



Best Boardroom Practices - Comparison Between Select Companies from Germany and India, December 2020

Prepared by



**SYMBIOSIS INSTITUTE
OF MANAGEMENT
STUDIES**

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)
Range Hills Road, Khadki, Pune - 411020

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VISION

Be the Key Facilitator and Reference Point for highest standards of Corporate Governance in India.

MISSION

- To foster a culture of good corporate governance;
- To create a framework of best practices, structure, processes and ethics;
- To reduce the existing gap between Corporate Governance framework & actual compliance by corporates;
- To facilitate effective participation of different stakeholders;
- To catalyse capacity building in emerging areas of corporate governance

To achieve its objectives, NFCG has been working closely with Partner Institutions (i.e. CII, ICSI, ICAI & ICoAI) and Accredited Institutions / National Centre for Corporate Governance (i.e. IIMs, ACSI, SPJIMR, IITK, IPE and many others) in building capacity of Directors / Faculty, conducting research work and organising programmes aimed at promoting voluntary adoption of Corporate Governance as the key to sustainable wealth creation. Over the years, more than 300 programmes and 40 research work in the area of Corporate Governance have been conducted under the aegis of NFCG. (For more details, please log on to www.nfcg.in)

ACKNOWLEDGEMENT

This is to acknowledge here that the research study on "Best Boardroom Practices - Comparison Between Select Companies from Germany and India" has been conducted by Symbiosis Institute of Management Studies (SIMS), Pune, as part of grant by National Foundation of Corporate Governance (NFCG) under the policy No. T&Cs w.e.f. 25.09.2017 dated 12.12.2019. Symbiosis Institute of Management Studies (SIMS) is thankful to NFCG for extending the research grant for the study. This Best Boardroom Practices - Comparison Between Select Companies from Germany and India study was conducted by the Symbiosis Institute of Management Studies (SIMS), Pune, Research team - Brig (Dr) Rajiv Divekar, Dr Pravin Kumar Bhoyar, Prof Amitava Banerjee, Mr Vishwas Chitrao, Prof P K Rajagopal, Dr Pradnya Chitrao, and Ms Sanchari Deb Gupta.

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Executive Summary

1. FROM THE DESK OF PRINCIPAL INVESTIGATOR

The board of directors (BoD) of a given company is a group of persons elected to represent the interest of the shareholders and ensure that their invested money is safe and yields a good return. The chairperson heads the BoD. The BoD must be ethical and differentiate between personal and corporate money. All companies formed in India, whether private or public, for profit or non-profit, must be registered as per the Indian law. The present law applicable is the Companies Act, 2013. This law, for the first time, introduced provisions on corporate governance (CG) in Indian companies. In addition to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India (SEBI) has prescribed regulations for compliance by listed companies to meet International standards of corporate governance.

Problem Statement

A company has different stakeholders, like customers, employees, investors, lenders, government, society, and vendors. Today, companies must behave ethically with all the stakeholders. But in the past, some well-known companies gained prominence for various reasons, like board diversity, authenticity of the disclosures, the role of independent directors, compensation of the management, and other issues. There is now a lot of emphasis on improved corporate governance, more stringent checks and balances, and greater independence of all important gatekeepers, including boards and auditors.

Objectives

Our research intends to:

- Help BoD comprehend how new business requirements and ideas about corporate governance influence board practices in Germany and India.
- Provide a framework to identify and tailor best practices to a specific board's needs.

- Present behavioral and regulatory differences at the national level.
- Make recommendations that boards can apply, regardless of the different cultural and legal frameworks within which they operate.
- To showcase select companies (German entities registered in India) as examples of organisations that have added business value by following the best boardroom practices in the world.
- To understand the dual system of the boards in Germany and to see whether it can be adopted for Indian companies.

Research Methodology

We have adopted the following methodology:

- Existing research work globally in the relevant areas through Emerald; Scopus indexed journals; and ABDC journals.
- Reproducing/quoting from various journals and books of authority on relevant subjects/topics, with suitable acknowledgments wherever due.
- Questionnaires and personal interaction with authorised persons.

Schedule of the Project

The project, despite many hurdles, was completed on time. Emails were sent on the addresses available in the MCA database. Only some companies responded to the emails; most emails went unanswered. The landline numbers were non-functional. Personal, high-level contacts had to be used extensively.

Limitations of the Study

The project could get responses from only 10 senior executives, although 30 companies were contacted. The researchers, however, were fortunate to get the opinion of an industry expert (with extensive knowledge of boardroom practices of German

companies) in addition to the 10 companies' responses.

Findings and Analysis

Framework for the Corporate Governance Model

All Indo-German ventures must follow the rules applicable to German and Indian companies. All of them are subsidiaries of German companies and are registered in India and so, are subject to the present law applicable in India, that being the Companies Act, 2013. The exceptions to this are Elantas Beck India Ltd and Siemens Ltd, which are listed companies (the shares of which are traded on Indian stock exchanges) and must follow SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which do not apply to unlisted companies.

Board of Directors

All companies have a selection process driven by clear-cut job descriptions. Most of them have independent directors and follow the practice of imparting regular training to the members of the board. The companies have in place a formal system to decide on the succession to a board position. In the case of Skoda Auto Volkswagen India Pvt Ltd (SAVIPL), all board appointments are handled directly by the corporate headquarters in Germany.

Board Process

In every company, the directors receive regular updates on the outstanding liability position of stakeholders such as creditors, banks, and employees. The boards regularly review the status of the statutory compliances of various laws applicable to the company. The boards also take up for review related party transactions that could involve conflicts of interest. Except for a few companies, like ZF India Pvt Ltd, most have a policy of placing Action Taken Reports (ATRs) before the board. The boards take the initiative in regular interactions with the key managerial personnel (KMPs).

Reporting and Controls

All the companies have a system under which information related to all events of material significance to the company is conveyed to the board of the holding company. Consequently, some companies have not adopted an integrated reporting framework in accordance with the International Integrated Reporting Council (IIRC).

Board Committees

Nearly every company has a corporate social responsibility (CSR) committee, but quite a few do not have board committees common across the corporate world, such as a nomination committee, a remuneration committee and an audit committee. Companies like SAVIPL have instead several other committees, each dedicated to a key result area, such as strategy committees, operations committees, finance committees, etc.

Events of Business Significance

All the companies have put in place a robust formal system whereby they systematically and unfailingly report to their parent company on events considered significant by the latter. Only Freudenberg Filtration Technologies India Pvt Ltd has a somewhat informal system of reporting events of business significance to the non-executive directors on the board, who in turn pass on the information pertaining to the Indian subsidiary, as required by the board of the holding company.

Key Managerial Personnel

It is clear from the responses of most of the companies that structured interaction between the board members and the key managerial personnel (KMPs) is a regular part of the board process. Nearly all companies conduct regular employee satisfaction surveys, presumably to identify problem areas which can then be addressed and resolved. The boards also assess performance of the key managerial personnel (KMPs) and in doing so, make it clear that good performance results in cash rewards.

Whistle-Blower Mechanism

With the exception of Freudenberg Filtration Technologies India Pvt Ltd, nearly all other companies have a good whistle-blower mechanism in place. Most also conduct awareness programmes about the mechanism to make it more effective. Elantas Beck India Ltd and Wuerth Industrial Services India Private Limited also use exit interviews as a tool to identify instances of possible wrongdoing on the part of their employees.

Social Responsibility

Most of the companies abide by the Companies Act, 2013, and have a CSR budget as well as a CSR Committee. Only Blumenbecker KAT Automation Pvt Ltd, on account of its size, has neither a CSR committee nor a budget. Renk Gears Private

Limited (RGPL) has a CSR budget, but no committee.

Conclusions

Most of the companies studied here have a tight and disciplined system of internal reporting and controls in order to efficiently manage the corporate networks across the globe. All the companies studied show a strong ethical approach to work. They all display regular and structured dialogue between the board members and the key managerial personnel with a view to ensuring the alignment of goals set at different levels.

The German companies also ensure that key decisions are authorised by more than one person, a practice gradually being followed by Indo-German companies. The German (and hence the Indo-German) companies have clearly distinguished between the roles and responsibilities of the supervisory board (board of directors) and the executive management/executive board. The supervisory board in Indo-German companies is an efficient check on executive management in marked contrast to many Indian companies, in which one person leads the board of directors as well as executive management as chairman and managing director, thereby reducing the board to a weak corporate structure.

The Indo-German companies are very disciplined in their approach to the execution of work with well-documented process controls and clearly spelt out roles and responsibilities for all employees, from CEO downwards.

All the companies have, in general, a robust and progressive corporate governance model which ensures alignment of goals at different levels, prompt compliance of statutory obligations, and a transparent and encouraging work environment.

Recommendations

Some of the companies have made quite a few important recommendations. They expect smoother GST filing processes and more relaxed dates for the same. They expect the government to ensure ease of doing business in letter and spirit. They want the government to eliminate a lot of unnecessary paperwork required by the Ministry of Corporate Affairs. They also want outmoded practices, such as board meetings requiring the

physical presence of directors to transact certain types of business, to be done away with.

The researchers, based on the data gathered, are of the opinion that the Ministry should directly invite top-level executives of companies and seek their suggestions on improving our internal governmental processes.



Brig (Dr) Rajiv Divekar
Principal Investigator
Director, Symbiosis
Institute of Management
Studies
Symbiosis International
(Deemed University)

2. TEAM COMPOSITION

Brig (Dr) Rajiv Divekar

Brig (Dr) Rajiv Divekar is the Director of Symbiosis University of Management Studies. He has over 25 research publications in national and international journals, as well as in Scopus listed journals. He was head of faculty, Strategic and Operational Studies, at Army War College; and member of faculty in Defence Strategic Studies at Defence Services Staff College, Wellington. He has done his PhD from Symbiosis International University. He holds an MPhil from DAVV University and an MSc from Madras University. A gold-medallist in BE (Civil), he has done his MBA specialising in Human Resource Management. He has a rich experience in strategy, planning, logistics, and human resource management, based on his service with a multinational team of United Nations forces in Somalia and Lebanon.

Dr Pravin Kumar Bhoyar

A professor and Deputy Director with Symbiosis Institute of Management Studies (SIMS), Pune, for the past 15 years. He holds a BE (Production), an MBA, and a PhD. He has 23 research papers in national and international journals, including ABDC and Scopus. He, along with other researchers, has completed two research projects sponsored by the National Foundation for Corporate Governance (NFCG) in the past three years. His book, 'Effectiveness of FMCG

Distribution Channels', was published by LAP LAMBERT Academic Publishing, Germany, in 2013. His case study, 'Millennium Company Ltd: Overcoming Tough Times', was published in 2014 in Emerald Markets Case Studies.

Dr Pradnya Chitrao

Experienced Associate Professor with a demonstrated history of working in the management education industry. Adept in Soft Skills, E-Learning, Lecturing, Organisational Development, and Instructional Design. Strong education professional with an MA PhD focused on Communication, Gender Studies, English Literature, and education from St Anne's Girls' High School, Mumbai and St Xavier's College, Mumbai. Keen interest in community service. She has over 30 research publications in Scopus indexed journals, Springer, and Thomson Reuters. Her educational qualifications are a BA, an MA, and a Ph.D.

Prof P. K. Rajagopal

After completing his Chartered Accountancy in 1976 and Company Secretary course in 1979, worked as company secretary, CFO, and executive director in several listed companies. Handled several corporate law and taxation (direct and indirect) disputes before several authorities including Company Law Board, appellate tribunals, several High Courts and some cases before the Supreme Court of India, with experienced senior counsels. Completed over 10 research and consultancy projects in the industry. He has contributed articles on professional interest in CA and CS magazines. Engaged as visiting faculty at SIMS on the subjects: Business Ethics and Corporate Governance, Mergers & Acquisitions, and Taxation.

