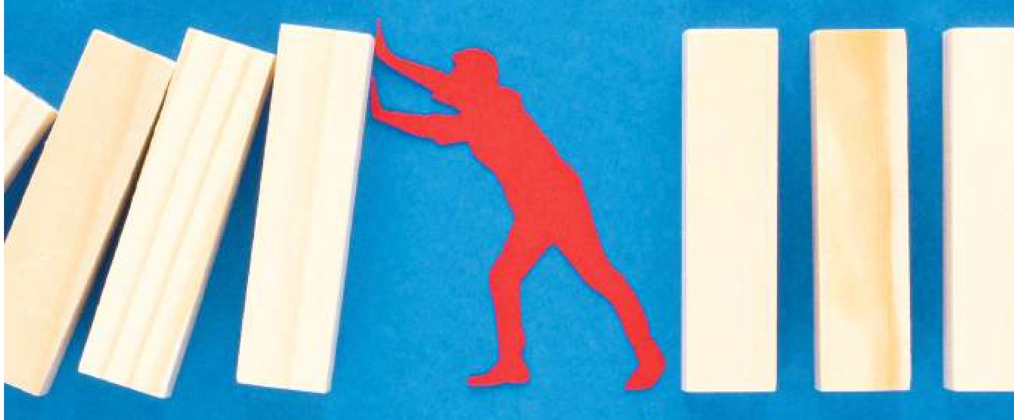
■ Nestlé

Nestlé's business practices are governed by integrity, honesty, fair dealing, and full compliance with all applicable laws. Adhering to its corporate business principles, the company's business ethics and compliance are the foundation of its operations, even in the absence of legal or regulatory frameworks. Its Code of Business Conduct outlines nonnegotiable minimum standards of behaviour in key areas, requiring employees worldwide to uphold this commitment in their daily responsibilities.

■ Walmart

The company is driven by four core values: respect for the individual, service to the customer, striving for excellence, and acting with integrity. Walmart's Code of Conduct reflects the purpose and values of the company set out by its founders and promotes a culture of integrity to conduct business the right way. It applies to all its associates, officers, and board members, requiring them to prioritise fairness, equity, justice, and integrity in everyday business.

This is the sixth article in a series that takes a closer look at the nuances of responsible business conduct and ethical practices in real-world situations. The next and conclusive part of the series will highlight a structured approach to translating the Code of Conduct from the boardroom to the shopfloor, boosting its adoption across levels and transforming it into a living document to win employees' trust and enhance their engagement.



DEAR BOARDS!

CONFLICTS OF INTEREST DON'T MANAGE THEMSELVES—DO YOU?

ATUL KUMAR

Former
Chief Ethics Officer,
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> Complexity is no excuse for opacity. The rules are clear: all material RPTs need Board and shareholder approval, and disclosures must be timely and transparent via stock exchange filings.

In the intricate world of Corporate Governance, few issues are as persistent, nuanced and quietly corrosive as conflicts of interest. They rarely arrive with alarms. Instead, they just seep in—disguised as routine decisions, subtle relationships or familiar habits. And if not proactively discerned and managed, they don't just compromise compliance, they distort judgement, erode trust in the Board and ultimately undermine the very culture of the company.

This isn't about abstract dilemmas. It's about real decisions made every day—around appointments, related-party transactions, vendor choices, compensation structures, investments and strategic alignments. The uncomfortable truth is that conflicts of interest exist, and they always will. The real test of boardroom governance isn't pretending they don't. It's in how clearly, openly and deliberately they're identified and addressed. That's especially true when it comes to Related Party Transactions (RPTs), which have long drawn the attention of regulators, auditors and watchful shareholders—and rightly so. These deals live at the intersection of governance, judgement and trust—where transparency isn't just good practice, it's the bare minimum.

FROM POLICY TO PRACTICE

SEBI has kept a close eye on this space for years, tightening the rules since the 2015 LODR Regulations came into play. Its latest move? A circular that lays down 'Industry Standards for Minimum Information' to be shared with Audit Committees and shareholders—effective from 1 April 2025. The idea is simple: bring in consistency, fairness and visibility in how RPTs are reviewed and approved. SEBI understands that industries differ, so it allows room for contextual judgement—but the core message remains firm. Complexity is no excuse for opacity. The rules are clear: all material RPTs need Board and shareholder approval, and disclosures must be timely and transparent via stock exchange filings. Yes, this is a legal mandate—but it is also a moral one. Because when it comes to conflicts, how things appear matters just as much as what is done. For Directors, that means leaning into full transparency—not just as a safeguard but as a signal of integrity. This isn't a routine compliance update—it's a call to revisit first principles. Credible, complete, and candid disclosures are the foundation of good governance. And SEBI isn't alone in this. The Companies Act, 2013, and the RBI are also deeply engaged. RPTs are squarely on their radar, reinforcing that these aren't peripheral matters. They're central to how the integrity of governance plays out in business. When multiple regulators converge on the same issue, the signal is unmistakable: Boards must ensure that related-party dealings not only meet disclosure norms but also stand up to scrutiny—both in form and in spirit.

But beyond laws and checklists, Boards must turn their attention to something deeper: the many faces of conflicts—and the judgement they demand. At the most direct level, there are conflicts between a Director and the company—where personal or financial interests risk distorting objectivity. Another kind arises when a Director's duty of loyalty is pulled in competing directions—perhaps due to external affiliations. Then there are stakeholder imbalances—where certain voices are privileged while others are overlooked. And finally, there's the broader conflict of corporate priorities—when the pursuit of short-term results

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ignores long-term social or environmental responsibilities. Each of these scenarios is a test of governance maturity. They carry reputational, ethical, and operational risks. And each demands active oversight—not just policies, but thoughtful boardroom conduct. Governance scholars have long categorised these issues as agency problems—where agents (Directors or executives) may not always act fully in the interest of principals (shareholders or stakeholders). Bridging that gap requires institutional mechanisms that reinforce transparency, alignment and accountability. Modern governance frameworks—from OECD principles to India's own Corporate Governance codes—are unequivocal: managing conflicts of interest is not a side issue. It is central to a Director's fiduciary responsibility.

WHEN SILENCE BREEDS RISK: WHEN DISCLOSURE ISN'T ENOUGH

A boardroom is not a courtroom. It is a space for judgement, foresight and stewardship. Yet, when conflicts arise and are left unspoken, they corrode that very premise. Silence in the face of conflict risks reputational damage, regulatory scrutiny and cultural disillusionment. Most codes of conduct contain clauses on disclosure. But a clause is not a culture. A policy is not a practice. It is not enough to simply note in the charter that Directors must disclose conflicts. What matters is how disclosures are made—whether proactively or only when asked. Whether they are reviewed with diligence or ticked off mechanically. Whether recusals are enforced meaningfully or bypassed for convenience. Conflicts of interest don't always involve personal gain. Sometimes, they stem from divided loyalties—a Director wearing multiple hats or subtle compromises to independence. Other times, they arise through proximity—from long-term vendor relationships, advisory roles or business ties that blur objectivity. Occasionally, they result from reporting lines—when oversight functions are subordinated to those they're meant to monitor. These aren't always breaches. But they are red flags—and merit structured attention.

RECOGNISING THE SUBTLETIES: SEEING THE GREY ZONES

Consider a Director who sits on multiple Boards in the same sector. Or a procurement head who once worked for a shortlisted vendor. Or an audit committee member whose close family owns a consultancy firm now bidding for a contract. These may not be scandals. But they are situations that demand transparency, judgement and decisive action. An effective conflict-of-interest strategy starts with acknowledging that such situations are inevitable. The issue isn't their presence. It's how transparently they're surfaced and how decisively they're managed. What's needed is:

- A robust, contextual policy tailored to your institution's structure and sector.
- Independent review of disclosures and active recommendations for action.
- A culture that encourages early and stigma-free declarations.
- Clear consequences for nondisclosure or misrepresentation.

But even with frameworks in place, nothing replaces tone – tone that starts at the top.

GOVERNANCE IS A MINDSET: TONE FROM THE TOP—OR LACK OF IT

In too many companies, conflicts are treated as checkboxes. Disclosures are filed, not governed. But if the Board doesn't treat conflicts as a governance risk, no one else will. The tone at the top is the culture at the bottom. Ask yourself:

- Is there a structured process to review and respond to conflict disclosures?
- Do Board agendas include time to discuss potential or emerging conflicts?
- Are Directors and executives regularly reminded of disclosure expectations?
- Do you go beyond self-declarations to independently validate potential risks?

High-performing Boards don't stop at minimum compliance. They lean into ambiguity as they understand that governance is not just about policy but about perception. That even the appearance of a conflict can erode public trust. And they continually keep in sight that trust is not static. It is earned—especially in how uncomfortable decisions are confronted, not just in how easy ones are passed.

CULTURE OF ACCOUNTABILITY: IT STARTS (AND ENDS) WITH THE BOARD

Boards must lead by example. Chairs must create the space for honest disclosures. Independent Directors must ask uncomfortable questions. Executives must see that conflicts are not buried in fine print but openly addressed. Because conflicts are not just governance risks—they are cultural signals. They reveal how power is exercised, how incentives are aligned and how seriously stewardship is owned. When managed with integrity, conflicts reinforce trust. When ignored, they corrode credibility. So, dear Boards, the issue is not whether your Directors file disclosures. It's whether your governance model actively manages conflicts—or merely documents them. Because conflicts of interest don't manage themselves. You do.

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Data doesn't replace wisdom; it sharpens it. A board member with three decades of industry expertise becomes a force of transformative clarity when paired with real-time dashboards and predictive models.

Jercy is a data strategy and leadership professional with 13 years of experience across diverse domains. An IICA candidate and a qualified data science professional, she is passionate about embedding data-driven decision-making into corporate stewardship while enabling Boards to navigate complexity with strategic insight.

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EMBEDDING DATA-DRIVEN THINKING IN THE BOARDROOM

FROM GUT TO GROUND TRUTH

In 2019, a global retail chain expanded aggressively into Southeast Asia. The leadership was confident, based on market intuition and macroeconomic reports, that demand would surge. But by mid-2020, they were forced to shut down 60% of the stores. What went wrong? A post-mortem revealed that the company had bypassed granular, on-ground consumer data in favour of executive instinct.

