



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES (SIMS)

With Support from

NATIONAL FOUNDATION FOR CORPORATE GOVERNANCE (NFCG)

Seminar on

**“Relevance of Good Corporate Governance Practices in
SMEs Looking at Listing Option”**

1st December 2012 at SIMS Auditorium

Table Program

Post Seminar Report

Event

The seminar on “**Relevance of Good Corporate Governance Practices for SMEs looking at Listing Option**” was a great success, achieving record attendance and further establishing a reputation as the industry’s leading seminar. It took place at the SIMS Auditorium on 1st December 2012. Organised by Symbiosis Institute of Management Studies (SIMS), the seminar was supported by National Foundation for Corporate Governance (NFCG), New Delhi.

Participation Statistics

100 participants representing SMEs convened at the seminar, with this year’s attendees being more evenly distributed than in the past among the key areas - accounting, audit and business. Partakers soaked up the latest opinions, trends, and insights from industry thought leaders, shared experiences with audience, made new contacts and strengthened existing relationships, and honed their ideas and knowledge.

Seminar Programme

The programme for the seminar was a rich format of sharing the experience which the thought provoking speakers gained working with SMEs right from inception up to IPO to intense, highly interactive discussion sessions. This year, 4 highly experienced speakers were involved, making it the much extensive programme yet. The agenda was created and got vetted by some industry experts. The main seminar schedule, created with the support of the Director, NFCG, included interactive sessions broadly focused on the sub-themes. It ended with a lively and highly provocative sessions. This seminar immensely

helped to guide and apprise the participants 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.

Opening session speaker included **Brig Rajiv Divekar (Retd), Director of Symbiosis Institute of Management Studies Pune** welcomed the delegates and highlighted SIMS', an accredited centre for corporate governance of 'National Foundation for Corporate Governance, and their mission to make significant difference to Indian Corporate Sector by raising the standard of corporate governance in India through conducting seminars, workshops and seminars nationally. SIMS is the only centre in western Maharashtra. He explained the importance and coverage of this seminar - Small and Medium Enterprises (SMEs) are very important for developing countries due to their role in economic growth and employment in turn poverty reduction. The issues faced universally by companies are related to accountability, transparency and timely disclosure of material information, therefore the concept of corporate governance has gained significant importance. He emphasized on 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.

Mr Pravin Mulay, VP, KPIT Cummins Infosystems Ltd Pune covered what barriers are there 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. Fear of disclosure of information which attracts taxes and the burden imposed by inefficient tax authority.

Mr Anil Patwardhan, CFO, KPIT Cummins Infosystems Ltd Pune emphasized on Corporate Governance Framework for SMEs - Developing Code for CG - Self regulation, understanding of business owners, tax rebates, regulatory burden and duplication. The government steps for SMEs to address challenges of globalization, higher cost of funds, IT upgrade, infrastructure constraints faced by SMEs.

Mr Hemant Joshi, Partner, Deloitte Haskins & Sells Pune extensively covered SMEs' huge listing potential - traditional debt-financing options and now access to alternative equity options, creating financing avenues for SMEs and also a separate market for investors keen to target that segment of the economy and conditions of listing for issuers seeking listing on SME Exchange - Model SME Equity Listing Agreement.

Mr Abhay Mate, Partner, Chobe Mate Associates Pune interacted on family ownership - policies and long term planning, outside opinion on strategic direction, benefits and compensation for family members, succession plan Internationalization - Access to international market, latest technology, international investors and higher exports also components of code of

corporate governance - board of directors, corporate financial reporting, independent external audit, internal audit.

Outcomes

- The seminar helped business owners and entrepreneurs benefit getting a useful instructional tool for introducing their organizations to general principles of corporate governance with a view to improving their competitiveness, reducing operational risk factors, overcoming barriers to trade, successfully meeting the challenges of globalization, accessing lower-cost sources of financing.

- The seminar enhanced the knowledge of entrepreneurs about how to execute the Listing Agreement with the issuing companies in line with the Model Listing agreement specified without limiting or diluting any of the requirements.