Mr Vishwas Chitrao (Consultant)

Alumnus of IIT Bombay and IIM Ahmedabad. Served as CEO of an international subsidiary of Tata Motors South Africa (Pty) Ltd. Acted as president and CEO of RSB Transmissions NA Inc. in the US and Mexico. Currently a marketing and operations consultant to several players in the automotive domain.

Prof Amitava Banerjee (Consultant)

He has more than a decade of industry experience and was associated with ITC Limited, Moser Baer

India Limited, and Isolux Corsan in key managerial positions in their Secretarial & Legal Department. He has also served as deputy director, corporate governance, at CII. He was engaged by consulting firms Vaish Associates and Advocates & Grant Thornton Advisory Pvt Ltd as a retainer consultant. He has been a consultant with the National Foundation for Corporate Governance (NFCG), a PPP between the Ministry of Corporate Affairs (MCA) and CII, ICAI, ICSI, ICMAI, IICA and NSE. NFCG is dedicated to attaining the vision of being the 'key facilitator and reference point for highest standards of corporate governance in India'. He currently serves as a guest faculty at IIT Delhi, Jaipuria Institute of Management Studies (Noida), Banasthali University (Jaipur) and IMT Nagpur. He has also been a speaker/moderator and judge at sessions related to corporate laws at NLU, Jodhpur. He is an adjunct faculty at Tezpur University (a Central University) Assam, in the department of Commerce and Business Administration. He has authored books on Directors, Meeting of Directors, Company Meetings and Law of Corporate Governance, published by Wolters Kluwer, Taxmann publications and Thomson Reuters, respectively. He is a qualified company secretary and a law graduate, and holds an MCom and a diploma in Business Laws from NUJS, Kolkata. He is also a MCA-IICA assessed eligible independent director.

Ms Sanchari Debgupta (Research Assistant)

Currently working as a research assistant at Symbiosis Institute of Management Studies, Pune. Holds a postgraduate degree in Economics from Symbiosis School of Economics and has five years of experience in teaching and research. She is the co-convenor of the Annual International Research Conference of SIMS. She has published papers in Scopus and UGC indexed journals and has presented her work in national and international conferences of repute.

3. LITERATURE REVIEW OF BEST BOARDROOM PRACTICES

Definition

A board of directors (BoD) is a group of individuals who are elected and who represent shareholders. The board is a governing body that meets together as

and when needed to carry out board functions described in detail in the succeeding paragraph. A person elected by members of the board to head the BoD is designated the chairperson of the board. A company, whether private or public, for profit or non-profit, must be registered as per the company law applicable in the country of registration. In case of India, it is the Companies Act, 2013. A company so registered must necessarily have a board of directors with a defined plan for selection to board positions.

BoD an Essential Part of Corporate Governance (CG)

Organisations raise capital from their investors from both within the country and abroad. So, investors then expect the board and the management to be the trustees of their money and ensure that it is both safe as well as gives a good rate of returns. In other words, Corporate Governance (CG) is nothing but the acceptance by the management of an organisation that the shareholders have rights as true owners of the organisation, and that the board is a trustee of these shareholders and will also protect the interests of the other stakeholders. So, the board must be committed to values and ethical business conduct, and to differentiating between personal and corporate money in the management of the organisation. The Securities and Exchange Board of India (SEBI) wanted these corporate governance standards to improve.

Today, eminent organisations in India are seen as role models by many entrepreneurs. But an intensive study reveals many weaknesses. That is because while the letter of the law has been adhered to, the spirit behind it has not been incorporated. Basically, there are two methods of running a company, namely the Raja or the Monarch model, and the Custodian or Trusteeship model. In the Raja model, self-interest precedes the interests of the Praja or the other stakeholders. In India, there are many promoter-led companies and so, there have been many cases of promoters not acting in the best interest of the minority shareholders. The Custodian model, which is inspired by Gandhian principles, is applicable to both promoter-managed and professionally-managed organisations. According to this model, promoters, board and management act as trustees in the interests of all stakeholders. The latter model, combined with a stronger governance regulation, will increase the

confidence in the Indian markets (Uday Kotak, Chairman, Committee on Corporate Governance Mumbai, October 5, 2017, Report of the Committee on Corporate Governance, SEBI, October 2017). Studies have shown that companies with good corporate governance get higher returns compared to companies with poor corporate governance (Sarkar and Sen, 2012).

The Need for Corporate Governance Now

A company consists of different stakeholders like customers, employees, investors, lenders, government, society, and vendors. Today it has become essential for organisations to behave ethically with all of them. Corporate governance extends beyond the boundaries of the law. It is regulated not just by the law, but also by the culture and the mindset of the management. Corporate governance involves conducting the affairs of a company in a manner that is both fair and in the interests of all its stakeholders. It involves openness, integrity and accountability. The law lays down the common framework to ensure standards. The quality will depend on the ethical standards of the management and will determine the integrity of the whole process. The growth of an organisation will depend upon the cooperation of all its stakeholders, which in turn will be strengthened by the organisation's best governance practices. The management should be the trustees of the shareholders and ensure that benefits are not unevenly distributed among the different stakeholders. In the short run, an organisation can earn huge profits by taking advantage of the asymmetry in the benefits distribution. In the long run, the organisation will survive and grow if all the stakeholders' interests are balanced properly. It encompasses the concern for labour and environment.

In the recent past, many committees, especially the one under the chairmanship of Mr Kumar Mangalam Birla, Mr Narayan Murthy and Mr Naresh Chandra, have suggested many changes to improve corporate governance, many of which have been implemented. Even so, some well-known companies have gained prominence for various aspects like board diversity, authenticity of the disclosures, the role of independent directors, compensation of the management and other issues. Various factors have been responsible for a demand for a better corporate governance, like:

- a) Rapid change in market conditions that make it mandatory for companies and their boards to adapt quickly.
- b) Too much weightage being given to short-term versus long-term performance (McKinsey and CPPIB in 2014).
- c) There have been in the recent past too many corporate governance failures across the globe, because of which the regulatory environment now insists on good governance.
- d) A growing number of passive owners offering opportunities to larger shareholders to actively ensure value creation in their individual portfolios.

Public boards are usually perceived as not properly prepared to safeguard shareholders' interests (Acharya, Kehoe, Reyner, McKinsey 2008). In fact, evidence shows that private equity-owned firms perform better because the directors of such firms spend time on strategy and risk management, and have functional and industry expertise and are involved in talent management.

Corporate governance is considered essential to establishing the standards of corporate ethics for the reduction of unscrupulous corporate practices, while preserving a fair business environment. Corporate governance is now also regarded as an important part of enterprise risk management. Poor corporate governance is viewed as risky, whereas creditors and investors consider good corporate governance (GCG) a strength of a corporation. The strength of a corporation's governance systems and the quality of its public disclosures are today important because stakeholders are paying attention to what is reported and how. They are demanding better financial reporting and corporate transparency, as well as more GCG practices through their management and board processes, reducing their uncertainty towards investment decisions. Today, it is believed among investors that GCG brings about better management and more practical resource allocation, which in turn leads to better corporate performance. According to a McKinsey study (2002), over 60% of investors cite GCG practices in a corporation as a key factor in their investment decisions. GCG begins with the owners and percolates down through the board and different management levels to the employees. Board members must be held responsible for their decisions and actions that influence the interests of

other stakeholders.

Research has shown that some famous financial crises basically came about on account of the lack of financial disclosure and inadequate governance practices, like the supervision and accountability of directors. As a result, the number and complexity of accounting standards and other regulatory requirements for disclosure across the globe have greatly increased in the interests of the investing public. Thus, organisations are required to give sufficient, correct, and timely information to shareholders and the public about financial performance, liabilities, ownership, and corporate governance issues (Bhasin, M.L. 2010). Only then can investors correctly judge the risks and rewards of any investment (OECD, 1998). Beeks and Brown (2006) discovered that companies with better governance also make public more information. Those companies which have poor governance usually lack financial disclosure and transparency. Financial reporting is essential for investors to make their decisions. If in corporate financial reporting, financial statements are not fairly presented either intentionally or unintentionally, it is impossible to fully understand a company's financial condition. Disclosure of RPTs (Related Party Transactions) can give stakeholders the required information to either discipline firms that engage in RPTs or take precautionary measures against them. Any information asymmetry between related parties involved in RPTs and other stakeholders can cause problems.

There are basically two opposing views about related party transactions (RPTs) (Gordon et al. 2004). The first agrees with the conflict of interest view, that RPTs put in danger the management's responsibility to shareholders, or a board of directors' supervisory function. The other and opposite view (which is also termed as the efficient transactions view) is that RPTs satisfy the basic economic needs of the organisation between parties who have built up trust and shared private information. The first view, namely the conflict of interest view, considers RPTs potentially detrimental to the interests of the shareholders. But on the other hand, Ge et al. (2010) observe that RPTs among companies can maximize internal resource allocation, improve return on assets and reduce transaction costs. Regarding the dual effect of RPTs, it is difficult to state that such transactions are beneficial or detrimental to firm performance (Yi

Lin et al. 2010). The management may decide to take an opportunistic approach in the misappropriation of assets and misleading financial reporting, as in the frauds at Enron, Healthsouth, and other firms (Swartz & Watkins 2003). In these frauds, the managers used RPTs to prepare misleading financial statements and enrich themselves.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), under Regulation 30, and which replaced erstwhile Clause 49 of listing agreement on Corporate Governance disclosures, stipulate that a listed entity must disclose to stock exchange(s) all events or information, which are material, as early as possible and no later than 24 hours from the occurrence of the given event or information. Since any default by listed entities on payment of either interest/repayment results in an increase in NPAs being reported by banks/financial institutions and doubts on the sustainability of the entity, consequently this disclosure will give investors an update on the repayment capabilities of the entity being considered and thus help decide on their investment.

This regulation is very important as it provides guidance to the investors at large, who put up their hard-earned money for appreciation of their capital. By insisting on transparency and fair play, this regulation does protect the public at large. It is the responsibility of all the listed entities to not only have the disclosures done, but also do the same on a timely basis to maintain the spirit of the law. Since there is no exhaustive list of disclosures, it is recommended that, when in doubt on whether an event/information is pertinent or not, the best thing to do is disclose. An organisation that discloses appropriately and on a timely basis is well accepted.

For all these reasons, there is now a lot of emphasis on improved corporate governance, more stringent checks and balances, and greater independence of all important gatekeepers including boards and auditors.

Board Functions

The board generally takes decisions as a fiduciary on behalf of shareholders. It takes decisions regarding the hiring and firing of senior executives, dividend policies, options policies, and executive compensation (Mousa F. Al Manaseer, 2012). It also

helps an organisation formulate broad goals, supports executive duties, and ensures that the company has adequate, well-managed resources at its disposal. It also approves major decisions that affect the company such as plans for expansion and diversification, mergers and acquisitions, decisions on capital investments and sourcing of funds from outside. In fact, the BoD performs both the functions of corporate decision-making and shareholder value creation simultaneously (Brickley and Zimmerman, 2010).

Constitution of the Board of Directors

Every public company must have a board of directors composed of members who are both internal and external to the organisation.

The company's bye-laws (Articles of Association) will determine the number and powers of a board. Bye-laws can determine the number of board members, how the board will be elected (e.g., by a shareholder vote at an annual meeting), and how often it will meet. The number of members for a board varies. Some analysts state that the ideal size of a board is seven.

The board of directors should ideally represent both management and shareholder interests and consist of both internal and external members.