This is not an isolated case. In many boardrooms, decisions are still driven more by experience than evidence. But in an era where every customer interaction, operational inefficiency, and market trend leaves a digital footprint, relying solely on instinct is no longer a strategy; it's a risk.

The Boardroom's New Mandate: Evidence Over Intuition

Today's board members are not just custodians of governance; they're stewards of strategic foresight. And foresight is only as strong as the foundation it stands on: data. Embedding a data-driven mindset in board-level conversations ensures that strategy isn't just visionary but verifiable.

Data doesn't replace wisdom; it sharpens it. A board member with three decades of industry expertise becomes a force of transformative clarity when paired with real-time dashboards and predictive models.

Take, for example, Netflix. Their Board embraces data at every level, from content recommendations to regional expansion strategies. It's no coincidence they remain ahead in innovation and market share.

The Shift: From Back-End Metric to Front-End Narrative

Historically, data was considered a post-facto report shared to validate decisions already made. Today, it's the opening act. Leading organisations are moving from asking, "What happened?" to "What will happen next, and how do we act on it today?"

Boards need to demand more than quarterly snapshots. They should engage with scenario modelling, sentiment analysis, risk simulations, and ESG performance metrics all anchored in clean, contextual data.

Not Just Dashboards—Dialogue

However, the goal isn't just to present beautiful dashboards. It's to create meaningful conversations. A well-framed data insight can prompt the Board to challenge assumptions, revisit risks, or explore overlooked opportunities. Imagine the power of a board discussion that begins with: "Our customer churn rate spiked 15% in the last quarter; shall we unpack the root causes?"

Preparing the Next Generation of Boardroom Leaders

As someone deeply passionate about strategy and analytics, I believe tomorrow's boardroom demands leaders who are fluent in both corporate vision and data language. It's not enough to nod at KPIs; we must know which ones matter, why they move, and how to course-correct, and also, data doesn't speak for itself; it needs interpreters with influence.

Ground Truth Drives Growth

The modern boardroom must evolve from a room of opinions to a chamber of informed foresight. And that happens only when data isn't a report but a responsibility.

Boards that embed data in their DNA won't just avoid the next misstep; they'll be the ones predicting the right ones.

ETHICS IN INTERNAL AUDIT

In the realm of internal auditing, ethics serve as the cornerstone upon which the integrity and credibility of the audit process are built. The relationship between ethics and internal audit is akin to the bond between a compass and a navigator; without ethical principles guiding the auditor's actions, the audit process would lose its direction and purpose.

To understand the significance of ethics in internal audit, consider the daily life of an individual. Imagine a scenario where a person discovers a wallet on the street. The ethical decision would be to return the wallet to its rightful owner, demonstrating honesty and integrity. Similarly, an internal auditor must adhere to ethical standards, ensuring that their findings and recommendations are truthful and unbiased. Ethics in internal audits encompass various principles, including objectivity, confidentiality, and professional competence.

1. Objectivity

Objectivity requires auditors to remain impartial and avoid conflicts of interest. For instance, if an auditor is tasked with reviewing the financial records of a company where they have personal investments, their objectivity may be compromised. To maintain ethical standards, the auditor should disclose any potential conflicts and recuse themselves from the audit. This is not merely a procedural formality—it is a moral imperative that upholds the sanctity of the audit process.

Example: Consider a judge presiding over a court case involving a close friend. To ensure fairness, the judge would recuse themself from the case. Similarly, an auditor must avoid auditing areas where they have personal interests to maintain objectivity.

2. Confidentiality

Confidentiality is another critical aspect of ethics in internal audit. Auditors often have access to sensitive information, and it is their ethical duty to protect this information from unauthorised disclosure. Consider the example of a doctor who must keep patient records confidential. Similarly, an internal auditor must safeguard the confidentiality of the data they review, ensuring that it is only shared with authorised individuals. Breaching this trust can have far-reaching consequences, both legally and reputationally.

Example: Imagine a lawyer who is privy to their client's confidential information. The lawyer is ethically bound to keep this information private. Similarly, an auditor must protect the confidentiality of the information they access during an audit.

3. Professional Competence

Professional competence is essential for auditors to perform their duties effectively. This principle requires auditors to possess the necessary skills and knowledge to conduct audits accurately. Imagine a chef who must have the expertise to prepare a gourmet meal. Likewise, an internal auditor must continuously update their knowledge and skills to stay abreast of industry standards

and best practices. Ethical auditors do not rest on their laurels; they pursue lifelong learning to ensure their judgements are sound and informed.

Example: Consider a pilot who must undergo regular training to stay updated with the latest aviation technologies and safety protocols. Similarly, an auditor must engage in continuous professional development to maintain their competence.

4. Accountability

The relationship between ethics and internal audit is further illustrated through the concept of accountability. Auditors are accountable for their actions and must take responsibility for their findings. For example, a teacher is accountable for the education of their students, and they must ensure that their teaching methods are effective. Similarly, auditors must ensure that their audit reports are accurate and reliable, taking responsibility for any errors or omissions. Accountability is not just about owning up to mistakes—it is about cultivating a culture of responsibility and trust.

Example: Think of a project manager who is responsible for the successful completion of a project. If the project fails, the manager must take responsibility and address the issues. Similarly, an auditor must be accountable for the accuracy and reliability of their audit reports.

5. Transparency

Ethics in internal audit also involve the principle of transparency. Auditors must be transparent in their processes and findings, providing clear and understandable reports to stakeholders. Consider the example of a government official who must be transparent in their actions to maintain public trust. Similarly, auditors must provide transparent and comprehensive reports to ensure that stakeholders can make informed decisions. Transparency demystifies the audit process and reinforces its legitimacy.

Example: Imagine a company that openly shares its financial performance with its shareholders. This transparency builds trust and confidence among the shareholders. Similarly, an auditor must provide transparent reports to build trust with stakeholders.

Ethics in Action: Everyday Analogies

To further elucidate the ethical dimensions of internal auditing, let us explore some relatable, day-to-day analogies:

1. **The Honest Shopkeeper:** A shopkeeper who returns excess change to a customer exemplifies integrity. An internal auditor, likewise, must report findings truthfully, even if they are unfavourable to the organisation.
2. **The Fair Referee:** A sports referee who makes impartial decisions regardless of team affiliations mirrors the objectivity required in auditing. Bias, whether conscious or unconscious, can erode the credibility of audit outcomes.
3. **The Discreet Confidant:** Just as a friend who keeps a secret demonstrates trustworthiness, an auditor must protect confidential information. Leaks or careless disclosures can damage reputations and violate legal obligations.
4. **The Skilled Surgeon:** A surgeon who continually hones their skills to perform complex procedures reflects the auditor's duty to maintain professional competence. In both fields, outdated knowledge can lead to catastrophic errors.
5. **The Responsible Parent:** A parent who admits mistakes and corrects them models accountability. Auditors, too, must own their conclusions and be prepared to defend them with evidence and rationale.

Ethical Dilemmas in Internal Audit: Despite best intentions, auditors often face ethical dilemmas that test their principles. Consider the following scenarios:

1. **Pressure from Management:** An auditor may be subtly or overtly pressured to overlook discrepancies to protect the company's image. Ethical fortitude is required to resist such coercion and uphold the truth.
2. **Whistleblowing:** Discovering fraudulent activity may place the auditor in a precarious position. Reporting such findings can lead to retaliation, yet ethical duty demands disclosure through proper channels.
3. **Resource Constraints:** Limited time or budget may tempt auditors to cut corners. However, ethical auditing necessitates thoroughness, even under constraints.

Navigating these dilemmas requires not only adherence to a code of ethics but also moral courage and sound judgement.

The Role of Ethical Frameworks: Professional bodies such as the Institute of Internal Auditors (IIA) provide ethical frameworks that guide auditors in their conduct. These frameworks are not mere checklists—

they are philosophical compasses that align the auditor's actions with broader societal values.

Key components often include:

- **Integrity:** Acting with honesty and fairness.
- **Objectivity:** Avoiding bias and conflicts of interest.
- **Confidentiality:** Respecting the privacy of information.
- **Competency:** Maintaining and improving professional knowledge.

These principles are not abstract ideals; they are actionable standards that shape every phase of the audit lifecycle—from planning and execution to reporting and follow-up.

Why Ethics Matter More Than Ever

In an era marked by corporate scandals, data breaches, and regulatory scrutiny, the ethical dimension of internal audit has never been more critical. Stakeholders—be they investors, regulators, or the public—demand transparency, accountability, and integrity.

Ethical auditors serve as guardians of organisational conscience. They do not merely detect anomalies; they illuminate the path to better governance, risk management, and compliance. Their work transcends numbers and reports—it is a moral enterprise that upholds the very fabric of trust in institutions.

Conclusion

Ethics serve as the foundation of internal audit, guiding auditors in their actions and decisions. The principles of objectivity, confidentiality, professional competence, accountability, and transparency are essential for auditors to perform their duties effectively. By adhering to ethical standards, auditors contribute to the integrity and credibility of the audit process, fostering trust and confidence among stakeholders.

Just as a compass guides a navigator, ethics guide internal auditors, ensuring that their actions are aligned with the highest standards of integrity and professionalism. In a world where trust is both fragile and invaluable, ethical internal auditors are not just professionals—they are stewards of truth.

S. BHASKAR

CEO - Bmpro Consulting Services
Board Trustee - Global Internal Audit Foundation (IIA)
Past President, IIA India

S. Bhaskar is CEO of Bmpro Consulting Services and a Board Trustee of the Global Internal Audit Foundation (IIA). A past President of IIA India, he previously served on UNOPS' Audit Advisory Committee and retired as Group Chief Internal Auditor at Tata Capital Limited, with extensive governance expertise.

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Chief Internal Auditor
Tata Teleservices Ltd.

Deepak Kumar Garg is Head of Internal Audit at Tata Tele Business Services. With 17+ years of experience across risk management, internal audit, and ethics, he has driven compliance culture and risk frameworks. He previously worked with Aditya Birla Group, Vodafone India, and Protiviti, leading diverse assurance and governance mandates.

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BOARD STEWARDSHIP HUDDLE

CONNECT, COLLABORATE, CELEBRATE

A "Huddle" is more than a meeting—it's a space for connection, collaboration, and shared success. Here, experienced board members exchange insights, explore opportunities, and spark initiatives, enabling growth and expanding access to leadership, board roles, and advisory positions in today's dynamic governance landscape.

