9. Corporate Governance in India: Developments and Policies

9.1 Importance of Corporate Governance in the Capital Market

Corporate governance (CG) may be defined as the "acceptance by management of the inalienable rights of shareholders as the true owners of the corporation and of their own role as trustees on behalf of the shareholders. It is about commitment to values, about ethical business conduct and about making a distinction between personal & corporate funds in the management of a company" (SEBI consultation paper, 2013). Essentially, CG represents "the set of checks and balances within the corporate structure that helps create long-term value enhancement for stakeholders in a company." (Varottil, 2009) The corporate scandals at Enron and WorldCom and collapse of financial giants such as Bear Stearns, AIG and Lehman Brothers have underscored the significance of corporate governance to the economy and have focused the attention of the policy makers the world over on the CG standards in their respective countries.

But why is corporate governance so pivotal to a country? Two significant reasons may be cited in this regard. Firstly, an orderly and transparent business environment inspires confidence on the part of domestic and international investors. While making investment decision, investors consider governance risk, which arises from the potential lack of transparency, accountability and enforceability in the marketplace, as one of the critical factors. Research suggests that foreign investors shy away from countries characterized by weak shareholder protection and related legal institutions since investors' information and monitoring costs could be overly taxing. Secondly, weak governance systems often lead to serious problems; the 1997 East Asian crisis, for example, could partly be attributed to the weak institutions. The total indebtedness of countries affected by the crisis exceeded one hundred billion dollars. Similarly, the failure of a large corporate can cost an economy dearly; for example, the first year cost to the US economy caused by the failure of Enron in terms of only stock price erosion has been estimated at US$35bn.

In India, the focus on corporate governance reforms came with the liberalization of the economy in early 1990s, motivated by the first reason stated above rather than the second. The initial impetus for CG reforms in India was provided by the industry, rather than the government. In 1998, a voluntary Code of Corporate Governance was published (by Competition Commission of India), which was followed by the establishment of the Kumar Mangalam Birla Committee on Corporate Governance by the Securities and Exchange Board of India (SEBI). Over the past one and half decades, India made significant strides in CG reforms, thereby improving public trust in the market. These reforms have been well received by investors, including foreign portfolio investors (FPIs). Foreign direct investment (net) in India rose from US$0.3bn in FY 1996 to US$30bn in 2017-18 (RBI, Handbook of Statistics on Indian Economy, 2018). The governance reforms in India and the globalisation of the capital markets have been mutually reinforcing. While continuing governance reforms have led to rising foreign investment, the globalisation of the capital markets has provided an impetus towards a more stringent CG regime.

But, how did capital market globalization improve corporate governance regime? To market securities to foreign investors, Indian companies making public offerings in India had to comply with the CG norms with which investors in the developed world were familiar. Further, Indian companies listing abroad to raise capital were subject to the strict CG requirements that were applicable to companies listed on those exchanges. However, such practices have remained confined to a few large companies and have not percolated to the majority of Indian companies.

9.2 International Comparison

The Doing Business report is an annual publication of the World Bank, which offers a detailed analysis of global regulatory systems, the efficacy of bureaucracy, and the nature of business governance worldwide. The report presents data for 190 economies and aggregates information from 11 areas of business regulation, namely:

- Starting a business
- Dealing with construction permits
- Getting electricity
- Registering property
- Getting credit
- Protecting minority investors
- Paying taxes
- Trading across borders
- Enforcing contracts
- Resolving insolvency
- Labour market regulations

According to the Doing Business report 2019, India has jumped 23 positions higher, achieving a rank of 77 among 190 countries in 2018. With seven reforms making it easier to do business in 2017/18, India was the only economy in South Asia to join the list of the top 10 improvers. India's relative ranking in all the above stated components for last three years is given below:

Table 9.1: India's Rank across Ease of Doing Business and its Components

Sr. No	Indicator	2017	2018	2019
1	Ease of doing business	130	100	77
2	Starting a business	155	156	137
3	Dealing with construction permits	185	181	52
4	Getting electricity	26	29	24
5	Registering property	138	154	166
6	Getting credit	44	29	22
7	Protecting minority investors	13	4	7
8	Paying taxes	172	119	121
9	Trading across borders	143	146	80
10	Enforcing contracts	172	164	163
11	Resolving insolvency	136	103	108

Source: World Bank's Doing Business 2019.