A member who works in the interest of major shareholders, officers, and employees, and whose experience within the company adds value is termed as an internal director. Such a director is usually not compensated for board activity as they are often either a C-level executive, or a major shareholder, or another stakeholder, such as a union representative. Internal directors are considered important as the presence of the management on the board is supposed to lend detailed expertise to the board's decision-making processes (Ahmad, Rashid, & Gow, 2017). The presence of independent directors on the board has been observed to have a major influence on the ethical aspects of a company's activities (Ibrahim, Howard, & Angelidis, 2003), and results in better reporting (Htay, Rashid, Adnan, & Meera, 2012). On the other hand, this can also result in conflicts between acting in the management's best interests and in the shareholders' best interests.

Independent or outside directors do not figure in the day-to-day inner workings of the company. These board members are reimbursed for attending

meetings. Ideally, such a director brings an objective, independent view to goal-setting, and to settling any company disputes. It is necessary to strike a balance between internal and external directors on a board (Report of the Expert Committee on Company Law, Management and Board Governance, Ministry of Corporate Affairs). When the number of independent directors on the board is higher, discretionary accruals are lower. This finding is consistent with past research and illustrates a setting in which a large proportion of independent directors is associated with better monitoring (Kapoor, Nimisha & Goel, Sandeep Aug 2019).

The board size and board independence usually influence the way a firm is controlled and governed, and thus are instrumental in increasing environmental sustainability performance (Zahra, 1989), along with improving the dedication and commitment towards the ethical practices of firms (Al-Malkawi, Pillai, & Bhatti, 2014). Studies, however, reveal that a representation of large shareholders on the board can positively impact corporate governance (Fich and Shivdasani, 2002).

Board structure may be different in international settings. In some European and Asian countries, corporate governance is divided into two levels: an executive board and a supervisory board. The executive board consists of insiders elected by employees and shareholders and is led by the CEO or managing officer. The executive board is responsible for daily business operations. The supervisory board is headed by someone other than the presiding executive officer and looks after similar concerns as a board of directors in the United States.

In 2002, the Sarbanes-Oxley Act was introduced in the US, wherein new standards were set for board conduct. The purpose of the Act was to ensure that directors are aware of and accountable for the financial condition of the companies they manage. It sought to protect minority investors. The Act thus tried to hold the board responsible for the integrity of the company's internal controls. It demanded higher accountability by making an audit committee mandatory for the board of directors of most public companies. The Act stipulated that this committee should appoint, inspect, regulate and control the actions of the company's auditing firm. The auditors in turn must report directly to the audit committee. The members of this committee cannot be employees of the company, and companies must necessarily disclose which members meet the

definition of "financial expert". Earnings releases are often more informative to equity investors and therefore have a more significant stock price impact when the audit committee is independent (Klein, 2002). The audit committee must address complaints and confidential or anonymous submissions about the company's accounting practices. Usually, directors are covered by directors' and officers' insurance ("D&O insurance") which is meant to protect the company against verdicts caused by board misconduct.

Election and Removal Methods of Board Members

Directors usually are elected once a year by the shareholders at the annual shareholders' meeting. While shareholders elect the board members, the nominations are decided by a nomination committee. In 2002, the NYSE and the NASDAQ required independent directors to form a nomination committee. Most of the directors have staggered tenures and therefore will not be eligible for re-election the same year.

It is quite a challenge to remove a member by resolution in a general meeting. Most of the by-laws permit a director to go through a copy of a removal proposal and then respond to it in an open meeting. This increases the possibility of a bitter split. Many directors' contracts include a deterrent for firing - a large financial payment clause that makes it mandatory for the corporation to pay the director a bonus if the latter is asked to go.

Board members may be removed if they break foundational rules; for example, if they are party to a transaction that is a conflict of interest, or if they enter into an agreement with a third party to influence a board vote.

Directors who break rules can be expelled. Some of the grounds of expulsion are:

- Exercising directorial powers for reasons not related to the financial benefit of the corporation.
- Utilising proprietary information for personal benefit
- Striking agreements with third parties to influence a vote at a board meeting.
- Being a party to transactions with the company that create a conflict of interest.

When a situation reflects negatively on the directors and the company, the "fitness to serve" agreement is a self-enforcing procedure that a board can use to enforce rigorous decisions. So, they are guidelines that can be adhered to when any matter involving an officer or director casts aspersions on that person's qualifications or integrity.

Hallmarks of a Successful Board

Some of the characteristics of a successful board according to Spencer Stuart (2017) are:

- a) A good understanding of the role of the board and how it is different from that of the management team.
- b) A sanguine and caring leadership that creates a productive and challenging debate.
- c) Correct composition of directors, all of whom are aware of and accept the long-term strategic vision.
- d) Active participation of all directors.
- e) A complete knowledge of how the company earns profits.
- f) Total trust in the capability of the senior management team always.
- g) Effective decision-making processes.
- h) Transparent and trusted open working environment.
- i) Clearly specified remits for committees and clear communication between each committee and the board.
- j) Periodic evaluation of individual and collective performance.
- k) A seasoned and balanced vision as well as a collective understanding of the company, its culture and purpose.
- l) Pledged transparency and open communication with all stakeholders.
- m) Resolutely abiding by the recommendations of relevant governance codes.
- n) Ready to spell out and defend the role of the company in society.

Other Best Practices

- 1) Separate the roles of the board chairperson and the CEO and have distinct roles for each of

them. When the CEO's and chairman's duties are combined, it becomes very difficult for a board to replace a poorly performing CEO, which impairs the capability of a board to tackle major declines in performance (Goyal and Park, 2002).

- 2) All board directors should be given clear job descriptions that describe their responsibilities.
- 3) Boards usually are required, as per need, to delegate some of their responsibilities to various committees, like the nominating or governance committee, audit committee, compensation committee and other special committees.
- 4) Boards should be constituted in such a way that they have all required skills to take wise decisions for the corporation.
- 5) Board directors should ideally trust each other so that the discussions are productive.
- 6) Board directors, board committees and the entire board should conduct annual self-evaluations to identify their strengths and weaknesses.
- 7) Board directors should review risk and strategy on short- and long-term basis.
- 8) The board should work towards building the company's risk tolerance and risk profile. The board must also ensure that the company has the proper framework and controls in place to monitor and mitigate risk.
- 9) Boards need to create robust internal controls and monitor them frequently. For this, they need accurate and transparent reporting systems with adequate checks and balances.
- 10) To ensure accountability, the board must attract highly talented nominees and offer them attractive compensation that will make board-work worth their while and yet, not create a conflict of interest. So, board committees should ideally manage and oversee board director remuneration.
- 11) Business corporations today need to heed the environmental challenges faced by the nation, and therefore are pushed into adopting more socially responsible activities. So, the boards of corporations are now called upon to disclose their social responsibility activities along with their financial information. Studies show that

such practices yield corporations better returns (Hart & Ahuja, 1996) and profits (Konar & Cohen, 2001), and give them an edge (Dienes, Sassen, & Fischer, 2016) over their competitors.

- 12) Today, the law requires firms to disclose and report their environmental activities. Firms, however, take advantage of the legal loopholes by disclosing only that information which shows them in a favourable light. So, the information is too inadequate and lopsided to facilitate major investment decisions (Ahmad & Mohamad, 2014). Therefore, it is essential to have good corporate governance parameters as an internal governance system to ensure that the information disclosed is transparent and accountable (Rao, Tilt, & Lester, 2012). Strong corporate governance thus motivates firms to disclose their sustainability practices transparently and in a responsible manner (Lu, 2013).
- 13) The board must ensure that statutory disclosures are made in a timely manner based on authentic and verified documents and in a cost-effective manner (Baek, Johnson, and Kim 2009). Judicious decisions must be taken from time to time regarding voluntary disclosures, applying the criterion of whether such disclosures are beneficial to the company. The disclosure should always be clear, concise, accurate, and abide by the "substance over form" principle.
- 14) The adoption and disclosures of CG practices by Indian listed firms have exponentially developed since the start of the 21st century. Chakrabarti et al. (2008) attribute this rapid progression in CG practices by Indian listed firms to the selective implementation of Sarbanes-Oxley type measures in form of the listing agreement signed between stock exchanges and listing firms.
- 15) Conventionally, the communication of corporate governance (CG) practices has been through company annual reports. The internet today is an additional communication tool to substantiate traditional corporate reporting practices. Internationally, web-based communication is also utilised to upgrade traditional communication practices, ensuring access to information for all interested stakeholders through company annual reports.

The internet now provides an additional communication tool to assess conventional corporate reporting practices.

Studies show that one size does not always fit all firms in all countries. There are differences between developed and emerging markets (Bebchuk and Hamdani, 2009), and also between different emerging markets (Durnev and Fauver, 2007). Within a given country, optimal governance may be determined by firm characteristics (Arcot and Bruno, 2006; Bruno and Claessens, 2007). Firms' governance is very important, as there is a likelihood of accounting fraud, with firms that possess a weak governance structure being more prone to such fraud (Berkman et al., 2009).

The Mindset Behind Corporate Governance

Globalisation of the markets has created the need for a convergence of corporate governance norms. Improvement of these norms should be coupled with corresponding supporting alterations in the underlying institutional environment. This will help avoid decoupling of the intention that is stated and what is practised (Fiss and Zajac, 2004). The institutional environment puts constraints on corporate governance practices through both formal means, such as laws and regulations, and informal processes like rules and practices (Scott, 2001).

Since the institutional environment determines the health of corporate governance in a nation, it is essential to understand it. Further, the national economic situation affects the national environment and so, it is necessary to study the economic situation to understand the national environment and ultimately the corporate governance system (Haxhi and Ees (2010). Research shows that individualist cultures tend to create complex codes of good governance (CGGs). Haxhi and Ees conclude that such codes are essential in an environment where members of the society try to fulfil their own interests and relate to each other based on negotiated codes. They also show that culture influences the establishment of corporate governance codes; countries with higher power distance have a greater chance of the first issuers of corporate governance codes being governments, while in countries with a low power distance, even stock exchanges and investors' groups initiate the first code. Haxhi and Ees (2010) thus conclude that national culture is a comprehensive indicator of the

regulatory stance on good governance. But they did not focus on relationships between culture, institutions, and corporate governance practices. They instead concentrated on the direct link between culture and corporate governance codes.

The German Culture and Economy

Buck and Shahrim (2005) studied how culture influences institutional environments, and ultimately corporate governance practices, in German firms. They discovered that innovations in stock-based executive reimbursements are adjusted to fit within Germany's regulations and value systems. Thus, they came to the conclusion that new corporate governance practices lead to new institutional arrangements that are consistent with, and reflective of, a nation's "value system" (2005, p. 44). Leuz et al. (2003) discovered that economies that strictly enforce investor and creditor protection face lower levels of earnings management.

Also, studies indicate that company size greatly influences levels of managerial compensation than does corporate performance. German disclosure regulations are less strict by British and US norms. German stock corporations must reveal in their accounts aggregate remuneration of executives who serve on the management board (Campbell Dennis 2000). Unlike their British and American counterparts, however, they are not bound by law to publish any details on the remuneration each executive gets or break down the types of compensation.

The German code stands apart as it uses a code of good practice for a two-tier board system, thereby making it mandatory to deal with the role and functions and the relationship between the management and the supervisory board. The German company law makes a two-tier board system (supervisory board and management board) mandatory for all public corporations. This system, as well as the competence of the supervisory board as overseer of the management of the organisation, has existed in Germany since the mid-1990s. The management board operates the enterprise and the supervisory board oversees and advises the management board. These two boards are separate and independent, with supervisory boards increasingly involved in strategic planning. The purpose of this code was to increase the attractiveness of Germany's companies and capital

markets to international investors, as well as considering all stakeholder groups.