The Board Stewardship Huddle returned to Bengaluru on 9th May 2025, at the iconic Taj West End.

In his opening address, Vikesh Wallia, MD & Editor of Board Stewardship, warmly welcomed participants to the second edition of the Board Stewardship Huddle in Bengaluru. "Your strong presence is both encouraging and energising. At Board Stewardship, we live by three words: connect, collaborate, and celebrate," he said, urging attendees to build connections, exchange leads, and celebrate peer success. Introducing the theme "From Intelligence to Impact: The Future-Ready Boardroom", Wallia stressed the importance of Boards evolving with AI and other disruptions. "In today's governance landscape, learning and unlearning must go hand in hand. Future-ready Boards require agility, awareness, and adaptability." Originally planned as a closed-door roundtable, the event expanded due to overwhelming interest. "This community stands for enthusiasm, inclusion, and shared purpose," he concluded.

The inaugural address by Ajay Nanavati, Chairman, Quantum Advisors and Alicon Castalloy Ltd., focused on the dynamics between Boards and management. "This isn't from regulation or textbooks—it's from the school of hard knocks," he said, recounting his years leading both Boards and executive teams. He noted with concern the growing number of governance failures, not just in legacy firms but among the next generation of start-up leaders. "That worries me more. These are our future corporate stewards." Nanavati stressed the importance of clear accountability and the often-blurred line of responsibility between Boards and management. "The question is—where does the buck stop?" Reflecting on his tenure at Syndicate Bank, he shared how board meetings involved 1,400 pages of agenda material, most of it "CYA" content. "We need less noise and more clarity."

Lessons in Corporate Governance from the Gensol Engineering Case

Shriram Subramanian, Founder & Managing Director of InGovern Research Services, focused on the Gensol fraud case to explain

Vikesh Wallia,
MD & Editor of Board Stewardship

the implications of poor governance for Boards and stakeholders alike. “Gensol’s fraud wasn’t even sophisticated—it lacked the offshore layering or off-balance-sheet tactics we usually see. Yet, it deeply eroded trust,” he remarked. He noted that while this was a primitive example, frauds are becoming more complex, involving fund diversion, related party transactions, and misleading financial disclosures. He pointed to similar cases involving high-profile startups, including Byju’s and GoMechanic, unlisted firms. “The role of Independent Directors is to ask the hard questions—about fund flows, cash mismatches, dividend declarations, and real tax payments,” he urged. He noted a fivefold post-COVID rise in retail investors, making strong governance essential: “With great growth comes great responsibility.”

Founder & MD of InGovern, Shriram Subramanian in Fire side chat with Jyotsna Belliappa, Founder of Bluesky Sustainable Business.

Fireside Chat 1: Lessons in Governance from the Gensol Case

In a thought-provoking discussion moderated by Jyotsna Belliappa, Founder of Bluesky Sustainable Business, Shriram Subramanian, Founder & MD of InGovern, addressed key concerns facing Independent Directors in the wake of the Gensol Engineering fraud case.

Shriram outlined three key phases of responsibility for Independent Directors: before joining a Board, during their tenure, and in crisis scenarios post-SEBI intervention. He urged caution, comparing board selection to choosing a life partner—emphasising due diligence on promoters, business models, and co-Directors. “Don’t join boards just for the title,” he warned, critiquing non-contributing Directors. Post-crisis, he advocated for collective action over individual resignations, noting, “We’ve yet to see a committee of IDs take a united stand.” He recommended quarterly independent-only meetings to strengthen oversight. Citing superficial 10-minute board calls, he stressed the need for genuine engagement. On Blue Smart’s collapse, he urged separating governance from errant promoters: “Governance begins with courage and connection.”

Keynote Address by Shailesh Haribhakti

“Bangalore has a special place in my heart,” began Shailesh Haribhakti. Despite its challenges, it continues to embody innovation and possibility.” Haribhakti urged attendees to draw lessons from the Mahabharata: “We must envision World 2.0—a world where conscience pilots capitalism, where inclusion is embedded into innovation, and governance is a participatory act of transparency, not command.” Reflecting on real-world examples, he warned, “We produce enough food for all, but millions go hungry. We’ve mapped every gene but can’t ensure clean air or water. This isn’t a resource problem—it’s a moral problem.” Invoking the symbolism of Arjuna and Krishna, he called on leaders to face today’s ‘battlefields’—inequality, climate change, exclusion, and greed—with purpose and wisdom.

Glimpse of keynote address by Shailesh Haribhakti

Future With Agentic AI: Role of Boards Governing The Transformation Journey

Madhwesh Kulkarni, Executive Partner at Gartner Executive Programs, opened by noting, “More than 50% of our conversations with leaders are no longer about technology—they’re about transformation,” setting the tone for a powerful discussion on Boards’ roles in an AI-driven future. Despite AI’s popularity, he revealed that over 70% of initiatives fail and 80% lack measurable ROI—largely due to poor adoption, not poor tech. “This is a leadership and cultural issue—and a board-level concern,” he emphasised. With technology’s half-life now just 45 days, Kulkarni urged Boards to move beyond passive oversight, champion agility, talent strategy, and cross-functional transformation. “It’s not about tech expertise—it’s about strategic integration.”

Madhwesh Kulkarni, Executive Partner at Gartner Executive Programs

He concluded, "The transformation is now. Boards must lead from the front."

Fireside Chat 2: How AI is Changing Boardroom Stewardship

In an insightful and forward-looking conversation, Shailesh Haribhakti and Madhwesh Kulkarni explored the rapid evolution of AI and its profound implications for boardroom leadership.

Haribhakti opened the discussion by noting the explosion of foundational large language models—over 549—and the convergence of various AI forms, from conversational to generative to physical AI. "We are now managing a dynamic interplay of humans, machines, and physical assets. It's a circus of convergence," he remarked. The discussion delved into the concept of autonomous auditing, where AI can independently identify and assess high-risk processes. Haribhakti emphasised how quickly obsolescence sets in, with the half-life of AI knowledge shrinking rapidly.

Madhwesh Kulkarni responded by urging organisations to first define their AI ambition. "Most companies talk about AI, conduct pilots, and invest heavily, yet lack clarity on outcomes," he stated. Without a clearly articulated ambition and roadmap, ROI remains elusive. The duo explored the possibility of generative planning—a flexible, outcome-driven approach where success is measured by goals rather than fixed steps. Kulkarni endorsed this shift, suggesting Boards encourage leadership to move from siloed tech initiatives to integrated, impact-focused strategies.

Session 3: Master the Art of Networking by Vikesh Wallia, Board Mentor & Advisor

"Independent Directors aren't appointed—they're invited," began Vikesh Wallia, setting the tone for a powerful session on the role of networking in board opportunities. He stressed that qualifications matter but only go so far. "Networking, networking, and networking—that's the key." Using vivid analogies, Wallia compared the essentials of Board visibility to McDonald's business model: just as McDonald's thrives on "location, location, location," aspiring board professionals succeed through "connection, connection, connection." He highlighted that just like McDonald's hires for energy and a smile over degrees, promoters look for trust and capability over certifications. Ultimately, Wallia emphasised that gaining a Board seat is not about applying—it's about being trusted and respected. "A promoter must believe that you'll help fix issues quietly, not shout from the rooftop." His candid, practical insights reframed networking as a strategic, values-driven effort, not a transactional one.

Neeta Surti, General Manager of Board Engagement at Board Stewardship, thanked all attendees for their presence and participation. She welcomed new members warmly, calling Board Stewardship a lifelong relationship. Surti expressed gratitude to speakers and delegates, encouraging continued engagement and feedback to support ongoing improvement.

MONTHLY WEBINAR

ENHANCING STEWARDSHIP IN BOARDROOMS

‘Enhancing Stewardship In Boardrooms’ is a monthly knowledge webinar series by Board Stewardship. Visit this page every month.

GUARDIANS OF GOVERNANCE: INSIGHTS FROM BOARD STEWARDSHIP WEBINAR ON ETHICAL BOARDROOM LEADERSHIP

The latest edition of the Board Stewardship live webinar series on May 2, 2025, focused on the critical theme, “Guardians of Governance: Boardroom Stewardship Rooted in Ethics.” The session highlighted the evolving responsibilities of corporate Boards, urging a shift from mere regulatory compliance toward proactive, value-driven, and ethically grounded leadership.

Welcome and Inaugural Address: Reimagining Boardroom Stewardship

The webinar commenced with a compelling welcome address by Vikesh Wallia, Managing Director & Editor, Board Stewardship, who highlighted the urgent need for Boards to transition from reactive governance to forward-looking guardianship. He stated, “It’s time we moved beyond reactive governance to proactive guardianship. Boards must not only detect red flags—they must rise to become the red lines that preserve the organisation’s purpose and people.”

Emphasising the importance of ethics, he called for Boards to become the moral compass of their organisations, moving beyond compliance to prioritise integrity, trust, and sustainable value creation.

Supporting this view, Burzin Dubash, President of the Institute of Internal Auditors – India and COO at Ankur Capital, reinforced the evolving role of Boards, especially Independent Directors, in startups and family-run businesses. “Governance isn’t just compliance; it’s stewardship of trust. The most respected Boards ask themselves, ‘Is this right?’ rather than ‘Is this allowed?’ In startups, Boards must shift from cheerleading to coaching, institutionalising ethical discipline early. In family businesses, governance must protect legacy through clarity and honest dialogue.”

He further likened the ideal Board member to “the Rahul Dravid of the boardroom” — calm, strategic, and unshakeable.

Vikesh Wallia, Managing Director & Editor, Board Stewardship

Burzin Dubash, President of the Institute of Internal Auditors – India and COO at Ankur Capital

Session 1: When Numbers Lie – How Boards Can Spot Financial Irregularities

CA Lakshmi Rao, Forensic auditing expert, Partner at Sarath & Associates

M.K. Sateesh, Independent Director on multiple Boards

Abhijit Sanzgiri, Governance, Risk and Finance professional

The first session explored how Boards can identify financial irregularities that may be concealed behind seemingly accurate figures. The moderator Abhijit Sanzgiri, Governance, Risk and Finance professional, opened the discussion by underscoring the critical role of Independent Directors in probing beyond surface-level compliance. "Numbers may not lie, but they can certainly be swayed. True governance demands Independent Directors dig deeper, ask uncomfortable questions, and challenge the status quo—especially in promoter-driven companies and MSMEs."