The improvements made across different areas of ease of doing business include:

- **Starting a business:** India made starting a business easier by fully integrating multiple application forms into a general incorporation form. India also replaced the value added tax with the GST (Goods and Services Tax) for which the registration process is faster in both Delhi and Mumbai, the two cities measured by the 'Doing Business' report. At the same time, Mumbai abolished the practice of site inspections for registering companies under the Shops and Establishments Act.

- **Dealing with construction permits:** India streamlined the process of obtaining a building permit and made it faster and less expensive to obtain a construction permit. It also improved building quality control by introducing decennial liability and insurance.
- **Getting electricity:** The Delhi Electricity Regulatory Commission reduced charges for low voltage connections. Getting electricity was also made easier in Delhi through a reduction in the time for the utility to carry out the external connection works.
- **Getting credit**: India strengthened access to credit by amending its insolvency law. Secured creditors are now given absolute priority over other claims within insolvency proceedings.
- **Paying taxes**: India made paying taxes easier by replacing many indirect taxes with a single indirect tax, the GST, for the entire country. India also made paying taxes less costly by reducing the corporate income tax rate for micro, small and medium enterprises (who have reported turnover up to Rs2.5bn) and the employees' provident funds scheme rate paid by the employer.
- **Trading across borders**: India reduced the time and cost to export and import through various initiatives, including the implementation of electronic sealing of containers, the upgrading of port infrastructure and allowing electronic submission of supporting documents with digital signatures.
- **Labour market regulation**: India changed regulations pertaining to weekly holiday work, overtime hours and paid annual leave.

Notably, India's ranking has improved mainly due to improvements in three indicators; viz., starting a business, dealing with construction and trading across borders. Table 9.2 shows that in terms of "dealing with construction permits", India is far better than the BRICS countries except Russia and other developed countries like USA and UK.

Table 9.2: India's Comparison with Selected Advanced Countries, 2019

Parameters (Rank)	India	Brazil	Russia	China	South Africa	USA	UK
Starting a business	137	140	32	28	134	53	19
Dealing with construction permits	52	175	48	121	96	26	17
Trading across borders	80	106	99	65	143	36	30

Source: World Bank's Doing Business 2019.

9.3 Reforms in CG Framework for Listed Companies

Some of the important developments and policy changes in the CG framework in India are summarised as follows.

9.3.1 The Companies (Amendment) Bill, 2018

The enactment of the Companies Act, 2013 was one of the most significant legal reforms in India, aimed at bringing Indian companies law in line with the global standards. The Act introduced significant changes in the company's law in India, especially in relation to accountability, disclosures, investor protection and corporate governance.

In order to review the existing framework dealing with offences and related matters under the Act and make recommendations to promote better corporate compliance, the Government of India constituted a Committee in July, 2018. The said committee submitted its report in August 2018, which was published by the Ministry of Corporate Affairs. As the Parliament was not in session and immediate action was required to be taken the Companies (Amendment) Ordinance, 2018 was promulgated by the President of India on November 2, 2018. The Ordinance that came into force on the same date, has made over thirty amendments to the Companies Act. The Ordinance puts into effect several recommendations made in the aforesaid committee report. It introduced changes to improve compliance and corporate governance, and modified penalties leviable for various offences. One of the objectives is to reduce the burden of routine matters before National Company Law Tribunals (NCLT), and strengthen enforcement against serious offences. The Government introduced the Companies (Amendment) Bill 2018, which replaces the aforesaid ordinance, in the Lok Sabha on December 20, 2018. The bill was passed by the Lok Sabha on January 4, 2019; it was pending before Rajya Sabha.

Key features of the Bill are as follows:

i. *Recategorisation of offences:* The Companies Act 2013 contains 81 compoundable offences that are heard by the courts and punishable with fine or imprisonment or both. The Bill re-categorizes 16 of these offences as civil defaults, where adjudicating officers (appointed by the central government) may now levy penalties instead. Some of these offences include issuance of shares at a discount, failure to file annual return, etc.

ii. *Issuance of shares at a discount:* The Act prohibits a company from issuing shares at a discount, except in certain cases. In the event of non-compliance, the company is liable to pay a fine between one lakh rupees and five lakh rupees and every officer in default may be punished with imprisonment up to six months or fine between one lakh rupees and five lakh rupees. The Bill proposes to remove imprisonment for officers as a punishment. Further, the company and every officer in default will be liable to pay a penalty equal to the amount raised by the issue of shares at a discount or five lakh rupees, whichever is lower. The company will also be liable to refund the money received with interest at 12% per annum from the date of issue of the shares.