The code applies only to listed companies and is not mandatory. However, organisations are called upon to state that they comply with the code and if they do not, why they don't comply. Such a voluntary corporate governance model enables an organisation to respond quickly and in an effective manner to constantly changing requirements of business. "Companies don't have to obey the German Corporate Governance Code; they do have to explain," says Professor Klaus-Peter Müller (Council on Business and Society, White Paper on Corporate Governance & Leadership 2013). The code is not rigid and deviations from it are both legal and sometimes essential. These deviations are not automatically regarded as a sign of bad governance but do require an explanation. This clause brings transparency to the capital markets so that the markets can draw their own conclusions. The German corporate governance system is thus stakeholder-oriented in nature and accentuates the underlying principles of a social market economy, such as transparency and sustainability. So, as per the German corporate governance code, ethics, sustainability and avoidance of excessive risk are all critical. Professor Klaus-Peter Müller opines that while management boards must manage the organisation in a manner that will serve the interests of the stakeholders, they also have an obligation towards society and not just the shareholders.

The German law relating to public corporations makes available several clauses to help the supervisory board oversee the management of the corporation. For instance, the supervisory board can demand full and correct information from the management board about all business matters. For this, the management board must report to it periodically on specific matters prescribed in the German code, which are as follows:

- a) The intended policy of the organisation and crucial information about the planning of the undertaking, with respect to finance, investments and staff development.
- b) The profitability of the organisation and the return on its own capital.
- c) The performance of the organisation, its turnover and its financial state.
- d) Transactions that are very crucial to the organisation's profitability and liquidity.

The German code groups these aspects as concerns critical to the enterprise with respect to planning, business development, risk situations and risk management. The reporting time for all the specific matters on which the management board must report are also laid down in the German code.

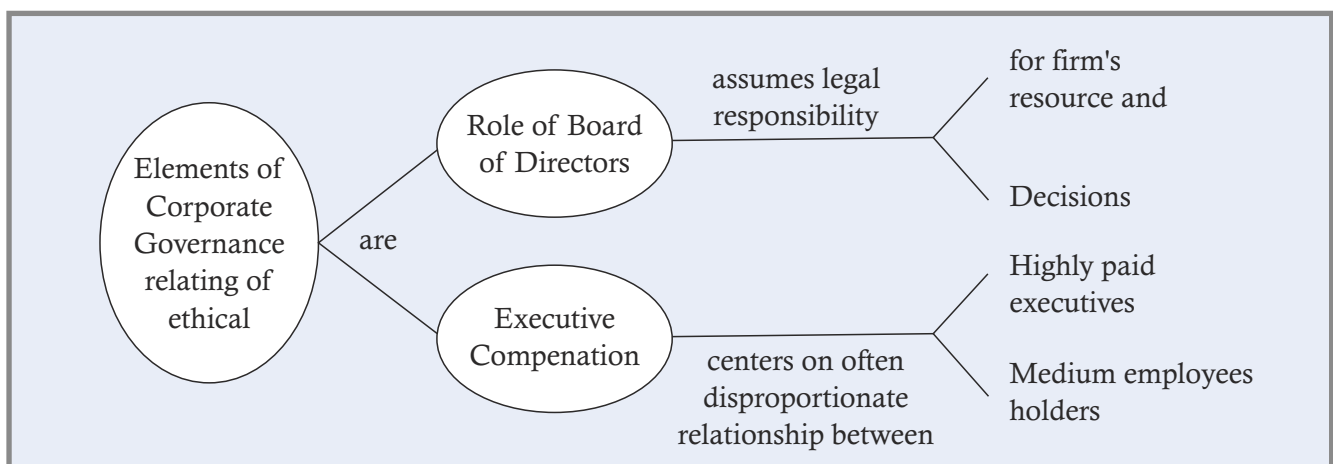
The German Code of Corporate Governance modernized the two-tier board system (Pohle, K. & Werder, A.V. 2001). This governance code, along with its dualistic board structure, has worked well for Germany and has created a dynamic, entrepreneurial business climate that is respected all over the world.

Corporate board gender diversity today is being promoted for two reasons-business benefits and gender equality. Diverse boards are today seen as more effective monitors of management. In 2016, the German Bundestag (Parliament) enacted a law stating that 30% of supervisory board members of companies headquartered in Germany should consist of women. If, for any newly created or up-for-election position, no female candidate is available (Federal Law Gazette 2015), the seat must remain empty. By the end of the 2019 German Annual General Meeting season, all DAX30 companies (i.e the top 30 publicly traded companies of Germany, that make up the DAX index) had 30% or more female supervisory board members. The top three firms leading in female representation at this level were Munich RE (45%), Deutsche Boerse (42.9%) and Fresenius Medical Care (40%).

The Indian Culture and Economy

Various factors like globalisation, world presence, competition, deregulation, etc determine the kind of corporate governance that is followed in any given

country (Aguilera, R. V. and Jackson, G., 2010). In India, the fraud confessed to by the chairman of Satyam Computer Services Ltd (Leahy, Joe, 2009) became the "Enron moment" highlighting the need to reassess corporate governance laws, which at the time could not ensure the accountability of promoters (controlling shareholders), the reliability of related party transactions, and the regulation of the audit profession (CLSA, September 2010). The incident made everyone wonder why there was no regulatory body that could have ensured that this would not happen. India's legal traditions, cultural heritage, and social structure have influenced the development and implementation of corporate governance. Culture is to a great extent responsible for a country's deviation from global best practices. For example, Indians believe in respecting elders' views. But this cultural norm should not prevent board directors from questioning each other's views, exposing issues, and constantly protecting shareholders' interests. Again, as per cultural norms, it is expected that family members will be nominated over non-family to key leadership positions in family-owned businesses. While the commitment and loyalty of these family members is needed for leadership positions, it is equally important that these top-level positions be filled up on merit in the interests of the organisation's prosperity. Also, SOPs should be in place to regularly evaluate the directors' competence and credibility, with no special treatment to family members. Investors should point out the possible dangers of having potential directors who hold seats on the boards of other companies tied to the controlling family. Also, in succession planning, family-owned companies should be encouraged to evaluate the opportunities that an "outsider" could bring for enhancement of the performance and broadening the company's



Elements of corporate governance (Murthy, 2009).

vision. Further, family conflicts should not be allowed to hold the business back.

The Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) form the organisational framework for corporate governance initiatives in India. SEBI oversees the corporate governance of listed companies in India. This clause is contained in the listing agreement of stock exchanges with companies, and it is mandatory for listed companies to follow its provisions. MCA, through its various appointed committees and forums such as National Foundation for Corporate Governance (NFCG), a not-for-profit trust, arranges interactions between corporate leaders, policy makers, regulators, law enforcing agencies and non-governmental organisations.

The Companies Act, 2013, was implemented on September 12, 2013, replacing the old Companies Act, 1956. The Companies Act, 2013, provides a formal structure for corporate governance by enhancing disclosures, reporting and transparency through enhanced as well as new compliance norms

The Kumar Mangalam Birla Committee, Naresh Chandra Committee and the Narayana Murthy Committee stipulated that the audit committee should include independent directors and also laid down its responsibilities, powers and functions. The committees made the audit committee and its chairperson responsible for the ethics and compliance mechanisms of an organisation, including review of the operation of the whistleblower mechanism. This thus enhances the responsibilities of the audit committee by holding it responsible for ensuring the transparency and accuracy of financial reporting and disclosures, robustness of the systems of internal audit and internal controls, oversight of the company's risk management policies and programmes, effectiveness of anti-fraud and vigil mechanisms and review and administration of related party transactions of the organisation. The committees further insisted that directors of every listed company lay down a code of conduct and post it on their company's website. It makes it compulsory for the board members and all senior management personnel to affirm compliance with the code annually and include a declaration to this effect by the CEO in the annual report.

The Satyam crisis made one thing very clear, namely the need for a prompt mechanism for the sanction

and punishment of corporate misdemeanours. As Phil Armstrong mentions in his keynote address on the occasion of the 10th ICSI National Award for Excellence in Corporate Governance, The Institute of Company Secretaries of India, New Delhi, enforcement is an absolute must to establish the security desired by investors and shareholders, especially knowing that their funds are safe and protected by a market provides the necessary mechanisms to actively secure their property rights. He further stated that effective enforcement is at two levels. The first level is about enforcing the regulatory system which is in place in an informed manner. The second level is ensuring that the regulatory bodies have the necessary skills and capacity to enforce their regulatory mandate.

In terms of gender diversity, women directorship in listed company boards saw a marked improvement since the Companies Act, 2013, made their representation mandatory. Almost 44% of Nifty 500 companies have two or more women directors on their boards. However, while the board-level gender diversity agenda is being addressed, the lack of women in the rung below the board will continue to be a problem. As of March 2020, Nifty 500 companies had 777 women directors out of a total of 4,657 directors. The Act made it compulsory for boards to have at least one woman director from April 1, 2014. This was soon followed by Securities and Exchange Board of India (SEBI) making it a requirement in 2015. In tune with the recommendations of the Kotak panel, SEBI decreed that the top 500 (by market capitalisation) companies must appoint at least one woman as an independent director from April 1, 2019.

Corporate governance is thus a link between shareholders, stakeholders, and the board of directors. It should have the capacity to restore the shareholders' trust in the company's management (Singh, L. J. P, 2013). So, choosing the right board is the first step towards having an effective one. D. R. Dogra, MD & CEO of Care Ratings, in the second annual Corporate Dossier's Corporate Governance Seminar 2010, was of the opinion that there is no need for independent directors to be friendly. In fact, Mr Lamon Rutten, CEO & MD of MCX, clearly stated that board members should have the freedom to disagree and the promoters should encourage them to express their own viewpoints. Mr Deepak Satwalekar, independent director at Infosys at the time, expressed a firm belief that PSUs should lead

in terms of corporate governance (Economic Times 2010). Mr R. Seshasayee, CEO, Ashok Leyland, opined that boards should start considering succession planning as tools for strategic change.

4. INDUSTRY SPEAKS

4.1 Responses from Mr Suman Bose, Ex-Managing Director and CEO, Siemens Industry Software

a) About the Industry Expert

To get a wider overview of Indo-German collaborations, it was considered appropriate to obtain the views of Mr Suman Bose, former managing director of Siemens India Ltd, a leading Indo-German company. Given the norms of non-disclosure as well as corporate ethics, it was out of question for Mr Bose to discuss his former employer. However, since Siemens by the very nature of its business has b2b relations with a whole host of companies including Indo-German collaborations, it was possible for Mr Bose to share some valuable insights into Indo-German companies.

b) Framework for the Corporate Governance Model

As succinctly summed up by Mr Bose, Indo-German ventures must follow the regulations as well as the norms applicable to both German companies and Indian firms.

c) Board of Directors

According to Mr. Bose, large companies have a management board as well as an executive board. The executive board is represented by the CEO. The management board generally has a representative from the workers' council, and optionally could have a representation from outside experts in industry and academia. According to Mr Bose, this generally creates a very healthy tension, whereby it is not possible to take things for granted because of views and counterviews emerging from board members with diverse backgrounds.

It appears that most companies do not have a formal induction programme or a mentoring programme for board members. Regular training is generally imparted to board members on various governance skills and on

the technical aspects of the business in case there is a knowledge gap on that front. It seems to be the industry practice to opt for an internal board member certification process on a few specific issues, e.g. SOX compliance, anticorruption compliance, etc.

Roles are assigned to the board members in the form of membership to certain committees—some of these such as the audit committee or compensation committee are longstanding in nature, while other committees created to address specific issues could be short-term.