CA Lakshmi Rao, forensic auditing expert, Partner at Sarath & Associates, and Independent Director, stressed the need for vigilance and integrity. "Numbers don't lie completely; if you know where to look, they reveal everything. Independent Directors must track unusual patterns like revenue spikes, debt surges, or changes in credit ratings and ask sharp, grounded questions to uphold accountability."

She emphasised that financial oversight requires proactive engagement rather than passive report review.

Adding a critical perspective, M.K. Sateesh, Independent Director on multiple Boards, mentor, advisor, and speaker, spoke on the necessity of ethical courage: "A moment of ethical lapse can cause irreversible damage. Boards must cultivate moral alertness, not just financial literacy. Independent Directors must be brave enough to ask tough questions and hold management accountable, especially when chairing audit committees in listed companies."

Abhijit Sanzgiri concluded the session by underscoring the importance of ethical instinct: "The ethical instinct is a Board's most underrated asset. It's not about playing detective—it's about staying human and trusting your instinct when something feels off."

Session 2: Translating the Code of Conduct – From Boardroom to Shop Floor

Dr. Anita Shantaram, Independent Director on Multiple Boards

Indra Chourasia, Integrity Advisor–BFSI, Tata Consultancy Services

Yuvraj Datta, Director of Operations, Zeon Life Science Ltd.

The second session addressed how Boards can effectively embed ethical values across all organisational levels. The session was moderated by Yuvraj Datta, Director of Operations, Business Development and Process Excellence, Zeon Life Science Ltd.

Dr. Anita Shantaram, Independent Director on Multiple Boards and Founder of Ethics India, opened by emphasising that the Code of Conduct is a living declaration of values, not just a document. She said, "Whistleblowers are not troublemakers—they are truth-tellers. Boards must empower them. Robust ethics go beyond token compliance; real impact comes from ongoing, interactive Code of Conduct engagement."

Indra Chourasia, Integrity Advisor – BFSI, Tata Consultancy Services, introduced his 7R model—Regimen, Resources, Representation, Reporting and Response, Reinforcing culture, Role models, Rigour and Realignment—to cascade ethics through all organisational layers. He said, "The Code of Conduct must move from top-down enforcement to value-driven culture. While many Indian employees report misconduct, high retaliation rates highlight a trust deficit. Boards must foster transparency, support, and accountability to bridge this gap."

Yuvraj Datta stressed the need for cultural accountability, not just policy compliance. "The true test of ethical leadership is the instinctive distinction between what you can do and what you should do. Integrity becomes culture when this understanding permeates every team member."

Dr. Shantaram closed the session with a strong call to action: "Ethical KPIs must be tracked like financial ones. Appoint conscience champions and create safe reporting channels. Compliance checks a box; integrity builds a legacy."

Closing Reflections

Following both sessions, the speakers engaged with a highly participative audience, answering relevant and thought-provoking questions that highlighted the urgency and relevance of these themes in today's boardrooms. In their concluding remarks, the panellists reiterated the need for courage, clarity, and character at the highest levels of governance. The Board Stewardship live webinar was supported by Knowledge Partner: BoardPAC and Corporate Partners including JSW Group, PL Capital, Universal Sompo General Insurance, DiveCygnet, Stanton Chase, JHS, and Relia Smart Global Advisory (FZE).

FROM MCA'S DASHBOARD

PREVENTION OF OPPRESSION AND MISMANAGEMENT UNDER CA-13*

Anuradha Thakur
Additional Secretary, MCA

Corporate Governance serves as the backbone of a well-functioning corporate structure, ensuring accountability, transparency, and fairness in business operations. It establishes a system of rules and practices through which companies are directed and controlled, balancing the interests of various stakeholders. Strong Corporate Governance mechanisms are essential in preventing fraudulent activities, protecting investor rights, and maintaining market confidence. However, when these mechanisms fail or are misused, it can lead to instances of oppression and mismanagement.

Oppression occurs when a company's affairs are conducted in a manner that is prejudicial or oppressive to any member or group, particularly shareholders, by disregarding their rights and limiting their ability to participate in decision-making. In contrast, mismanagement refers to situations where the company's management and control are exercised in a manner detrimental to the company's interests or its members, leading to financial instability, operational inefficiencies, or corporate deadlocks. Such issues may arise due to fraudulent conduct, misgovernance, or imprudent decision-making, potentially harming the company's sustainability.

To address these, the Companies Act, 2013 (CA-13) has implemented comprehensive legal measures to safeguard minority shareholders and prevent the misuse of power by majority shareholders. Sections 241 to 246 establish a framework to promote fairness and transparency, offering remedies when corporate affairs are conducted in a manner detrimental to members or the company itself. Given the increasing complexity of corporate structures and the rise in shareholder disputes, these legal safeguards play a vital role in balancing majority control with minority rights.

Under Section 241 of CA-13, members of a company can apply to the Tribunal if they believe the company's affairs are being conducted in a manner prejudicial to public interest, the company's interest, or the interests of any members. Additionally, the Central Government may also approach the Tribunal if it deems that the company's affairs are being conducted against the public interest. The provision extends to cases where a material change in management or control is likely to result in such prejudicial conduct. Once an application is made under Section 241, the Tribunal, under Section 242, is empowered to issue appropriate relief orders. These may include regulating the company's affairs in the future, ordering the purchase of shares, imposing restrictions on the transfer of shares, modifying or terminating agreements, and removing key managerial personnel. Additionally, the Tribunal can direct the recovery of undue gains made by Directors or managers, impose costs, and even order the winding up of the company if deemed just and equitable. Other possible remedies include altering the company's memorandum and articles of association, reducing its share capital, and appointing new Directors to safeguard shareholder interests.

To reinforce these provisions, Section 243 stipulates the consequences of termination or modification of agreements due to oppression or mismanagement. If the Tribunal terminates or modifies an agreement, such an agreement shall not be enforceable unless the Tribunal grants specific permission. Furthermore, any Managing Director, Director, or manager removed under Section 242 cannot hold office in the company for a period of five years, unless the Tribunal specifically permits otherwise. This provision ensures that individuals responsible for misconduct do not regain control, strengthening corporate accountability.

Before a member can seek relief under Section 241, they must meet the eligibility criteria outlined in Section 244. Members in a company representing not less than one-tenth of the total number of members or not less than one hundred members of the company, whichever is less or any member or members hold not less than one-tenth of the issued share capital (fully paid-up shares). In companies without share capital, an application can be made by not less than one-fifth of the total members. However, the Tribunal has discretion to waive these requirements in certain cases, ensuring access to justice for minority shareholders facing oppression or mismanagement. A key reform introduced under the Companies Act, 2013, is Section 245, which allows class action suits by members and depositors against a company, its Directors, auditors, and other specified parties for wrongful conduct. Class action suits serve as a legal remedy for acts of mismanagement, fraudulent practices, or misleading financial statements that harm the company or its stakeholders. Such suits can be filed to prevent companies from acting beyond their memorandum or articles, breaching shareholder agreements, or engaging in fraudulent or oppressive activities. Additionally, auditors and audit firms can be held accountable for misleading audit reports, ensuring greater transparency in Corporate Governance.

The provisions under the CA-13, concerning oppression and mismanagement, play a crucial role in upholding Corporate Governance, protecting shareholders, and ensuring accountability in business operations. By empowering the Tribunal to intervene in cases where corporate affairs are conducted in a prejudicial or oppressive manner, the Act establishes an effective legal mechanism to address governance failures. Sections 241 to 246 collectively provide a structured approach to resolving such issues by shareholder intervention and corrective measures in the form of punishment and class action suits. As corporate structures evolve, these legal safeguards remain instrumental in ensuring a balanced governance framework that protects both majority and minority interests while maintaining market integrity.

REVIEW OF NEW COMPANY REGISTRATIONS

(i) As of March 31, 2025, the number of companies registered under the Companies Act was 28,52,449. Of these, 9,53,078 companies were closed, 10,414 companies were under liquidation, 26,985 companies are in the process of being struck-off from the register and 2,537 companies have so far obtained the "dormant" status according to Section 455 of the Companies Act, 2013. Remaining 18,50,932 are active companies as on March 31, 2025.

(ii) A total of 21,157 companies, including 1,190 One Person Companies (OPCs), were registered during March 2025 with Paid-Up capital of Rs. 1602.49 Crore. The breakup of the newly incorporated companies by type is as follows:

Type of Company	No. of Companies registered in March , 2025	Total Paid Up Capital (Rs. in Crore)
Company limited by shares Of which	**20874**	**1601.61**
a) Private Of which	**19512**	**1304.47**
One Person Companies	**1190**	**12.73**
(b) Public	**172**	**284.42**
Company limited by Guarantee	**283**	**0.89**
Of which,		
a) Private	**276**	**0.89**
(b) Public	**7**	**0.00**
Unlimited Company		
Grand Total	**21157**	**1602.49**

(iii) During the Month of March 2025, Maharashtra had the maximum number of company registrations (3923) followed by Uttar Pradesh (2157) and Delhi (1760).

(iv) "Community, Personal & Social Services" topped the economic activity-wise classification (5638) of newly registered companies. For more statistical details about the growth of the corporate sector, the reader is invited to the 'Monthly Information Bulletin on Corporate Sector.' **https://www.mca.gov.in/content/mca/global/en/data-andreports/reports/monthly-information-bulletin.html**

MONTHLY MIS REPORT FROM COMPETITION COMMISSION OF INDIA

S. No.	Section	Cases pending as on last day of previous month (A)	Cases received during the month (B)	Total Cases (A+B)	Cases Closed/ disposed by CCI (C)	Net cases pending with CCI for final disposal (A)+(B) -(C)
1.	19	85	04	89	08	81
Sub Total (X)		85	04	89	08	81
2.	6(2)	25	12	37	17	20
3.	6(4) (Green Channel)	-	03	03	03	-
4.	6(A)	-	-	-	-	-
Sub Total (Y)		25	15	40	20	20
Grand Total (X) + (Y)		110	19	129	28	101

1. Out of 81 pending anti-trust cases, 24 cases are pending with DG and 57 cases are pending with CCI (excluding cases pending due to court cases).