iii. *Commencement of business:* A company incorporated after the commencement of the Companies (Amendment) Act, 2018 and having a share capital shall not commence any business or exercise any borrowing powers unless (a) a declaration is filed by a director within a period of 180 days of the date of incorporation of the company in such form and verified in such manner as may be prescribed, with the Registrar that every subscriber to the memorandum has paid the value of the shares agreed to be taken by him/her on the date of making of such declaration; and (b) the company has filed a verification of its registered office address with the Registrar of Companies within 30 days of the date of incorporation. In the event of non-compliance of these provisions, the name of the Company may be removed from the Register of Companies.

iv. *Physical verification of registered office*: The registrar has the power to conduct physical verification of the registered office and initiate action for the removal of the name of the company from the register of companies if there is reasonable cause to believe that the company is not conducting any business or operations.

v. *Change in approving authority:* The Act provides that change in period of financial year for a company associated with a foreign company has to be approved by the NCLT. Similarly, any alteration in the incorporation document of a public company which has the effect of converting it to a private company, has to be approved by the Tribunal. Under the Bill, these powers have been transferred to central government.

vi. *Registration charges:* The Act provides companies to register charges (such as mortgages) on their property within 30 days of creation of charge. The Registrar may permit the registration within 300 days of creation. If the registration is not completed within 300 days, the company is required to seek extension of time from the central government. The bill amends this provision to permit registration of charges (i) within 300 days if the charge is created before the date of the

Bill, or (ii) within 60 days if the charge is created after the date of the Bill. If the charge under the first category is not registered within 300 days, it must be completed within six months from the date of the Bill, on payment of such additional fees as may be prescribed for different classes of companies. If the charge under the second category is not registered within 60 days, the Registrar may grant another 60 days for registration after payment of ad valorem fees. If any person wilfully furnishes false or incorrect information or knowingly suppresses material information, which is required to be registered under this provision, he will be liable for fraud under the Act.

9.3.2 SEBI (Listing Obligations and Disclosure Requirements) Regulations

On September 2, 2015, SEBI issued the SEBI (Listing Obligations and Disclosure Requirements), 2015 with the objective of consolidating and streamlining the provisions of the existing listing agreements for various segments of the capital market. The Regulations which came into effect from December 1, 2015, also consists of corporate governance provisions, specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Agreement.

The provisions of the Listing regulations applied to every listed entity that listed its specified securities on any recognised stock exchange(s) on the main board and with some exceptions to the Companies listed on SME Exchange or on institutional trading platform.

The provisions did not apply to listed entities having paid up equity share capital not exceeding Rs100mn and net worth not exceeding Rs250mn, as on the last day of the previous financial year. If the provisions became applicable to a listed entity on a later date, then the entity would have to comply with the requirements within six months from the date on which the provisions became applicable to the listed entity.

Since then, SEBI has amended the LODR Regulations multiple times over the years. Some of the key amendments are highlighted below:

i. According to the amendment on December 22, 2015, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) were to include in its annual report the business responsibility report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the Board from time to time. For companies that were not in the top five hundred listed companies based on market capitalization and companies that were listed on the SME Exchange, it was made voluntary to include the business responsibility report in the format as specified.

ii. According to the Amendment on July 8, 2016, Dividend Distribution Policy was inserted in the Regulations. The top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) were to formulate a dividend distribution policy that was to be disclosed in their annual reports and on their websites. The dividend distribution policy had to include the following parameters:

   a. the circumstances under which the shareholders of the listed entities may or may not expect dividend;

   b. the financial parameters that shall be considered while declaring dividend;

   c. internal and external factors that shall be considered for declaration of dividend;

   d. policy as to how the retained earnings shall be utilized;

   e. parameters that shall be adopted with regard to various classes of shares.