Succession planning for board members is usually addressed by a longstanding board committee which makes recommendations to the board of directors of the holding company.

d) Board Process

Since the board processes could significantly vary from company to company, this topic was not covered in the discussion with the industry expert. However, adequate data on this score is available in the corporate feedback of other Indo-German companies. This has been documented and analysed elsewhere in this report.

e) Reporting and Controls

The industry expert has made a reference to the '4 Eyes Principle' prevalent in many German companies. '4 Eyes' means two pairs of eyes. This method of decision-making requires any decision to be authorised by two pairs of eyes, meaning two individuals. For example, any decision related to the marketing function would need authorisation from the head of strategy and the head of sales. However, according to Mr Bose, this principle is only gradually being implemented in the Indo-German companies.

f) Board Committees

Mr Bose has made a reference to the practice of the creation of board committees, some of which are longstanding, while some could be focused on a specific issue and hence, short-term. However, since the actual work agenda of the various board committees could significantly vary across companies, Mr Bose has refrained from commenting on the functioning of the individual board committees.

g) Events of Business Significance

Presumably since there is a wide divergence in the practices followed by various Indo-German companies in reporting events of business significance to the boards of their respective holding companies in Germany, Mr Bose has refrained from commenting on any general trends in this issue. The practices followed are delineated in detail in the corporate feedback of individual German companies.

h) Key Managerial Personnel (KMP)

Mr Bose has made an interesting observation that the autonomy of Indian executives in an Indo-German company is significantly lower than the autonomy enjoyed by their counterparts in Indo-American companies. The KMPs in Indo-German companies are required to work by the rulebook which generally would clearly lay down their duties, rights, responsibilities, and job descriptions. The KMPs would also be required to comply entirely.

i) Whistle-Blower Mechanism

Mr Bose has refrained from commenting on the whistle-blower mechanism, as the modus operandi tend to greatly vary across different Indo-German companies.

j) Social Responsibility

The issue of preparation and authorisation of budgets for corporate social responsibility again tends to vary across Indo-German companies, though all of them registered under the Companies Act, 2013, must comply with the provisions of that law. Hence, Mr. Bose has refrained from making any specific comments on this score.

k) Conclusions

Mr Bose has observed that German, and consequently Indo-German, companies, lay great emphasis on documented controls on the definitions of roles and responsibilities of executives at different levels and on the procedures to be adopted at the workplace. High emphasis is placed on following the rule book, and there is a relatively low emphasis on encouraging individual initiative. The German companies also have a principle of ensuring that key decisions are authorised by more than one person, and the same principle is gradually

being adopted in Indo-German companies.

At the corporate level, German, and consequently Indo-German, companies have a clear demarcation between the roles and responsibilities of the supervisory board (the board of directors) and the executive management/executive board. The CEO is usually the head of the executive management and is just one of the members of the supervisory board. The supervisory board in Indo-German companies acts as an effective check on the executive management, in marked contrast to several Indian companies, where the same individual heads the board of directors as well as executive management as chairman and managing director, thereby reducing the board to a weak corporate structure.

In summary, Indo-German companies are more disciplined in their approach to execution of work because of documented process controls and clearly defined roles and responsibilities for all employees of the company from CEO downwards.

4.2 Opinions of Managing Directors**RENK GEARS PVT. LTD.**

"Corporate governance in Germany is quite professional in nature and companies strictly follow all the applicable EU laws. Penalties for any lapses are quite heavy and therefore high standards of corporate probity are maintained. Over time, this has become part of the corporate culture and therefore brings a lot of professionalism and focus. The system of having dual authority/signatories for financial dealings and important company matters ensures a transparent approach built on inclusivity and consensus. HR policies favour the employees and their rights and personal/family space are respected. Dealings between different levels are quite informal that encourage discussions/divergent views, etc."



Cdr Gaurav Mehra (Retd)
Head - Marine Business

SKODA AUTO VOLKSWAGEN INDIA PRIVATE LIMITED

"Corporate governance is a system of policies, processes and rules that direct and control a business's behaviour. It is the framework that defines the relationship between shareholders, the Board of Directors, the employees, the customers, the vendors and other key stakeholders. Corporate governance policies need to be enforceable and applied consistently.

It is extremely important for each and every organisation today to promote the best standards of corporate governance within their respective setups to foster a culture of integrity and sustainable business. Good governance signals to the market that an organisation is well managed and that the interests of management are aligned with all stakeholders."



Mr. Gurpratap Boparai
Managing Director

BLUMENBECKER KAT AUTOMATION PVT. LTD.

I would say Indian Government is going on the right track as far as the Governance is concerned. Lesser bureaucracy is expected. Change the view of looking at mistakes as a Fraud.



Hemant Katakhar
Director

VOSS AUTOMOTIVE INDIA PVT. LTD.

"Corporate governance should not be a mere tick in the box for the applicable laws. If it is imbibed and deployed, on the foundation of superior ethics which go beyond the requirement of meeting the legal framework, there would be a greater chance of longevity of the enterprise and long-term business success."



Mr Umesh Kothari
Managing Director

5. FINDINGS AND ANALYSIS (COMPANY RESPONSES)

5.1 Blumenbecker KAT Automation Pvt Ltd

a) About the Company

Blumenbecker KAT Automation Pvt Ltd is a joint venture between Blumenbecker Automatisierungstechnik GmbH, a private limited company registered in Germany, and KAT Controls Pvt Ltd, a private limited company registered in India.

Its portfolio covers the entire range of automation and control services from planning customer-specific electrical hardware and producing the documentation in e-Cad systems to programming the software and commissioning said systems. It is a major player in the market for:

- Control and monitoring systems.
- Industrial communication for process automation.
- Switch gear constructions.
- Drive systems and control engineering.

The authorised capital of the company is INR 1.5 crore and the paid-up capital is INR 90 lakh. The company has an annual turnover of INR 8.5 crore and employs around 40 people.

b) Framework for the Corporate Governance Model

Being a joint venture between a German private limited company and an Indian private limited company, Blumenbecker KAT Automation Pvt Ltd is a company registered under India's Companies Act, 2013, and is subject to all the compliances attracted under that law. Since the majority shareholding is with the German partner, the company is also subject to all compliances obligatory under the German law. The company is not listed on the Indian stock exchanges and hence is not subject to disclosure guidelines stipulated by SEBI (Securities and Exchange Board of India).

c) The Board of Directors

The company does not specify any fixed tenure for the directors. The company believes in drawing up a clear demarcation of functions between executive and non-executive director. However, the directors are not appointed based on a clear job description which identifies the required skills and expertise: they basically represent the JV partners. There are four directors on the board, two each from the Indian

and the German JV partners.

No formal induction programme, regular training or formal mentoring sessions are conducted for the board members. There is no formal policy or guidelines for board succession.

d) Board Process

It is seen that non-executive directors are made aware of the outstanding liabilities of various stakeholders such as creditors, banks, and employees. The company also follows the welcome practice of placing Action Taken Reports (ATRs) before the board of directors (henceforth referred to as the board), thereby allowing it to exercise tight control over monitoring the consequences of the decisions taken. It is seen that the board reviews, from time to time, the status of statutory compliances of the various laws applicable to the company.

From the responses of the company, it is clear that there is also a regular review of related party transactions. It is also seen that the board members regularly interact with the key managerial personnel, thereby strengthening the control of the board on daily operations of the company. However, in consideration perhaps of the compact operations of the company, there is no formal mechanism for prevention and settlement of possible conflicts between its board and the management.

e) Reporting and Controls

It is significant that the company has adopted integrated reporting framework with IIRC (International Integrated Reporting Council) even though it is not mandatory for it to do so. Clearly, the company, being a small international joint venture (JV) of a reputed German company, is interested in ensuring reporting of a true and fair account of its operations in India.

f) Board Committees

It is seen that unlike the practices adopted by big corporations which mandatorily have a nomination committee, an audit committee, and a remuneration committee and optionally several other committees devoted to key business areas, the company does not have any of these committees given its compact operations. Many of these committees could be in existence for the principals located in Germany. The Indian operations are without these board committees.

g) Events of Business Significance

Since the company is a joint venture between a major German corporation and a small Indian partner, it has put in place an effective system which in turn ensures that all events which are significant, from a business point of view, are reported to the board of the JV partner in Germany.

h) Key Managerial Personnel

It is clear that the company believes in a systematic engagement of employees at all levels to further its corporate goals. This is evident from the fact that board members regularly engage in interactions with key managerial personnel.

i) Whistle-Blower Mechanism

As mentioned earlier, the company is compact and there is direct communication between the board and the management, and perhaps employees at a lower level. So, the company has not considered it necessary to have a formal whistle-blower mechanism at this juncture.

j) Social Responsibility

The company is surely expressing its intentions to act as a responsible corporate citizen in the country of its operation since it already has a

properly constituted Vishakha Committee, in adherence to the prevention of sexual harassment at workplace law. It is more apt since the nature of the company's business, viz. assembly of electrical hardware, would necessarily involve a large proportion of female employees. Considering its size, however, the company does not have a formal CSR budget or a CSR committee.

k) Conclusions

The company is a small enterprise in joint venture with a major German corporation. While it may be small, it is engaged in development and supply of high technology niche products which are compatible with the output of major corporations like Mitsubishi and Siemens. The company, therefore, definitely has high aims, and in due course, would aim at emerging as a major player in its chosen field of operations. Given this, its approach towards corporate structures and controls is realistic and dynamic. The company has a set of controls which are consistent with its present size, but it is definitely giving itself room for further sophistication the moment an opportunity presents itself.

COMPANY'S RESPONSES**SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES**

(For-(MBA Programme only) - Defence Personnel and Their Dependants)

Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 29/07/2020

Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential and will become part of your research records only.

Company Name:	Blumenbecker Kat Automation Pvt. Ltd.
Contact Person & Designation:	Vishwesh Katakhar, CEO and GM
Office address from where information is gathered :	Hemant Katakhar, 101 Visawa Apt, Dr. Ketkar Road, Vasudeo Ashram Path, Near Prabhat Road, Pune 411004.
Registered office:	Unit No. 6, Kat Industries Centre, Indo German Technology Park, Pirangut - Lavasa Road, Urawade, Pune 412115
Status of company: Joint venture / Subsidiary	Joint Venture
Equity listed on (including overseas listing, if any)	Private
Credit Rating, if any	NA

A. BOARD OF DIRECTORS

Sr. No.	Questions	Response Yes/No		Remarks if any
1.	Does the company have a policy on tenure of board members?		No	
2.	Does the company demarcate functions between executive and non-executive directors?		No	
3.	Are directors appointed based on a clear job description which identifies the required skill and expertise?		No	
4.	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees etc?	Yes		
5.	Is there a practice of tabling Action Taken Reports (ATRs) at board meeting?	Yes		
6.	Is the board informed of the statutory compliances of the various laws applicable to the company?	Yes		
7.	Does the board of directors review material-related party transactions that involve conflicts of interest?	Yes		
8.	Does board members engage in interaction with key management personnel?	Yes		
9.	Has the company has established a mechanism for prevention and settlement of possible conflicts between its board and the management?		No	There is no formal SOP for the same.

B. DISCLOSURES & ENGAGEMENT

Sr. No.	Questions	Response Yes/No		Remarks if any
10.	Has the company adopted integrated reporting framework in accordance with IIRC?	Yes		
11.	Are all material events of the company brought to the attention of the board of its holding company?	Yes		
12.	Does the company think conducting shareholders' satisfaction survey is desirable?		No	No, it is not done but it is desirable.
13.	Does the company think conducting employee satisfaction survey is desirable?	Yes		
14.	Has any awareness programme been conducted about the whistle-blower mechanism?		No	

Sr. No.	Questions	Response Yes/No		Remarks if any
15.	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/ auditors available to the shareholders?	Yes		

C. INDUCTION AND EDUCATION

Sr. No.	Questions	Response Yes/No		Remarks if any
16.	Does the company have a board induction programme?		No	
17.	Does the company offer regular training to members of the board?		No	
18.	Does the company have any formal programme for mentoring the board?		No	

D. SUCCESSION PLANNING

Sr. No.	Questions	Response Yes/No		Remarks if any
19.	Does the company have a policy for board succession?		No	
20.	Does the company have a policy on CEO succession?		No	
21.	What are the guiding principles for board succession?	There are no formal guidelines.		