JHS

JHS EXCELLENCIA SERIES - 30th EDITION

SPOTLIGHTS ARBITRATION, ONLINE DISPUTE RESOLUTION, AND GLOBAL BEST PRACTICES

The 30th edition of the JHS Excellencia Series, hosted on May 27, 2025, focused on the pivotal topic of 'Arbitration & Conciliation.' This highly anticipated session featured Amber Gupta, a renowned legal expert with over 25 years of leadership in legal, compliance, and regulatory functions. Currently serving as Senior Vice President and Head of Legal at the National Stock Exchange of India Ltd., Gupta has previously held senior positions at Aditya Birla Capital, where he led critical legal initiatives, digitisation projects, and governance strategies. His academic credentials include qualifications in Law, a Company Secretaryship, Diplomas in Business Finance and Cyber Laws (All India 2nd Rank), and a fellowship from the Chartered Institute of Arbitrators (UK).

The session opened with a welcome address and introduction by Dipika Bisawala, Partner at JHS Associates LLP, who acknowledged Gupta's exceptional expertise and commitment to legal education. She emphasised the importance of arbitration in today's dynamic business environment and set the tone for an insightful discussion.

Gupta's session offered a comprehensive exploration of arbitration and conciliation as alternative dispute resolution (ADR) mechanisms. He contextualised arbitration's roots in India's traditional Panchayat system and mapped its evolution into structured domestic and international models. Key distinctions were drawn between ad hoc and institutional arbitration, the role of the New York Convention, and the legal enforceability of foreign awards. He elaborated on the significance of defining the seat of arbitration, governing law, and the independence of arbitrators, especially under the UNCITRAL Model Law.

An especially engaging moment was when a participant asked, "How do arbitration and conciliation mechanisms apply in cases of financial fraud or misapplication?" Gupta clarified that fraud, being a criminal offence, is generally not arbitrable under Indian law. However, he made a nuanced distinction between fraud and misselling, stating that while fraud claims are handled by courts, misselling cases fall under sector-specific mechanisms like insurance or banking ombudsman systems. This response helped participants better understand the legal boundaries of ADR applicability.

Amber Gupta,
Head Legal (SVP), National Stock Exchange of India Ltd. (NSE INDIA)

Gupta also addressed the rising relevance of Online Dispute Resolution (ODR), particularly in the post-pandemic era. He noted that sectors such as securities, banking, and NBFCs have widely adopted ODR platforms, citing SEBI's mandatory ODR framework. However, he cautioned that while effective for simpler, document-only arbitrations, ODR might be limited for more complex disputes requiring in-depth hearings.

In the concluding segment, Gupta offered practical insights into the future of arbitration careers, pathways for certification, and global best practices. His emphasis on conflict-of-interest guidelines, the importance of drafting robust arbitration clauses, and international arbitration frameworks such as DIFC and GIFT City enriched the session further.

Huzeifa Unwala, Senior Partner at JHS Associates LLP, formally concluded the session with a note of appreciation for Gupta's time and the depth of expertise he shared on the subject of 'Arbitration & Conciliation.' His contribution offered participants not only legal clarity but also strategic perspectives applicable across industries.

This milestone session of the JHS Excellencia Series was yet another reminder of the firm's deep commitment to encouraging thought leadership and nurturing legal excellence across emerging and traditional sectors alike.

APPOINTMENTS AND RESIGNATIONS TREND

MONTHLY REPORT FOR MAY 2025

This tracker from the Board Stewardship Research Team gives you a monthly trend in the appointments and resignations of the Directors of over 7,000 listed companies in India. Keep digging, and you will find an opportunity for yourself too.

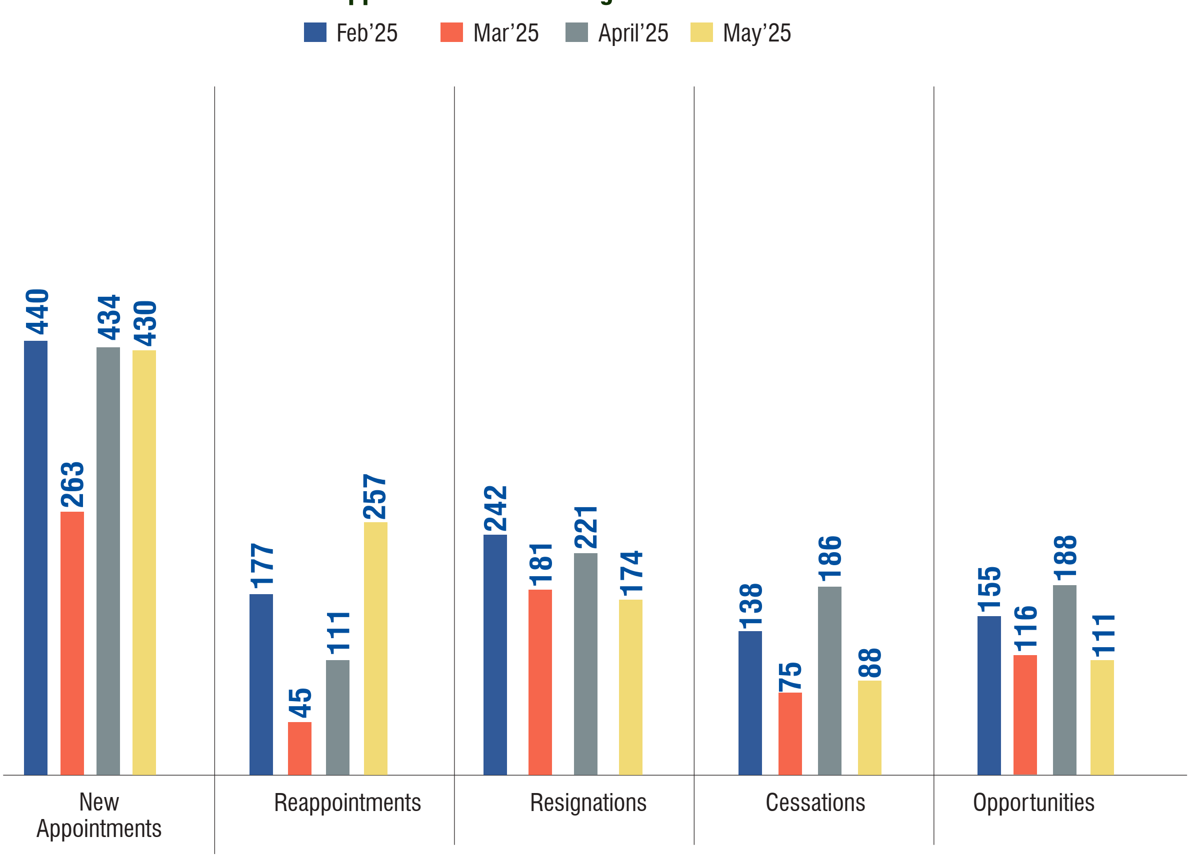
S.NO.	Particular	Men	Women	Total
1	New Appointments	339	91	430
2	Reappointments	200	57	257
3	Resignations	137	37	174
4	Cessations	73	15	88
	Total	**749**	**200**	**949**
5	Opportunities	80	31	111

* Data from 23rd April'25 to 22nd May'25

Appointments and Resignations Data Analysis

- Board appointment activities slowed down in May compared to the sharp rise seen in April
- New appointments remained relatively stable, at 430 in May and 434 in April
- Reappointments more than doubled, increasing by 131% to 257 from 111 in April
- Resignations fell sharply by 21%, dropping to 174 from 221 in April
- Cessations also saw a significant decline of 53%, falling to 88 in May from 186 in April
- As a result, open opportunities dropped by 41%, to 111 from 188 in April

Appointments and Resignations Trend



* Data from 23rd of previous month to 22nd of current month

DATA BANK REPORT

MAY 2025

There are three major public data banks for Independent Directors in India, and the Board Stewardship Research Team brings you the latest report every month. Databanks maintained by search firms are their confidential data.

IICA ID Databank Status as on 22nd May 2025

ID Registered	Women ID Registered	Companies Registered	Searches Made by Companies	Passed Online Proficiency Self-Assessment Test
35,279	10,683	3,796	17,582	21,088

primedirectors.com ID Databank Status as on 22nd May 2025*

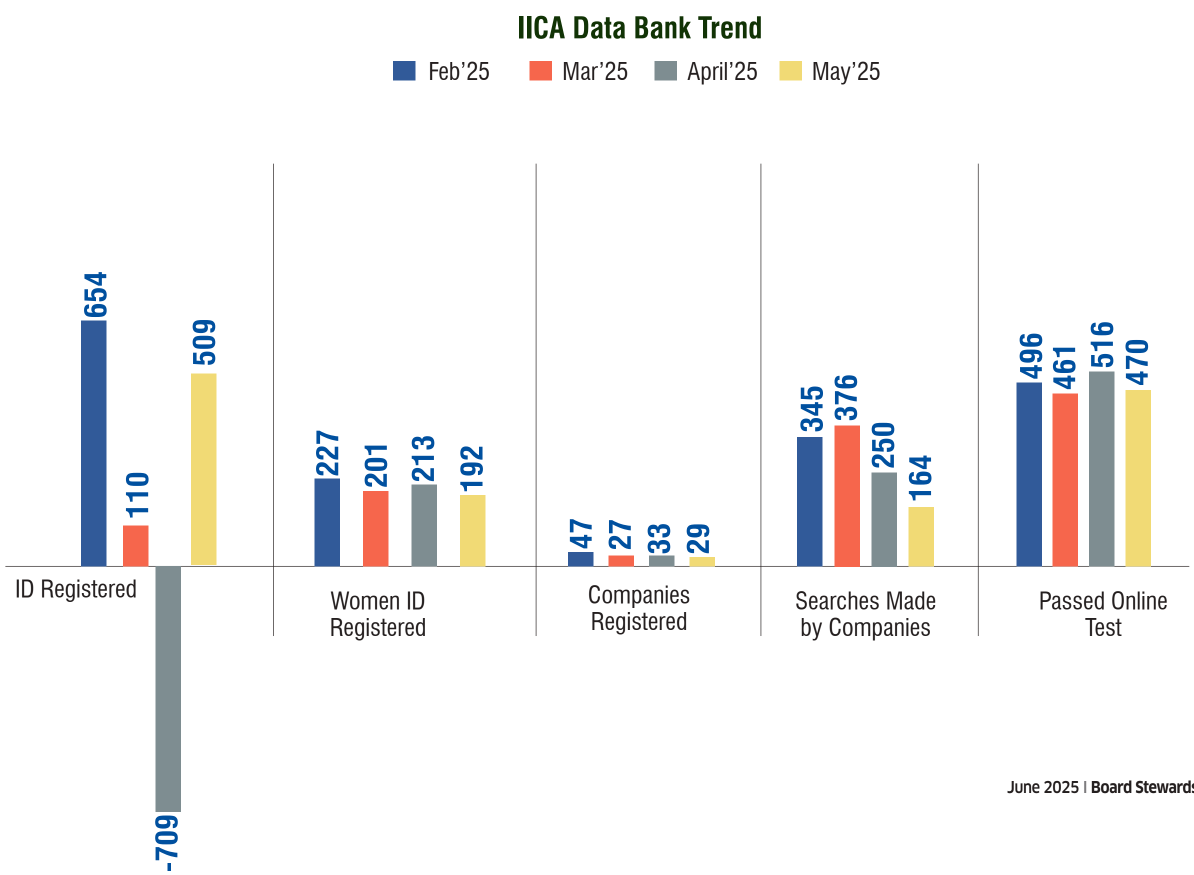
ID Registered	Women ID Registered	Companies Registered	Searches Made by Companies	Passed Online Proficiency Self-Assessment Test
19,394	1,165	NA	NA	NA

