

Post Program Report

On

Seminar on

Seminar on “Adopting a Good Corporate Governance Framework – Challenges and Solutions for SMEs”

Topic: Seminar on Adopting a Good Corporate Governance Framework – Challenges and Solutions for SMEs

Symbiosis Institute of Management Studies (SIMS) Khadki Pune and National Foundation for Corporate Governance (NFCG) New Delhi jointly conducted a seminar on “Seminar on Adopting a Good Corporate Governance Framework – Challenges and Solutions for SMEs” on 23rd December 2017 at SIMS Auditorium.

Introduction:

The importance of adopting good corporate governance framework has been realized by bigger corporate however, in respect of small and medium size organizations the full potential of good corporate governance practices is still not understood in Indian context. This seminar tries to create awareness about the Corporate Governance practices and more importantly suggest solutions for ushering in corporate governance framework in SMEs.

The seminar was divided into five tracks and speakers were as mentioned below –

Track 1: Barriers to formal financing for SMEs – Prof R Narayanswamy, IIM Bangalore.

Track 2: Fear of disclosure of information – Mr Suhas Tuljapurkar, Partner, Legasis, Mumbai

Track 3: Governance – Identification and Education of Directors – Mr S Balasubramaniam, CFO, Zensar Technologies, Pune.

Track 4: Corporate Governance Framework for SMEs – Mr Y M Kale, Group President, Corporate Governance, Hinduja Group

Track 5: Key Recommendations of the Uday Kotak Committee – Mr Pravin Rajani, Director, PwC, Pune

Excerpts of the Seminar:

Prof R Narayanswamy – He highlighted on Barriers to formal financing for SMEs such as high cost of credit, documentation and procedures required for accessing formal finance, long processing time, collateral requirements, working in informal sector, facing regulations.

Mr Suhas Tuljapurkar – He highlighted on Fear of disclosure of information which attracts taxes and the burden imposed by inefficient tax authority.

Mr S Balasubramaniam – He highlighted on Identification and education of Directors, development of Internal Audit Systems, Appointment of External Auditors.

Mr Y M Kale – He emphasize more on Corporate Governance Framework for SMEs – Developing Code for CG – Self regulation, understanding of business owners, tax rebates, regulatory burden and duplication etc.

Mr Pravin Rajani – He touched upon new recommendations of Uday Kotak Committee on components of code of corporate governance – Board of Directors, Corporate Financial Reporting, Independent External Audit, Internal Audit etc.

The program was designed and outlined by Brig Rajiv Divekar (Retd), Director, Symbiosis Institute of Management Studies (SIMS).

100 delegates from SMEs located in around Pune and Mumbai attended this seminar.

Outcomes:

A "Good Practice" is generally accepted to illustrate an approach that deserves the attention and interest of other policy makers or practitioners. Their purpose is to inspire further change and "better practice" as practitioners look beyond their local circumstances and national boundaries. The seminar identified a continuous and sustainable pipeline of SMEs for growth and provide development path for SMEs to graduate. Also supports a culture of transparency, corporate governance and best practice sharing.

Deliverables:

The resource people successfully apprised the participants about how good corporate governance leads to development of a framework that provides adequate protection to the interests of stakeholders and reinforces the fiduciary responsibilities of those vested with the authority to act on behalf of the stakeholders. Also how it encourages companies and those who own and manage them to achieve their corporate objectives through a more efficient use of resources. Moreover, how to control the activities of SMEs as they may not have adequate infrastructure to meet with the required audit, reporting and compliance procedure as compared to the larger more established corporate.

Table Program – Annexure I

Photos – Annexure II

Participants' Feedback - Annexure III