E. BOARD COMMITTEES

Sr. No.	Questions	Response Yes/No		Remarks if any
22.	The Company has a <ul style="list-style-type: none"> ■ Nomination committee ■ Audit committee ■ Remuneration committee 		No	
23.	Does the company have any other committee?		Yes	Vishakha committee
24.	Please mention the terms of reference, if the answer to Question No. 22 is yes			

F. MANAGING MEETINGS

Sr. No.	Questions	Response Yes/No		Remarks if any
25.	The CEO / chairman / MD finalises the agenda of board meetings	CEO		
26.	Are all departmental heads required to give inputs on draft agenda?		No	Not formally

Sr. No.	Questions	Response Yes/No		Remarks if any
27.	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since last meeting?	Yes		
28.	Video or any other electronic means is preferred to physical meetings			If the directors can't meet in person, then video participation is available.

G. RISK MANAGEMENT

Sr. No.	Questions	Response Yes/No		Remarks if any
29.	Does the company obtain directors' and Officers' (KMP's) insurance risk policies?		No	
30.	Does the company follow any whistle-blower mechanism?		No	

H. MEASURING PERFORMANCE

Sr. No.	Questions	Response Yes/No		Remarks if any
31.	Has board evaluation impacted operations of the company?	Yes		
32.	Has board evaluation affected executive compensation?	Yes		

I. BEYOND THE BOARDROOM

Sr. No.	Questions	Response Yes/No		Remarks if any
33.	Does the company implement sustainable development goals (SDGs)?	Yes		
34.	Does the company have a CSR spending budget?		No	

J. SUGGESTIONS

35.	Suggestions that you may want to make towards change in policy of government / the law.	NIL		
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For Blumenbecker Kat Automation Pvt Ltd



Hemant Katakhar
Director

5.2 ELANTAS Beck India Limited (EBIL)

a) About the Company

ELANTAS Beck India Limited (EBIL) is a public limited company. It was found in 1956. The company is listed on BSE as well as NSE and its shares are regularly traded. Since the year 2009 or so, the majority equity stake in the company is held by Altana AG, a public company registered in Germany, which focuses on the development and manufacture of high-quality, innovative, specialty chemical products. As such, the knowhow developed by Altana is available to EBIL. Leveraging this knowhow, EBIL positions itself as a market leader in liquid insulation materials for the electrical and electronics industry and is capable of developing new products and processes as per the changing needs of its customers.

The company is headquartered in Pune and employs a spectrum of talent from the polymer and chemical engineering arenas. The company has an authorised capital of INR 15 crore, paid-up capital of INR 7.9 crore, and market capitalisation of INR 1,900 crore.

b) Framework for the Corporate Governance Model

EBIL is a wholly-owned subsidiary of a foreign company and hence is subject to all the provisions of the Companies Act, 2013, that are applicable to publicly held companies. Since the company is also a listed company, it must additionally follow all the disclosure norms specified by SEBI from time to time.

c) Board of Directors

Since the company is listed on the Indian stock exchanges, the provisions of tenure of the directors applicable to publicly held companies are applicable to EBIL. As a result, the company has created a sharp demarcation of functions between executive and non-executive directors. Further, the directors are appointed based on a clear job description which identifies the required skills and expertise. No director serves as an independent director in more than seven listed companies. None of the independent directors are whole-time directors in any other company.

d) Board Process

All directors are made aware of the outstanding

liabilities of various stakeholders such as creditors, banks, and employees. To trace the implementation of the decisions taken by the board, the company follows the practice of placing ATRs (Action Taken Reports) before the board of directors (henceforth referred to as the board), and also tracking the implementation through the monthly management information system (MIS). The aforementioned dual monitoring enables the board to closely monitor the decisions taken and the consequences thereof. The board receives regular, timely updates about the status of the statutory compliances of the various laws applicable to the company.

While the company has a foreign stakeholder holding a majority of the shares, it has significant Indian shareholding as well, and most of the directors on the board are Indians. The board members regularly interact with the key management personnel during, as well as outside, board meetings, thereby strengthening the control of the board over the day-to-day operations of the company.

e) Reporting and Controls

The company follows the practice of making the directors aware of the outstanding liabilities position of all stakeholders viz. creditors, banks, employees, etc. The company also systematically tracks the implementation of the decisions taken by the boards through Action Taken Reports (ATRs) as well as reporting through the monthly MIS. The board keeps track of the statutory compliances of the various laws applicable to the company. The company carries out a regular and structured review of related party transactions. The transactions are reviewed and approved by the board. Since EBIL is a public limited company, such transactions are also placed for the approval of the members (shareholders) of the company. The members of the board interact with key managerial personnel not only during the board meetings but also on other occasions. In addition, all material events of the company are brought to the attention of the board of its majority shareholder, i.e. Altana AG.

All in all, the company is seen to be placing emphasis on running systematically controlled and cohesive operations which in turn ensure that all levels of the company are working in unison and are on the same page so far as

achievement of the corporate objectives is concerned. The company is also seen to be taking a responsible attitude towards disclosures to be made to the shareholders and statutory requirements to be complied with the government.

f) Board Committees

Since the company is a large public limited company listed on the Indian stock exchanges, it follows the responsible practice of constituting various board committees with well-defined functions, and domains of authority. Thus, the company has an audit committee which overviews the company's financial reporting process, and finalizes the terms of appointment of auditors, reviews with the management the quarterly/annual financial statements before the same are submitted to the board for approval.

The board also has a stakeholders' committee which oversees the interests of the shareholders by monitoring the performance of the share transfer agents, and by taking all other measures appropriate to protect the interests of the shareholders. The company also has a nomination and remuneration committee which formulates the criteria for appointment and evaluation of independent directors, and recommends to the board the policy related to the remuneration of the directors, key managerial personnel, and other employees. There is also a risk management committee of the board which identifies the various risks in the company's operations and forms a plan to mitigate the same. The board of the company also has a CSR committee, further details of which are elaborated in paragraph (j) below.

The company is thus seen to be utilizing its board of directors in a structured and systematic manner for the achievement of its objectives.

g) Events of Business Significance

Since it is a public limited company, it is required to follow all the provisions of the Companies' Act, 2013, as well as the stipulations of the Securities and Exchange Board of India (SEBI) regarding disclosures of events of business significance to the shareholders as well as to the public. As indicated in paragraph (e) above, the board monitors in a structured manner, all statutory compliances which obviously include statutory disclosures related to events of business

significance. In addition, the company also follows the practice of bringing all events of business significance to the attention of the board of its holding company.

h) Key Managerial Personnel (KMP)

The board members regularly interact with key managerial personnel not only during board meetings, but also in other fora, thereby ensuring alignment of goals between the board and the management. Employee satisfaction surveys are conducted, which in turn enable the KMPs to carry out appropriate course corrections. The KMPs are also involved in the finalisation of the agenda of the board meetings depending upon the requirements. The company, in turn, obtains liability insurance policies for directors as well as KMPs.

i) Whistle-Blower Mechanism

The company has a whistle-blower mechanism in place which would enable employees report any instances of wrongdoing. The company also conducts awareness programmes about the whistle-blower mechanism to render the process more effective. Interestingly, the company is also using exit interviews as a tool to identify instances of possible wrongdoing on the part of its employees. In parallel, the board of directors has put in place a policy on the prevention of sexual harassment at the workplace which provides a specific and secure channel to highlight sexual harassment of women.

j) Social Responsibility

The company has a budget for expenditure on corporate social responsibility. Further, there is a committee of the board which identifies the CSR projects on which the money should be spent. These measures undoubtedly help the company in ensuring compliance to the provisions in the Companies Act, 2013, regarding CSR expenditure, which are usually enforced fairly strictly in case of profit-making public limited companies such as EBIL.

k) Conclusions

As observed earlier, EBIL is a highly profitable, public limited company. The company enjoys a leadership position in its chosen markets and enjoys high confidence from its investors. There is no doubt that the company has excellent growth prospects. In keeping with all this, the

company has a robust and progressive corporate governance model which ensures alignment of goals at different levels, prompt compliance of statutory obligations, and a transparent and encouraging work environment. The company has a highly effective board with several board

committees with specific goals and responsibilities. Significantly, the only support that the company requests from the government is bolstering the ease of doing business in letter and spirit.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 28/08/2020

Follow up Dates (If any): N.A

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	ELANTAS Beck India Limited
Contact person & designation:	Abhijit Tikekar, Company Secretary
Office address from where information is gathered :	147 Mumbai Pune Road
Registered office:	147 Mumbai Pune Road
Status of company: Joint venture / Subsidiary	Subsidiary
Equity listed on (including overseas listing, if any)	Bombay Stock Exchange
Credit Rating, if any	N.A

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
2	Does the company demarcate functions between executive and non-executive directors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
3	Are directors appointed based on a clear job description which identifies the required skill and expertise?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
4	Are the directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

5	Is there a practice of placing Action Taken Report (ATR) / monthly MIS at board meeting?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
7	Are material-related party transactions approved by board of directors/members?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Directors/members : Yes
8	Do board members engage in interaction with key managerial personnel at meetings/outside meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	At its meetings/other than its meetings: Yes
9	Has the Board of directors put in place a policy on Prevention of Sexual Harassment (POSH)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Whether all material events of the company are brought to the attention of the Board of its holding company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
11	Other than appointment of auditors and approval of accounts, which items of business are approved by shareholders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	As per the Companies Act 2013.
12	Does the company think conducting employee satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
13	Has any awareness programme been conducted about the whistle-blower mechanism or exit interviews?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
14	Is comprehensive information on the proposed directors/auditors available to the shareholders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
15	Does the company have a Board Induction programme?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
16	Does the company offer regular training to members of the Board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
17	Does the company have any formal program for Mentoring the Board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
18	Does the Company have a policy for board /CEO succession?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

E. BOARD COMMITTEES

Sr. No	Questions	Response		Remarks if any
19	<p>Are there any committees like Audit, CSR of the Board in the company?</p> <p>Give four functions of each such committee in the remarks column</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Audit</p> <ul style="list-style-type: none"> ■ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible. ■ Recommendation for appointment, remuneration and terms of appointment of auditors of the company. ■ Reviewing with the management the quarterly/annual financial statements before submission to the board for approval. • Reviewing and monitoring the auditor's independence and performance, and the effectiveness of the audit process. <p>Stakeholders</p> <ul style="list-style-type: none"> • To oversee the performance and service standards adhered to by the registrar and share transfer agents and recommend measures to improve investor services. • To resolve the grievances of the security holders of the listed entity, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc. • To review the measures taken to enable the shareholders to effectly exercise their voting rights. • To review the various measures and initiatives taken by the listed entity to reduce the quantum of unclaimed dividends and ensuring the timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company. <p>CSR</p> <ul style="list-style-type: none"> • To identify the CSR Projects. <p>Nomination & Remuneration</p> <ul style="list-style-type: none"> • Formulation of the criteria to determine the qualifications, positive attributes and independence of a director, and recommend to the board a policy related to the remuneration of the directors, key managerial personnel, and other employees. • Formulation of criteria for the evaluation of independent directors and the board. • Devising a policy on board diversity. • Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board their appointment and removal. <p>Risk Management</p> <ul style="list-style-type: none"> • To identify the various risks and to form a plan to mitigate the same.