*There is no change in the data over last one month on primedirectors.com

Note: Organisation for Non-Executive Independent Directors (ONEID) by IOD Databank data is not in the public domain.

IICA ID Databank Trends

- Independent Director registrations crossed 35,000 with 509 fresh registrations in May.
- The number of women Independent Directors registered in the IICA database remains strong, with on average 200 new Women Directors added for the fourth consecutive month, taking the total to 10,683
- 470 candidates cleared the online proficiency self-assessment test in May, up from 516 in April
- With this, the total number of individuals who have passed the test has crossed 21,000



Sundharesan, a specialist in ECG, holds credentials in Ethics, Compliance, and Governance. He is a CCEP-I, FCS, LLB, BGL, AASM, CP-ESG, and serves as the Founder & Chief Advisor at J Sundharesan & Associates, specialising in Governance, Compliance, Sustainability, and ESG practices.
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SUNDHARESAN JAYAMOORTHI
Governance, Compliance, Sustainability Advisor

ESG MATTERS THAT MATTER

SECTION 1

Exploring ESG Concepts:
Basics and Beyond

The Term:
Stakeholder Engagement

Stakeholder engagement is a critical component of Environmental, Social, and Governance (ESG) frameworks. It involves active engagement of internal and external stakeholders—such as employees, investors, customers, suppliers, regulators, and local communities—in shaping and evaluating an organisation's ESG strategy and performance. It helps organisations identify material issues, enhance transparency and accountability, drive continuous improvement, mitigate risks, strengthen resilience and promote inclusive decision-making. Organisations often use surveys, stakeholder mapping, public consultations, focus groups, and sustainability reporting to facilitate effective ESG stakeholder engagement.

SECTION 2

1. What is the primary purpose of stakeholder engagement in a business or project context?

A. To delegate responsibilities to external parties
B. To ensure compliance with financial regulations
C. To build trust and gather input from affected or interested parties
D. To advertise the company's products

Answer: C- To build trust and gather input from affected or interested parties.

2. In the ESG framework, stakeholder engagement helps organisations to:

A. Increase short-term profits
B. Avoid disclosing material ESG risks
C. Identify and prioritise material sustainability issues
D. Replace internal audits

Answer: C- Identify and prioritise material sustainability issues

3. Which of the following is NOT typically considered a stakeholder in ESG engagement?

A. Employees
B. Competitors
C. Local communities
D. Investors

Answer: B- Competitors

4. What is stakeholder mapping?

A. A legal requirement under corporate law
B. A process of locating the addresses of all stakeholders
C. A method to assess stakeholders' influence and interest
D. A marketing strategy to promote sustainability reports

Answer: C- A method to assess stakeholders' influence and interest

5. One benefit of effective stakeholder engagement is:

A. Increased lobbying against environmental regulation
B. Reduced need for ESG disclosures
C. Improved decision-making and risk management
D. Elimination of regulatory compliance

Answer: C- Improved decision-making and risk management

ASK THE BOARD EXPERT

MANOJ SONAWALA
Chairman, Manoyog GRC Advisors Pvt. Ltd.

Manoj is a GRC Professional and ESG enthusiast and Chairman of Manoyog GRC Advisors Pvt. Ltd.
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Q. In case a deposit is taken from a person who is both a Director and a member of the company, will such receipt of money be treated as a deposit or not?

Any amount received from a person who, at the time of the receipt of the amount, was a Director of the company furnishes to the company, at the time of giving the money, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others and is not considered a deposit under the Companies (Acceptance of Deposits) Rules, 2014.

In the case of a private company, if the amount is borrowed from its member and does not exceed 100% of the paid-up share capital and free reserves of the company, then it will not be treated as a deposit.

Q. What happens in the case of a merger of a listed transferor company into an unlisted transferee company?

As per Section 232(3)(h) of the Companies Act, 2013, where the transferor company is a listed company and the transferee company is an unlisted company, then:

(i) The transferee company shall remain an unlisted company until it becomes a listed company.

(ii) If shareholders of the transferor company decide to opt out of the transferee company, provision shall be made for payment of the value of shares held by them and other benefits in accordance with a predetermined price formula or after valuation is made as per the SEBI regulations, and the arrangements may be made by the NCLT.

Q. What are events and actions required to be reported by the Secretarial Auditor in the audit report?

Secretarial Auditor is required to report and provide details of specific events and actions that occurred during the reporting period having a major bearing on the affairs of the company pursuant to the applicable laws/rules and regulations. This includes a comprehensive assessment of the company's compliance with all applicable laws, regulations, and guidelines, highlighting any deviations, qualifications, or areas needing improvement.

Readers are requested to send their queries to edit@boardstewardship.com

Q. Is it the duty of the auditor to confirm internal financial controls?

As per Section 143(3)(i) of the Companies Act, 2013, the auditor is required to state the adequacy of internal financial control systems and their operating effectiveness with reference to the preparation of financial statements.

Q. Is the extract of the Annual Return required to be attached to the Board's Report in terms of Section 134(3)(a) of the Companies Act, 2013?

No, the extract of the Annual Return in Form MGT-9 is not required to be attached to the Board's Report. Instead, the company is required to disclose the web link where the annual return, referred to in sub-section (3) of section 92 of the Companies Act, 2013, is placed. This requirement was modified by the Companies (Amendment) Act, 2017, which eliminated the need to include the MGT-9 extract in the Board's Report.

Q. Which are the transactions exempted from being entered in the Register of Contracts and Arrangements in which the Directors are interested?

The following transactions are exempted from being entered in the Register of Contracts and Arrangements in which the Directors are interested:

- transactions in the ordinary course of business,
- transactions based on arm's length terms,
- transactions between listed companies and their wholly owned subsidiaries
- transactions with private companies or IFSC-registered public companies.
- transactions are exempt if more than 90% of the members are related to the related party or promoter or if the related parties are government companies and have approval from the relevant ministry.

Disclaimer: *The answers given by the expert are for guidance and are not a legal opinion. The reader shall obtain a proper legal opinion before taking any action. The expert and the publisher expressly deny any liability for loss arising out of reliance on the answers published.*

TAKE A MOCK TEST NOW

CS SHASHIKALA RAO

ARE YOU BOARD READY

CS Shashikala has over 34 years of corporate experience and is a Fellow Member of the Institute of Company Secretaries of India. She is a Company Secretary with credentials in Commerce, Law, and Chartered Secretaryship from the University of London. She previously worked at Reliance Industries Limited as Vice President, Corporate Secretarial, specialising in restructuring, equity, debt issues, compliance, and securities. She has written articles, contributed to professional programmes, and co-written books on a variety of corporate themes. She has vast expertise as a professional organisation's faculty member, speaker, and reviewer.

ssksrao@gmail.com

1. Every company registered under The Companies Act, 2013 is mandatorily required to appoint the following:
a) Internal auditors
b) Cost auditors
c) Statutory auditors
d) Secretarial auditors

2. Consolidated accounts is mandatory for:
i) Every listed company
ii) Every company which has subsidiaries and associate companies
iii) Every listed company which has subsidiaries and associate companies
iv) Every company which has subsidiaries or associate companies
a) (i), (ii) and (iii)
b) (i), (ii) and (iv)
c) (ii), (iii) and (iv)
d) All of the above

3. Dividend which remains unpaid or un-encashed for 7 years after declaration should be transferred to :
a) Scheduled Bank
b) Investor Education Protection Fund
c) SEBI d) RBI

4. Annual General Meeting of a company should be held within ----- months of the end of the financial year, with a gap of not more than ------- months from the previous annual general meeting.
a) 3 and 15 b) 6 and 9
c) 6 and 12 d) 6 and 15

5. A public listed company is prohibited from issuing securities:
a) At premium
b) With rights to higher dividend
c) At a price lower than nominal value
d) With differential voting rights

6. Independent and Non-Executive Directors shall be held liable, only in respect of such acts of omission or commission by a company which had occurred:
a) With his knowledge
b) Attributable through Board process
c) With his consent or connivance or where he had not acted diligently
d) All of the above

7. Mandatory Committees for every listed public company are :
i) Audit Committee
ii) Risk Management Committee
iii) Nomination and Remuneration Committee
iv) Stakeholders' Relationship Committee
v) Corporate Social Responsibility Committee
a) (i), (iii) and (iv)
b) (i), (iii), (iv) and (v)
c) (i) (ii), (iii) and (iv)
d) All of the above

8. Quorum for a Board Meeting of a company shall be:
a) 2/3rd of total strength of the Board or 3 directors, whichever is higher
b) 1/3rd of total strength of the Board or 2 directors, whichever is higher
c) 1/2 of total strength of the Board or 2 directors, whichever is higher
d) None of the above