   If a listed entity proposed to declare dividend on the basis of parameters in addition to clauses

(a) to (e) or proposed to change such additional parameters or the dividend distribution policy contained in any of the parameters, it was to disclose such changes along with the rationale for the same in its annual report and on its website. It was made voluntary for listed entities other than top five hundred listed entities based on market capitalization to disclose their dividend distribution policies in their annual reports and on their websites.

iii. On January 4, 2017, the title of regulation 26 "Obligations with respect to directors and senior management" was substituted by "Obligations with respect to employees including senior management, key managerial persons, directors and promoters". According to the amendment, a new sub-regulation was included namely, no employee including key managerial personnel or director or promoter of a listed entity was allowed to enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity. The same was permitted if a prior approval was obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution, with some exceptions.

iv. On May 9, 2018, the SEBI issued amendments to the LODR consequent to the decisions taken at the SEBI board meeting, wherein it had accepted a number of recommendations of the Committee on Corporate Governance chaired by Mr. Uday Kotak. The SEBI has accepted most of the recommendations of the Kotak committee without modification and a few others with modifications.

The recommendations of the Kotak Committee accepted by the SEBI without any modifications include the following:

a. Reduction in the maximum number of listed entity directorships from 10 to 8 by April 01, 2019 and to 7 by April 1, 2020.

b. Eligibility criteria to be an independent director effective from October 1, 2018 shall:

    1. Specifically exclude persons who constitute 'promoter group' of a listed entity

    2. Exclude "board inter-locks" arising due to common non-independent directors on boards of listed entities (i.e. a non-independent director of a company, on the board of which any non-independent director of a listed entity is an independent director, cannot be an independent director on the board of the listed entity)

c. The audit committee shall review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs1bn or 10% of the asset-size of the subsidiary, whichever is lower. The thresholds shall include existing loans/advances/investments as on April 1, 2019, which is also the date on which this provision shall come into force.

d. The Nomination and Remuneration Committee (NRC) shall recommend the remuneration payable to the senior management. The definition of 'senior management' has been amended. As per the amendment, the persons in senior management shall include all members of the management one level below the CEO / MD / whole-time director/manager (including CEO/manager, in case CEO/manager is not part of the board) and shall specifically include the Company Secretary and the Chief Financial Officer.

e. The Stakeholder Relationship Committee (SRC) shall consist of three directors as members, with at least one being the independent director. The scope and responsibilities of Stakeholder Relationship Committee (SRC) has been enhanced, which shall also include (1) proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/KMPs, (2) review of measures taken for effective exercise of voting rights by shareholders, (3) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and (4) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices.

f. The constitution of Risk Management Committee shall be applicable to top 500 listed companies and its role would specifically include cyber security.

g. The NRC, SRC and RMC shall be required to meet at least once in a year.

h. The quorum for a meeting of the NRC and SRC shall be either two members or one-third of the members of the committee, whichever is greater, with at least one independent director.

i. The corporate governance report shall include (effective from 31st March 2019) the list of core skills/expertise/competence of the board of directors as required in the context of its business and sectors for it to function effectively and those available with the board. The report shall include, effective from 31st March 2020, names of the directors who possess such skills.

j. Secretarial audit shall be mandatory for listed entities and their material unlisted subsidiaries incorporated in India. This is in line with the theme of strengthening group oversight and improving compliance at a group level. The secretarial audit report shall be annexed with the annual report.

k. Where a listed entity has large number of unlisted subsidiaries, the listed entity may monitor their governance through a dedicated group governance unit or governance committee comprising the members of the board of the listed entity. The decision of setting up of such a unit/committee or having such a group governance policy would rest with the board of the listed entity.

l. Clear threshold limits, as considered appropriate by the BoD, for determining materiality of Related Party Transactions (RPTs), to be disclosed in the materiality policy effective from April 1, 2019. Such materiality policy shall be reviewed by the BoD at least once in three years.

m. The definition of 'related party' is amended to include all promoters/promoter group entities that hold 20% or above in a listed entity.

n. Effective from April 1, 2019, all material RPTs shall be approved by shareholders through a resolution and a related party would not vote to approve such resolutions whether the entity is a related party to the particular transaction or not. Additionally, all entities falling under the definition of related parties shall not vote to approve the relevant transaction irrespective of whether the entity is a related party to the particular transaction or not.

o. RPTs on a consolidated basis to be disclosed, as per the accounting standards format, on the website of the listed entity on half-yearly basis effective from March 31, 2019. Additionally, disclosure of transactions with promoters/promoter group entities (even if not classified as related parties in the annual report) that hold 10% or more shareholding to be made annually.