F. MANAGING MEETINGS

Sr No	Questions	Response	Remarks if any
20	The CEO/chairman / MD finalises the agenda for board meetings.	<input type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman	Yes in consultation with the chairman
21	Are all departmental heads required to give inputs on draft agenda?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Depending upon the requirement
22	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since last meeting?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Yes
23	Video or any other electronic means is preferred to physical meetings	<input type="checkbox"/> Yes <input type="checkbox"/> No	Yes

G. RISK MANAGEMENT

Sr No	Questions	Response	Remarks if any
24	Does the company obtain directors' and Officers' (KMPs) insurance risk policies?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Yes

H. MEASURING PERFORMANCE

Sr No	Questions	Response	Remarks if any
25	Is third-party professional evaluation done to measure board's performance ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	No

I. BEYOND THE BOARDROOM

Sr No	Questions	Response	Remarks if any
26	Does the company implement sustainable development goals (SDGs)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Yes
27	Does the company have a CSR spending budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Yes

J. SUGGESTIONS

28	Suggestions that you may want to make towards a change in policy of the government/the law.	Ease of doing business should be bolstered in letter & spirit.
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5.3 Freudenberg Filtration Technologies India Pvt Ltd

a) About the Company

Freudenberg Filtration Technologies India Pvt Ltd (FFTIPL) is a private limited company registered in India, which happens to be a wholly-owned subsidiary of Freudenberg KG which in turn is a family owned private company registered in Germany. All equity shares of the parent company are held by family members. As such, neither the holding company in Germany nor the wholly-owned subsidiary in India has

any shareholders other than family members. Neither the German holding company, nor its Indian subsidiary are listed on stock exchanges in their respective countries. While the German holding company has a highly diversified portfolio, its subsidiaries in countries other than Germany are generally seen to focus on a limited number of product lines. FFTIPL, for example, is focused on filtration systems for gases and liquids for industrial use.

b) Framework for the Corporate Governance Model

As mentioned earlier, FFTIPL is a wholly-owned subsidiary registered in India under the Companies Act, 2013, and hence is subject to all the compliances attracted under that law. Since the company is a wholly-owned subsidiary of a firm registered in Germany, it also needs to comply with all relevant provisions of the law applicable in Germany.

c) Board of Directors

Since the company is not listed on the Indian stock exchanges, the provisions of the tenure of directors applicable to publicly held companies are not applicable to FFTIPL. However, since Section 196 of the Companies Act, 2013, is uniformly applicable to privately held as well as publicly held companies, the managing director of the company has a fixed tenure. The company ensures that the directors are appointed based on a clear job description which identifies the required skills and expertise. The company also ensures that the functions are clearly demarcated between executive and non-executive directors. However, since Section 149 of the Companies Act, 2013, does not apply to the company, it does not have any independent directors.

The company does not have a formal induction programme for new board members. The company also does not arrange for the mentoring of new board members. However, it does conduct regular training sessions for its board members, presumably to keep them abreast of the new products and technologies that the parent company is consistently introducing.

The company has in place a formal policy for board succession.

d) Board Process

From the company's responses, it appears that there is no practice of placing Action Taken Reports (ATRs) in the board meeting regarding decisions taken by the board in previous meetings. Instead, the company follows a practice of forwarding a summary of the actions taken, in monthly MIS (Management Information Systems) review meetings with the board. Many experts feel that monthly MIS may not be a perfect substitute for ATR, since ATR creates documentation and tracks implementation of each decision taken by the

board. In other respects, though, the board process appears to ensure a good control over company's operations. The board reviews statutory compliances, related party transactions, and engages in systematic engagement with key managerial personnel.

The company has not considered it necessary to establish a formal mechanism to resolve potential conflicts between the board and the management. The company reports that such conflicts usually do not arise. However, the company has explained that the monthly MIS meeting serves as an effective vehicle to address such issues, should they arise.

The agenda for the board meetings is finalised by the CEO with the assistance of the company secretary. So far as board meetings go, video or other electronic means are preferred to physical meetings, presumably since many directors are located outside India.

e) Reporting and Controls

The company has not adopted an integrated reporting framework in accordance with IIRC (International Integrated Reporting Council). The reason given by the company is that this adoption is not mandatory under the Companies Act, 2013. The company's response differs from the responses of many other companies with multiple subsidiaries, which have adopted the aforesaid framework to ensure uniformity of reporting across the world. The responses of FFTIPL do not reveal whether it has an alternate reporting framework applicable to all subsidiaries. All material events are shared with non-executive directors who are nominees of the holding company, and share the information related to these events with the holding company.

f) Board Committees

FFTIPL has not considered it necessary to constitute board committees that are common across the corporate world viz. nomination committee, audit committee, and remuneration committee, presumably on account of its compact size. However, the company does have a CSR committee in place, presumably to comply with the provisions in the Companies Act, 2013, regarding CSR expenditure.

g) Events of Business Significance

The company has refrained from adopting

standardized reporting frameworks such as IIRC. The company also does not seem to have a system whereby the Indian subsidiary reports events of significance directly to the board of the holding company in Germany. Instead, the company has a somewhat informal system of reporting the events of business significance to the non-executive directors on the board. These non-executive directors, who are nominees of the board of the holding company, pass on the information relating to the Indian subsidiary as required by the board of the holding company.

h) Key Managerial Personnel

The company does not attract the provisions of Section 203 of the Companies Act, 2013, and hence, does not have any KMPs as envisaged under this law. However, the board is always interacting with the company secretary and chief finance officer for their respective subjects. The company makes it a point to involve the departmental heads concerned to finalise the agenda for the board meeting.

i) Whistle-Blower Mechanism

Considering that the Indian operations of the company are quite compact, the company has not considered it necessary to institute a whistle-blower mechanism.

j) Social Responsibility

In accordance with the provisions of the Companies Act, 2013, the company does have a CSR budget. There is also a CSR committee constituted which supervises the spend against the budget.

k) Conclusions

Considering that the Indian operations are quite compact, the company has avoided many of the formal frameworks and communication systems which are applicable to bigger companies. The company on the other hand has opted for informal but effective systems to monitor and improve corporate performance.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 19/07/2020

Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	Freudenberg Filtration Technologies India Private Limited
Contact person & designation:	Guruprasad Naigaonkar, Company Secretary & Asst. Manager - Legal
Office address from where information is gathered :	402 B & C, 4th Floor, Town Square, Above Dorabjee, New Airport Road, Viman Nagar, Pune-411014,
Registered office:	Gat No.837/2, Pune Nagar Road Taluka Shirir, Pune 412208
Status of company: Joint venture / Subsidiary	Wholly-owned subsidiary of Foreign Company

Equity listed on (including overseas listing, if any)	Unlisted
Credit Rating, if any	NA

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	Yes	<input type="checkbox"/> No	For MD; pursuant to Sec 196; appointment is done for specific duration
2	Does the company demarcate functions between executive and non-executive directors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Routine decisions are taken by executive directors.
3	Are directors appointed based on basis a clear job description which identifies the required skill and expertise?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
4	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks or employees etc?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Section 149 is not applicable to the company
5	Is there a practice of tabling action Taken Report at board meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No. The board informed in monthly MIS review meeting.
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
7	Does the board of directors review material related party transactions that involve conflicts of interest?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
8	Does board members engage in interaction with key managerial personnel ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Section 203 is not applicable to the company, but board always interacts with company secretary & the finance controller for their respective subjects.
9	Has the company has established a mechanism for prevention and settlement of possible conflicts between its board and the management?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No such conflicts arise. But discussion takes place on routine updates in the monthly MIS Review meeting.

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Has the company adopted integrated reporting framework in accordance with IIRC?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Its not applicable to the company. The Company follows the requirements of Companies Act 2013.
11	Are all material events of the company brought to the attention of the board of its holding company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	All material events are reported to non-executive directors, who attend and monitor the company's performance on behalf of the holding company.
12	Does the company think conducting shareholders' satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Because its wholly-owned subsidiary
13	Does the company think conducting employee satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	It happens every year
14	Has any awareness programme been conducted about the whistle-blower mechanism?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	It's not applicable to the company.
15	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/auditors available to the shareholders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Because it is a wholly-owned subsidiary. So it's always with the shareholder, i.e. with the holding company

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16	Does the company have a board induction programme?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	It is not applicable to the company, as this is applicable where NRC is established. Section 178 is not applicable to us.
17	Does the company offer regular training to members of the board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
18	Does the company have any formal program for mentoring the board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19	Does the company have a policy for board succession?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
20	Does the company have a policy on CEO succession?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
21	What are the guiding principles for board succession?			

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The Company has a <input type="checkbox"/> Nomination committee <input type="checkbox"/> Audit committee <input type="checkbox"/> Remuneration committee	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Not applicable to us
23	Does the company have any other committee?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes. the CSR Committee is applicable to us
24	Please mention the terms of reference, if the answer to Question No.22 is a Yes	NA		

F. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
25	The CEO/chairman / MD finalises the agenda for board meetings.	<input type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman		With assistance from the company secretary (CS)
26	Are all departmental heads required to give inputs on draft agenda?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If required
27	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since the last meeting?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	SS1 is followed
28	Video or any other electronic means is preferred to physical meetings	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

G. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
29	Does the company obtain directors' and officers (KMPs) insurance risk policies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
30	Does the company follow any whistle-blower mechanism?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Not applicable to us

H. MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
31	Has board evaluation impacted operations of the company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
32	Has board evaluation affected executive compensation?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

I. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
33	Does the company implement sustainable development goals (SDGs)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
34	Does the company have a CSR spending budget?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

I. SUGGESTIONS

35	Suggestions that you may want to make towards a change in policy the government/the law.	<ol style="list-style-type: none"> 1) Additional corporate governance norms should be applicable to private companies based on certain criteria, such as paid-up share capital, number of shareholder, FDI, etc, and not to family-owned companies. 2) Compliance report should be tabled before the board at least on half-yearly basis, and the board should be liable for the same. 3) Rotation of auditors is required for private limited companies too 4) For internal audit, the turnover limit should be reduce to Rs. 100 crore as it is considerable amount. 5) CSR expenditure must be allowable expenditure as per Income Tax Act. 6) The KMP concept, i.e., Section 203, should be applicable to every company based on paid-up share capital. For example, a company with more than INR 10 crore paid-up capital should have all KMPs, and separate individual as that (i.e. an individual should be a single KMP). A CFO-cum-CS, etc, should not be allowed, as all these are highly responsible people and should be responsible for single functions only)
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5.4 Renk Gears Pvt. Ltd.

a) About the Company

Renk Gears Private Limited (RGPL) is a wholly-owned subsidiary of Renk AG, which in turn is one of the leading manufacturers in Germany as well as in the world of power transmission aggregates, with applications in automotive, marine, and industrial domain. While Renk AG is a publicly held company, RGPL, being a wholly-owned subsidiary, has no shareholders other than the holding company. RGPL is a relatively compact operation with authorised and paid-up capital of INR 10.8 crore. While the global holding company is a leading manufacturer of transmission aggregates, RGPL confines itself to distribution of the products imported from its principals.

b) Framework for the Corporate Governance Model

As stated above, RGPL is a wholly-owned subsidiary of a foreign company and hence is subject to all the provisions of the Companies Act, 2013, in India. The company is exempt from provisions which are applicable to publicly held

companies registered under this law. The corporate governance model practised by the company stems from this major underlying consideration.

c) Board of Directors

Since the company is not listed on the Indian stock exchanges, the provision of tenure of directors applicable to publicly held companies is not applicable to RGPL. About the tenure of the board members, the company has responded that the same is in line with the company policy of the age of retirement of employees. In its response, the company has not explicitly stated whether an exception is made in case of the managing director who, in terms of the provisions of Section 196 of the Companies Act, 2013, is required to have a fixed tenure. The company ensures that the directors are appointed based on a clear job description which identifies the required skills and expertise. The company states that the functions between executive and non-executive directors are clearly demarcated.