9. A company may purchase its own shares or other specified securities out of:
a) Its free reserves
b) The securities premium account
c) The proceeds of the issue of any shares or other specified securities
d) All of the above

10. A company has surplus reserves and desires to issue bonus shares instead of declaring dividend. It may do so -
a) With the approval of the Board
b) With the approval of the shareholders by a special resolution
c) If the articles of association permits and with the approval of the Board and shareholders by special resolution
d) None of the above

11. Tenure of an independent director can be :
i) 3 years ii) 5 years
iii) 1 year iv)10 years
a) (ii)
b) (i), (ii) and (iii)
c) (ii) and (iv)
d) All of the above

12. Appointment of a person on the Board of a listed entity will require approval of shareholders to be obtained ………….
a) At the next annual general meeting
b) At the next general meeting
c) At the next general meeting or within three months from the date of appointment, whichever is earlier
d) At the next general meeting or within six months from the date of appointment, whichever is earlier

13. In case of listed entities, special resolution is required to be passed in general meeting where Non- Executive Director has attained the age of …years.
a. 60 b. 65 c. 70 d. 75

14. A person above ______ age cannot be appointed or continue as an Executive Director of a public company, except with the approval of shareholders by special resolution in a general meeting or with the approval of Central Government :
a) 75 b) 70 c) 65 d) 60

15. A person may hold directorship in …… companies and can be appointed as an Independent Director in …..listed entities
a) 20 , 7 b) 15, 5 c) 10,5 d) 7, 3

16. Return in form MGT 7 is required to be filed with the Registrar of Companies by every Company every year on or before :
a) September 30
b) April 30
c) Within 60 days of annual general meeting
d) Within 30 days of annual general meeting

17. As per the Companies Act, 2013 a public company (other than an exempted company) can invest not exceeding _______ per cent of its paid up share capital, free reserves and securities premium or __________ percent of it free reserves and securities premium whichever is more.
a) 50, 60 b) 100, 60
c) 60, 100 d) 100, 100

18. Audit Committee of a listed entity shall consist of :
a) All Independent Directors
b) Non-executive Directors
c) Equal number of Independent Directors and executive Directors
d) Minimum three Directors, at least two being Independent

Answers to the Mock Test

1) c) Statutory auditors
2) c) (ii), (iii) and (iv)
3) b) Investor Education Protection Fund
4) d) 6 and 15
5) c) at a price lower than nominal value
6) d) All of the above
7) a) (i), (iii) and (iv)
8) b) 1/3rd of the total strength of the Board or 2 directors, whichever is higher
9) d) all of the above
10) d) None of the above
11) b) (i), (ii) and (iii)
12) c) At the next general meeting or within three months from the date of appointment, whichever is earlier
13) d) 75
14) b) 70
15) a) 20, 7
16) c) Within 60 days of the annual general meeting
17) c) 60, 100
18) d) Minimum three directors, at least two being independent

GLOBAL BOARD NEWS & VIEWS

Coca-Cola Removes Misleading Recycling Imagery Following EU Pressure

The Coca-Cola agreed to revise its plastic bottle labels to clarify that only the body of the bottle is made from 100% recycled plastic, the label and cap are excluded. The move follows a complaint by the European Consumer Organisation (BEUC) and others about misleading recycling claims. In response, Coca-Cola will remove green imagery such as closed recycling loops and change the label message from "Recycle me again" to simply "Recycle me." The company stated these changes do not imply any legal admission. BEUC noted Coca-Cola is the first firm to voluntarily update its claims since the complaint was filed in November 2023, and urged authorities to ensure compliance.

Toyota Chairman Akio Toyoda Gains Support From Advisory Firm Glass Lewis

Advisory firm Glass Lewis has recommended that shareholders re-elect Toyota Motor Chairman Akio Toyoda at this year's AGM, a shift from its stance over the past two years. Toyoda, former CEO and grandson of the company's founder, saw shareholder support drop to 72% in 2024—down from 85% in 2023 and 96% earlier—prompting him to acknowledge the dip as the lowest ever for a Toyota Director. The endorsement from Glass Lewis comes alongside a similar reversal by Institutional Shareholder Services, both now backing Toyoda's re-election. The shareholder meeting is set for June, with investor sentiment likely to reflect evolving views on governance reforms.

Tesla Names Ex-Chipotle CFO Jack Hartung To Board Of Directors

Tesla has announced that Jack Hartung, former CFO of Chipotle, will join its Board of Directors and Audit Committee starting June 1, 2025. Hartung has served as Chipotle's CFO for 22 years and later as President. Prior to Chipotle, he worked nearly 20 years at McDonald's as Vice President and CFO of its Partner Brands Group. Hartung brings over 40 years of experience from Chipotle and McDonald's, including roles in finance, accounting, supply chain, and strategic planning. He contributed to the expansion of nearly 3,700 Chipotle restaurants globally.

EU Faces Criticism Over Proposal To Limit Sustainability Disclosures

The European Central Bank (ECB) and other regulators have raised concerns over the EU's proposed sustainability omnibus package, warning it could increase financial risks. The proposal aims to ease climate reporting by reducing the number of companies covered under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The ECB cautioned that scaling back disclosure requirements could weaken risk management and deter green investment. It urged continued reporting for firms with over 500 employees and all major credit institutions. Regulators like the Dutch AFM and the European Banking Authority also stressed that reliable ESG data is vital for financial stability and achieving EU climate goals.

GLOBAL BOARD NEWS & VIEWS

Microsoft Pledges Teams-Office Split To Address EU Antitrust Probe

Microsoft has offered to further separate its Teams app from Office software to resolve EU antitrust concerns and avoid a potential fine. The European Commission is reviewing commitments that include offering Office suites without Teams at discounted prices, enhancing compatibility with rival products, allowing customers to switch plans mid-contract, and enabling data transfers to competitors. These follow earlier measures deemed insufficient. The EU investigation, launched in 2023 after a Slack complaint, will gather feedback over the next month. If accepted and made legally binding, Microsoft could avoid penalties; non-compliance risks fines up to 10% of its global turnover.

European Commission Reviews Fees Charged By Visa & Mastercard

The European Commission has launched a review into fees that Visa and Mastercard charge financial institutions serving retailers on their payment networks. Information requests were sent last week as part of the ongoing investigation. The focus is on whether retailers genuinely have a choice in accepting these payments, the value merchants receive for fees passed on to them, and the transparency of such charges. Visa defended its fees as reflecting value in security and reliability, while Mastercard highlighted its role in providing convenient, secure payment options. European retail groups have urged the Commission to regulate interchange fees, improve transparency, and enforce fair rules for international card schemes.

UK Government Plans New Rules For Buy Now, Pay Later Services

The UK government will introduce regulations for buy now, pay later (BNPL) lenders starting next year to enhance consumer protections, the finance ministry announced. Providers like Klarna and Clearpay will be required to assess customers' ability to repay debt and offer faster refunds. Over 10 million Britons use BNPL to spread retail payments over instalments. While the government views BNPL as a helpful financial tool when used responsibly, consumer groups warn it can lead to debt for essentials like food and energy. The new rules aim to set consistent standards, helping shoppers understand their obligations and access support. This follows earlier draft regulatory plans.

Volkswagen Shareholders Point To Governance Risks & Board Skill Gaps

At Volkswagen's virtual AGM, shareholders criticised the company's Corporate Governance, focusing on CEO Oliver Blume's dual role as Head of both Volkswagen and Porsche. In September 2022, Porsche became a separately listed, yet Blume continues as CEO of both firms. Investor Ingo Speich called on Blume to relinquish one board position, citing conflicts of interest that have damaged the company's reputation and caused financial losses. Blume defended his position, stating it aids cost-cutting efforts and is temporary. Four investors highlighted a lack of board expertise in electrification and digitalisation. Volkswagen is controlled by the Porsche and Piech families through Porsche SE, which holds most voting rights.

THE BIG BULL

GREED OVERSHADOWS VISION

Team Board Stewardship

Hemant Shah, a character loosely based on stockbroker Harshad Mehta, experiences a dramatic rise and fall in Kookie Gulati's 2021 film The Big Bull. The film follows a man's journey from the chawls of Mumbai to the top of Dalal Street, set against the backdrop of India's economic liberalisation in the 1990s. Beneath the glamour and dramatic narrative, however, is a sobering warning about the perils of inadequate Corporate Governance.

Hemant Shah is given charm and ambition by Abhishek Bachchan's convincing portrayal of the character. Although Shah is portrayed as a visionary who thinks that the stock market isn't just for the wealthy, his strategies for levelling the playing field include dishonesty, taking advantage of legal loopholes, and a worrisome lack of moral oversight. At this point, The Big Bull begins to depict a systemic failure as well as a personal story.

The flimsy foundation of India's financial institutions at the time is delicately revealed in the movie. Regulatory agencies are depicted as either incompetent or complicit, rather than serving as watchdogs. Banks are seen disbursing funds carelessly, and the stock exchange seems too enthralled with Shah's success to enquire about his financials. The Big Bull partially compensates for its lack of cinematic nuance by emphasising how a lack of supervision and accountability can result in market manipulation and, eventually, collapse.

From the standpoint of Corporate Governance, Shah's story is a classic illustration of what happens when accountability, transparency, and control systems are lacking. The movie demonstrates how entire institutions can be at risk when concentrated power is held by one person without adequate checks and balances. This shows why having a strong and well-regulated financial system is so important. Its absence is what allowed such a massive scam to happen.

But the screenplay of the movie frequently chooses dramatisation over nuance, glossing over some of the more complex economic issues. The Big Bull reduces many of the structural problems to interpersonal conflicts and emotional altercations, in contrast to the highly regarded OTT series, Scam 1992, which provided a more nuanced interpretation of the same events. This may leave viewers yearning for a more complex explanation of the structural flaws that made the scam possible.

Nevertheless, The Big Bull is successful in demonstrating that unbridled ambition without regulation is a surefire way to fail. Though a stylised depiction of actual events, the movie poses timeless queries regarding moral leadership and the function of governance in stopping financial fraud.

The Big Bull is ultimately more than a tale of a rags-to-riches story gone wrong. It serves as a mirror to a financial system that, in the absence of accountability, can be abused by those with the cunning to flout its regulations and the audacity to ignore them.