The recommendations of the Kotak Committee accepted by the SEBI with modifications include the following:

a. A minimum 6 directors on the board in the top 1000 listed entities by market capitalization by April 1, 2019 and in the top 2000 listed entities, by April 1, 2020.

b. At least one woman independent director on the board of directors in the top 500 listed entities by market capitalization by April 1, 2019 and in the top 1000 listed entities, by April 1, 2020.

c. Separation of roles of non-executive chairperson and MD/CEO to be initially made applicable to the top 500 listed entities by market capitalization w.e.f. April 1, 2020.

d. Quorum for Board meetings (one-third of the size of the Board or 3 members, whichever is higher) in the top 1000 listed entities by market capitalization by April 1, 2019 and in the top 2000 listed entities, by April 1, 2020.

e. Top 100 listed entities would be required to hold AGMs by 31st August each year (beginning from FY2018-19) i.e. within 5 months from the end of the next financial year. Live one-way webcast of AGMs would be required for top 100 listed entities from FY 2018-19.

f. Shareholder approval (majority of minority) shall be required, effective from April 1, 2019, for Royalty/brand payments to related party exceeding 2% of consolidated turnover. The sub-limit of 2% shall be considered within the overall 10% limit to determine material RPTs.

9.4 CAG Audit Report on Central Public Sector Enterprises (CPSE):[1]

The Comptroller and Auditor General (CAG) of India is an authority established by the Constitution, which audits all receipts and expenditure of the central and state governments, including those of bodies and authorities substantially financed by the government. The CAG audit report on CPSE contains significant comments arising out of supplementary audit conducted by CAG and important qualifications made by Statutory Auditors and the impact thereof on profit & loss account and balance sheet. The report also enumerates the status of adherence of CPSEs' to the provisions of the Companies Act, 2013; guidelines issued by SEBI and Department of Public Enterprises (DPE) on Corporate Governance and Corporate Social Responsibility and analysis of the Memoranda of Understanding between Administrative Ministries and CPSEs.

There are 636 CPSEs under the audit jurisdiction of CAG of India as on 31st March 2017. These include 438 government companies, 192 government controlled other companies and 6 statutory corporations. The report dealt with 554 CPSEs comprising 400 government companies, 173 government controlled other companies and 6 statutory corporations.

Fifty seven CPSEs including 19 government controlled other companies were not covered in this report, as accounts of these companies were in arrears for three years or more or were defunct/under liquidation or first accounts were not received/due.

Out of the 406 government companies and corporations whose data has been analysed in this report, 212 government companies and corporations earned profits of Rs1,584bn during FY17, of which, 74.69 percent (Rs1,183bn) was contributed by 49 government companies and corporations in three sectors viz., petroleum, power and coal & lignite. Return on Equity (ROE) in these 212 CPSEs was 13.78 per cent in FY17 as compared to 14.83 per cent in 203 CPSEs in FY16. Out of the companies that earned a profit, 111 companies declared a dividend in FY17 amounting to Rs Rs825bn Out of this, Rs472bn was paid to the government of India, which represented 14.57 percent return on the total investment by the government of India (Rs3,243bn) in all government companies and corporations. Sixteen government companies under the Ministry of Petroleum and Natural Gas contributed Rs349bn representing 42.33 percent of the total dividend declared by all government companies. Non-compliance with government's directive in the declaration of dividend by 20 government companies resulted in a shortfall of Rs546bn in the payment of dividend to Government of India for FY17.

Equity investment in 71 government companies had been completely eroded by their accumulated losses. As a result, the aggregate net worth of these government companies had become negative to the extent of Rs719bn as on March 31, 2017.

[1] http://www.cag.gov.in/sites/default/files/audit_report_files/Report_6_of_2017_compliance_audit_Union_Government_General_Purpose_Financial_Reports_of_Central_Public_Sector_Enterprises.pdf

The review of Corporate Governance covered 52 listed CPSEs (49 listed CPSEs and 3 CPSEs whose bonds were listed) under the administrative control of various Ministries. Provisions of the Companies Act, 2013 and guidelines of Department of Public Enterprises /Securities and Exchange Board of India on Corporate Governance, though mandatory, were not being complied with by some of the CPSEs listed on the Stock Exchanges. Following significant departures from the prescribed guidelines were noticed:

a. Representation of Independent Directors in 37 CPSEs was not adequate. There was no Independent Director on the Board of Directors of 4 CPSEs. There was no woman director on the Board of Directors of 9 CPSEs.

b. In 23 CPSEs the post of Independent Directors and in 16 CPSEs the post of Functional Directors were not filled in time.

c. There was no whistle blower mechanism in 3 CPSEs. In 7 CPSEs the Audit committee did not review the whistle blower mechanism.

d. The independent directors did not attend Board meeting/Board committee meeting in 29 CPSEs, and the independent directors did not attend General meeting in 18 CPSEs.