WHY MOVIE REVIEW

Movie reviews in the workplace might sound unusual, but they can actually be a great learning tool. Films often capture real-life situations like teamwork, leadership struggles, or ethical dilemmas in a powerful way. Discussing these movies as a team helps spark conversations, share perspectives, and connect the dots between what's on screen and what happens at work.

BOOK REVIEW

THE READY RECKONER YOUR FAST TRACK TO FINANCIAL INTEGRITY

DR. MANOJ VAISH
Director
Mirae Mutual Fund

Huzeifa Unwala's 'The Ready Reckoner- Your Fast Track to Financial Integrity' is a comprehensive guide that redefines the role of Internal Financial Controls (IFC) from a compliance necessity to a strategic enabler of organisational excellence. With a blend of theoretical insights and practical frameworks, the book offers a structured roadmap for building resilient IFC systems that safeguard financial integrity, enhance stakeholder confidence, and drive sustainable business performance. This review highlights the key themes and concepts that make this book a valuable resource for governance professionals, finance leaders, and students of risk management.

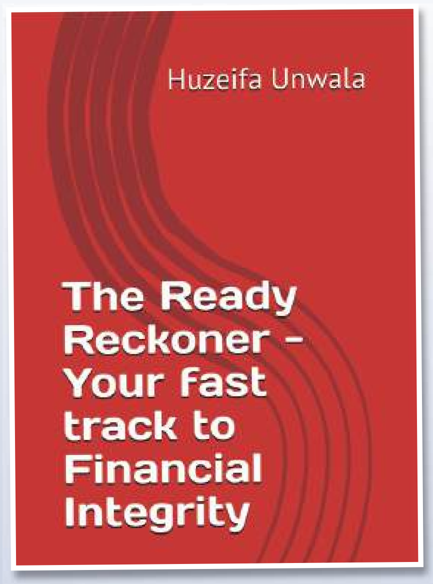
The Strategic Importance of Structure in IFC

The book emphasises that unstructured IFC initiatives often lead to failures, exposing organisations to risks of fraud, financial misstatements, and regulatory breaches. Unwala advocates for a structured approach powered by a 'Theory of Change,' which shifts IFC from a reactive compliance tool to a proactive framework focused on measurable outcomes. This approach integrates risk intelligence, adaptive evolution, and strategic resource allocation to ensure IFC remains dynamic and impactful.

The Five-Step IFC Framework

Unwala introduces a step-by-step methodology for implementing robust IFC systems:

- **StartSmart:** Establishing a clear baseline through risk assessment, materiality thresholds, and stakeholder analysis.
- **ControlCraft:** Designing precise controls linked to identified risks, supported by Risk and Control Matrices (RCMs).



TITLE: The Ready Reckoner
AUTHOR: Huzefia Unwala, Founder & Senior Partner at JHS Associates LLP, is a governance, risk, and assurance expert with over 30 years of experience. His work spans audits, internal controls, fraud investigations, IFC/SOX, and strategic advisory for corporates, boards, and not-for-profits.

WHY BOOK REVIEW

Book reviews at work aren't just about reading—they're about growing together. When teams dive into books on leadership, communication, or even personal growth, they open up space for fresh ideas and thoughtful discussions. It's a great way to learn from each other, apply new concepts to daily work, and build a culture that values curiosity and continuous learning.

Dr. Vaish brings a wealth of experience of more than 30 years in Financial & Capital Markets. He has had a brilliant academic record and was awarded the Delhi University Gold Medal for topping the MBA programme. Dr. Vaish has been CEO of several prominent organisations, including the Bombay Stock Exchange, Dun & Bradstreet India, NSDL Database Management Ltd. and MCX. Before this, he had been with leading MNC banks, Deutsche & ANZ Grindlays, in Treasury & Investment Banking. Currently, Dr. Vaish is a Director on the Board of Mirae Mutual Fund and GHCL.

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- **TrustTest:** Validating control effectiveness through rigorous testing, including Tests of Design (TOD) and Tests of Effectiveness (TOE).
- **DataView:** Leveraging dashboards for real-time monitoring, trend analysis, and actionable insights.
- **BetterBuilt:** Cultivating continuous improvement through automation, benchmarking, and adaptability.

Transforming IFC into a Centre of Excellence

The book envisions IFC as a Centre of Excellence (CoE) that transcends traditional compliance. By integrating process optimisation, data analytics, governance standardisation, and talent development, organisations can transform IFC into a strategic capability that drives cost reduction, operational efficiency, and enhanced risk management.

Soft Skills for IFC Professionals

A unique contribution by Satish Shenoy highlights the importance of soft skills in IFC implementation. Skills such as critical thinking, attention to detail, healthy scepticism, and business acumen are essential for fostering collaboration, ethical behaviour, and effective communication within a controlled environment.

Case Studies and Practical Insights

The book is enriched with illustrative case studies, including IFC transformations in a global bank and a manufacturing company. These examples demonstrate the tangible benefits of structured IFC frameworks, such as reduced control deficiencies, faster reconciliations, and improved regulatory compliance.

Stakeholder Expectations and Board Inquiries

Unwala provides a detailed list of questions that Boards and Audit Committees should ask to ensure the effectiveness of IFC systems. These inquiries focus on risk identification, control design, IT integration, and remediation plans, aligning governance practices with global standards.

Conclusion

'The Ready Reckoner' is more than a guide to IFC implementation—it is a call to action for organisations to embrace financial integrity as a cornerstone of governance and strategic excellence. By combining theoretical rigour with actionable frameworks, Unwala equips readers with the tools to build resilient control environments that not only comply with regulations but also drive long-term value creation.

This book is a must-read for governance professionals, finance leaders, and students seeking to deepen their understanding of IFC. It challenges conventional approaches and inspires a shift toward proactive, impact-oriented financial controls that safeguard organisational assets and reputation in an increasingly complex business landscape.

BOOK SHELF

All books are available on Amazon

TITLE: **Corporate Governance in India**

AUTHORS: **Jayati Sarkar & Subrata Sarkar**

PUBLISHER: **SAGE India; First Edition (23 January 2012)**

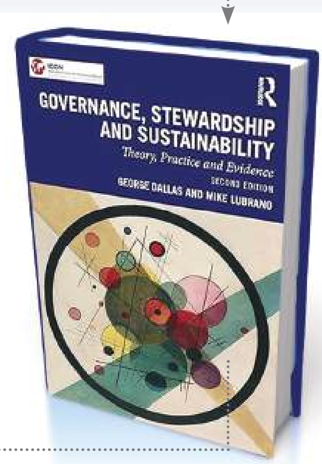
'Corporate Governance in India' offers a comprehensive examination of the country's Corporate Governance landscape. Authored by Jayati Sarkar, the book traces the historical development of governance practices and evaluates their relevance and effectiveness within India's unique institutional framework. It provides a detailed exploration of six critical governance mechanisms: ownership patterns, the role and composition of Boards, executive remuneration, the functions of auditors and audit committees, the market for corporate control, and issues related to disclosure and regulatory enforcement.

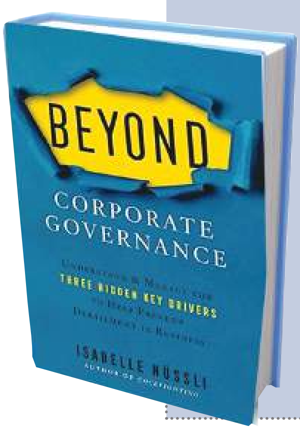
TITLE: **GOVERNANCE, STEWARDSHIP AND SUSTAINABILITY**

AUTHORS: **George Dallas & Mike Lubrano**

PUBLISHER: **Taylor & Francis Ltd; 2nd edition (10 November 2022); Routledge**

'Governance, Stewardship And Sustainability: Theory, Practice and Evidence,' a book written by renowned Corporate Governance specialists George Dallas and Mike Lubrano and based on the stewardship training program they created for the International Corporate Governance Network (ICGN), provides clear, structured, and practical insights for professionals navigating the ever-changing landscape of stewardship, governance, and sustainability. It sheds light on both known principles and areas that require more investigation.





TITLE: **Beyond Corporate Governance**

AUTHOR: **Isabelle Nussli**

PUBLISHER: **Leverage Yourself AG (19 November 2020)**

Disruption and failure are every leader's nightmare, even with Corporate Governance in place. In 'Beyond Corporate Governance,' Isabelle Nüssli reveals why traditional oversight isn't enough in today's fast-changing, complex business world. She offers practical tools to identify hidden risks, prevent derailment, and build resilient leadership. This concise guide empowers CEOs, board members, and recruiters to understand what truly drives sustainable success. Nüssli challenges readers to move beyond systems and embrace adaptability to future-proof their organisations and lead with confidence.

Whether certifying products, sharing claims or optimizing and decarbonizing supply chains, DNV helps companies manage risks and realize their long-term strategic goals, improving ESG performance and generating lasting, sustainable results. Combining sustainability, supply chain and digital expertise, DNV works to create new assurance models enabling interaction and transaction transparency across value chains. Drawing on our wide technical and industry expertise, we work with companies worldwide to bridge trust gaps among consumers, producers and suppliers.

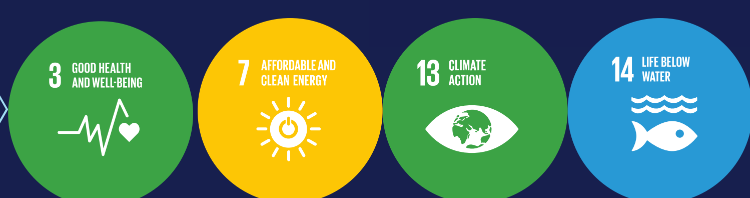
Our Service Portfolio

- Sustainability
- Supply Chain
- Governance
- Product Assurance
- Sustainable Finance
- Risk Management
- Digital Assurance
- Circularity and Recycling
- Cybersecurity

DNV 's ESG due diligence assessments can inform business decisions and strategy at many levels in an organisation and across different growth areas, zones, business units etc. Through experience we have developed and follow a number of principles that ensure ESG assessments produce insights that are helpful for mitigating risks.

By 2025, we will:

- Reduce our carbon footprint by 50%
- Switch to 100% renewable electricity
- Become climate positive
- Help our customers to decarbonise
- Make an impact on SDGs 3, 7, 13 and 14



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