9.5 Corporate Governance Initiatives Undertaken by NSE

9.5.1 NSE-IGIDR Conference on Corporate Governance

The NSE-IGIDR Conference on Corporate Governance was held on June 21-22, 2018 in Mumbai, in collaboration with IGIDR, one of the leading academic institutes of India. NSE organises the conference annually with an objective to bring together academics, practitioners and policy makers to debate on the existing and emerging corporate governance issues and generate useful insights. Each conference includes a panel discussion on a topical issue. The topic chosen for panel discussion in this year's conference was 'Indian Stewardship Code: Imperatives and Challenges' - a topic of increasing interest among policy makers. The discussion revolved around the challenges that a country could experience in the process of formulation of the code and its implementation. The panel also explored the scope of having a single code in India across all sectors. The panellists were from diverse backgrounds and included Mr. Amarjeet Singh (Executive Director, SEBI), Mr. Chris Hodge (Director, Governance Perspectives, UK), Mr. Leo Puri (Former Managing Director, UTI Asset Management Co. Ltd.), Mr. Nawshir Mirza (Professional Independent Director), Mr. Sumit Rai (Managing Director and Chief Executive Officer, Edelweiss Tokio Life Insurance Co. Ltd.). The panel discussion was moderated by Mr. Suneet Weling (Managing Director, BNP Paribas).

The other highlight of the conference was the keynote speech, which was delivered by Prof. Jayant Kale, Professor of Finance, D'Amore-McKim School of Business at Northeastern University, Boston. Prof. Kale delivered his speech on the topic 'Corporate Boards: Loyal to whom?' On the second day of the conference (June 22), key findings of some of the selected research papers related to corporate governance were presented and reviewed.

9.5.2 NSE-CFA Roundtable on 'Shares with Differential Voting Rights'

The NSE-CFA Roundtable on 'Shares with Differential Voting Rights' took place on November 22, 2018 at the NSE premises. This was the first collaboration between NSE and the CFA Institute. The CFA Institute is the global association of investment professionals that sets the standards for professional excellence. The NSE-CFA event focused on the advantages and disadvantages of shares with differential voting rights in the context of Indian securities market.

9.5.3 Quarterly Briefings under the Aegis of the NSE Centre for Excellence in Corporate Governance (NSE CECG)

In recognition of the important role that stock exchanges play in enhancing the CG standards, NSE had established a Centre for Excellence in Corporate Governance (NSE CECG) in 2012. This is an independent expert advisory body comprising eminent domain experts, academics and practitioners. The Committee meets from time to time to discuss CG issues and developments. The 'Quarterly Briefing', a note that offers an analysis of one emerging or existing CG issue, is a product emerging from these discussions. In 2018, the Centre has brought out four issues of the 'Quarterly Briefing' on the following topics:

a) The Stakeholder Responsibility of Corporate Boards,

b) Statutory CSR under Companies Act - Stylized Facts and Way Forward,

c) Nomination and Remuneration Committee (NRC) - A Modest Proposal to Improve its Effectiveness,

d) Global Asset Managers and the Rise of Long Term Sustainable Value.

All the issues of 'Quarterly Briefing' can be accessed on the following link in the NSE website: http://www.nseindia.com/research/content/res_NSE_CECG.htm.

9.5.4 'Boards That Lead' Study by Korn Ferry in Partnership with NSE

Korn Ferry in partnership with NSE had organized a discussion with eminent experts on board practices in Indian companies during an event on December 17, 2018. The discussion was held in the backdrop of launch of a recent study by Korn Ferry titled 'Boards That Lead'. The study was based on an online survey related to the practices followed by the Boards of NSE listed companies in two specific governance-related matters—CEO Succession Planning and Selection of Independent Directors, under the principal theme of ways to improve board effectiveness.