The current board of directors comprises five directors/key managerial personnel.

d) Board Process

From the company's responses, it is clear that there is a practice of placing Action Taken Reports (ATRs) in the board meeting, regarding the decisions taken by the board in previous meetings. The board process appears to ensure a good control over the company's operations. The board reviews the statutory compliances; related party transactions are reviewed by the executive board. The board also has systematic engagement with key managerial personnel.

e) Reporting and Controls

The company has not yet adopted integrated reporting framework in accordance with IIRC (International Integrated Reporting Council) firstly because such an adoption is not mandatory, but secondly and perhaps more importantly, RGPL's current operations are very compact as they are engaged only in the activities of sales and distribution, and hence do not have a complex multifunctional setup. As for the events to be reported to the top management, a significant amount of discretion is vested with the executive board in India, which decides on the events to be reported to the board of the holding company.

f) Board Committees

The company has informed that the board committees common across the corporate world viz. nomination committee, audit committee, and remuneration committee are duly constituted and functioning. However, the company does not have a CSR committee even though it has a CSR budget, presumably because most of the board members are non-Indians and do not have the wherewithal to evaluate CSR projects which have to be necessarily executed in India. It appears that the company has entrusted this activity to a domain expert who reports directly to the CEO.

g) Events of Business Significance

The company has refrained from adopting standardized reporting frameworks such as IIRC. It has a formal system of reporting the events of business significance to the board of the holding company at the discretion of the executive directors on its board.

h) Key Managerial Personnel

The responses of the company indicate that the

company assigns great importance to constructive engagement with its key managerial personnel. The company takes care to conduct regular employee satisfaction surveys to identify the problem areas, which can then be addressed and resolved. The company also places emphasis on regular interactions between board members and the key management personnel, with a view to ensuring the alignment of corporate goals. In addition, RGPL has instituted a formal mechanism to identify and resolve possible areas of conflict between the board and the key managerial personnel.

The key managerial personnel are encouraged to participate in preparation of the agenda for the board meetings, again in the interest of alignment of goals between the board and the management. The board evaluates the operations of the company and makes suggestions for improvements if required. The board also assesses the performance of key managerial personnel. These assessments affect the executive compensation, creating a strong impression that good performance will reap rewards.

i) Whistle-Blower Mechanism

The company has a whistle-blower mechanism in place, which would enable employees to report any instances of wrongdoing.

To render the mechanism effective, the company has also taken the initiative to conduct awareness programmes about it.

j) Social Responsibility

RGPL does not have a CSR committee to monitor CSR expenditure, but it does have a CSR budget as per EU laws. Presumably, the CSR budget allocations are decided directly by the CEO in consultation with the human resources department.

k) Conclusions

RGPL is a wholly-owned subsidiary of a giant multinational corporation whose operations in India are currently compact but rapidly evolving. At present, the company is engaged in marketing and distribution of engineering products manufactured in Germany. Once the company commences localisation of manufacture, its operations will increase significantly. The company has therefore adopted a governance

model which factors in the small size of its current operations as also its growth aspirations. An example of this is the system of having dual authority/signatories for financial dealings and important company matters that ensures a transparent approach built on inclusivity and consensus. HR policies favour the employees and their rights and personal/family space are respected. It is also seen that the company lays great emphasis on regular and structured dialogue between the board members and the key managerial personnel with a view to

ensuring the alignment of goals set at different levels. A rarity among smaller companies, RGPL even has in place a formal mechanism to resolve possible divergence of views between the board and the management. All in all, the company has adopted a governance model which is forward-looking and farsighted and designed to meet its requirements for several years to come.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 19/07/2020
Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India
All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	RENK Gears Pvt Ltd
Contact person & designation:	Cdr Gaurav Mehra (Retd), Head - Marine Business
Office address from where information is gathered :	Office 4.25, Avanta Business Centre, 4th Floor, Worldmark 2, Aerocity, New Delhi
Registered office:	Plot 113, KIADB Industrial Area, Jigani Link Road, Bengaluru
Status of company: Joint venture / Subsidiary	Subsidiary of RENK AG, Germany
Equity listed on (including overseas listing, if any)	RENK AG is a listed company
Credit Rating, if any	

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1.	Does the company have a policy on tenure of board members?	Yes	No	Yes, generally in line with the company's policy.
2.	Does the company demarcate functions between executive and non-executive directors?	Yes	No	Yes
3.	Are directors appointed on the basis of a clear job description which identifies the required skill?	Yes	No	Yes
4.	Are independent directors made aware of the outstanding liabilities position of stakeholders ?	Yes	No	Not sure
5.	Are Action Taken Reports tabled at board meeting?	Yes	No	Yes
6.	Is the board informed of the statutory compliance of the various laws applicable?	Yes	No	Yes
7.	Does the Board of Directors review material related party transactions that involve conflicts?	Yes	No	Yes, executive board
8.	Do board members interacts with key management personnel?	Yes	No	Yes
9.	Is there a mechanism to prevent and settle possible conflicts between its board and the management?	Yes	No	Yes

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10.	Has the company adopted integrated reporting framework ?	Yes	No	Not yet
11.	All are material events of the company brought to the attention of the board of its holding company?	Yes	No	Yes, but as per discretion of the executive board
12.	Is conducting shareholders' satisfaction survey desirable?	Yes	No	Yes
13.	Does the company think conducting employee satisfaction survey is desirable?	Yes	No	Yes
14.	Has any awareness programme been conducted about the whistle-blower mechanism?	Yes	No	Not sure
15.	Is comprehensive information on the proposed directors / auditors available to the Shareholders ?	Yes	No	Yes

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16.	Does the company have a board induction programme?	Yes	No	Yes
17.	Does the company offer regular training to members of the board?	Yes	No	
18.	Does the company have a mentoring programme for the board?	Yes	No	Yes

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19.	Does the company have a policy for board succession?	Yes	No	Yes
20.	Does the company have a policy on CEO succession?	Yes	No	
21.	What are the guiding principles for board succession?			

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The Company has a <input checked="" type="checkbox"/> Nomination committee <input checked="" type="checkbox"/> Audit committee <input checked="" type="checkbox"/> Remuneration committee	Yes	No	Not Sure
23	Does the company have any other committee?	Yes	No	
24	Please mention the terms of reference, if the answer to Question No. 22 is Yes			

F. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
25.	The CEO / chairman / MD sets board meeting agenda.	<input type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman		
26.	Are HoDs required to give inputs on draft agenda?	Yes	No	Yes
27.	Is there a system of circulating significant events that have occurred since last meeting?	Yes	No	Yes
28.	Video or any other electronic means is preferred to physical meetings	Yes	No	Allowed due to remote locations

I. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
29.	Does the company obtain KMPs insurance risk policies?	Yes	No	Not sure
30.	Does the company follow any whistle-blower mechanism?	Yes	No	Yes

H. MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
31.	Has board evaluation impacted operations of the company?	Yes	No	Not sure
32.	Has board evaluation affected executive compensation?	Yes	No	Not sure

I. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
33.	Does the company implement sustainable development goals?	Yes	No	Yes, considering a lot of focus on sustainability
34.	Does the company have a CSR spending budget?	Yes	No	Yes, as per EU laws

J. SUGGESSTIONS

35.	Suggestions that you may want to make towards change in policy of the government / the law.	
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5.5 Skoda Volkswagen

a) About the company

Volkswagen AG (VW AG), the world-renowned giant in the automotive domain started operations in India through two wholly-owned subsidiaries, viz. Volkswagen India Pvt India (VWIPL), which was engaged in the assembly of Volkswagen cars; and Volkswagen Sales Group India Pvt Ltd, which was engaged in marketing and distribution of the cars produced by VWIPL. The same year, Skoda Auto, a leading car manufacturer in Europe (which had already been acquired by VW AG) had also floated a wholly-owned subsidiary named Skoda Auto India Pvt Ltd, which proceeded to set up a manufacturing facility near Aurangabad. Skoda Auto India Pvt Ltd was also essentially a subsidiary of VW AG,

in view of the acquisition of its parent in Europe by VW AG.

VW AG took the decision to merge its three Indian subsidiaries named above into a single corporate entity called Skoda Auto Volkswagen India Pvt Ltd (SAVIPL), and accordingly, the merger took effect on October 1, 2019.

SAVIPL has two manufacturing facilities, one near Pune with a capacity of 200,000 vehicles per year which assembles a mix of VW and Skoda vehicles; the other near Aurangabad with a capacity of around 40,000 vehicles per year, assembling several specialty vehicles of Skoda, VW and Audi. In addition to the sales and marketing of the vehicles produced by the two plants in India, SAVIPL also looks after the marketing of other brands of VW AG not

produced in India.

b) Framework for the Corporate Governance model

SAVIPL is an unlisted company registered in India and hence, the provisions of the Companies Act, 2013, apply to it. At the same time, it is a wholly-owned subsidiary of Volkswagen AG, a public limited company registered in Germany. As such, the governance model for SAVIPL needs to comply with the statutory obligations applicable to both the categories of companies mentioned above. The governance model also needs to be consistent with the VW code of conduct, applicable to the parent company as well as all VW subsidiaries worldwide.

c) Board of Directors

Since SAVIPL is an unlisted company, the provisions of Section 149 of the Companies Act, 2013, do not apply and therefore, the company is not obliged to have an independent director on the board. As a result, all seven directors on the company's board are full-time employees - six are designated whole-time directors and one is the managing director.

The company does not subscribe to the policy of a fixed tenure for board members. The functions are clearly demarcated among the executive directors' positions, and directors are appointed based on a clear job description which identifies the required skills and expertise.

The company offers neither a formal induction programme to newly appointed directors, nor regular mentoring sessions to directors, presumably because all directors are full-time employees familiar with the affairs of the company. The company does not organise training sessions for directors. However, it is left to each director to identify his/her own needs and get trained accordingly.

The company does not have a documented policy of board succession, presumably since all board appointments are handled directly by the corporate headquarters in Germany.

d) Board Process

When it comes to board meetings, the company has a board meeting tracking system, which tracks 'open topics' and ensures actions thereon in a timely manner. The board reviews statutory

compliances of various functions from time to time, as well as the action taken with respect to any compliance issues. The board's agenda also goes through an integrity and compliance check separately. Related party transactions that could potentially involve a conflict of interest are reviewed on a case to case basis and decided upon by the Board.

Board members interact directly not only with the key management personnel (KMPs) but also with employees at all levels through fora specifically created for this purpose, so that problems/concerns are understood directly and redressed quickly.

The company has not considered it necessary to set up a formal mechanism for prevention and settlement of possible conflicts between the board and the management, since according to the company, most of the directors are of foreign origin and have no interest whatsoever in any business dealings of the company with other companies in India.

All heads of department have the freedom to propose agenda points for the board meeting, which surely brings the board process closer to ground-level problems.

Finally, so far as the actual conduct of the board meetings is concerned, meetings arranged through video or electronic means are clearly preferred to physical meetings, as most of the directors are located outside India.

e) Reporting and controls

It appears that the company has not adopted the integrated reporting framework in accordance with IIRC (International Integrated Reporting Council) since it is optional and not mandatory. However, from the overall responses of the company, it is amply clear that it has adequate internal controls to ensure reporting of a true and fair picture of its operations to the holding company in Germany. It is also apparent that the company has well-modulated internal controls to continuously improve operations and to identify and eliminate inadequacies in operations.

f) Board Committees

The company does not have board committees common across the corporate world, such as nomination committee, remuneration

committee and audit committee. However, the company has stated that it has many committees (presumably comprising board members and other employees), each dedicated to a key result area, such as strategy committees, operations committees, finance committees, etc. The company also has a CSR committee, presumably since it employs a large workforce at both its locations and needs to involve itself in the communities in its vicinity.

The above makes it clear that company believes in following a structured approach for the involvement of its employees in the achievement of corporate goals. Employee engagement comes across as a policy wholeheartedly adopted by the company.

g) Events of Business Significance

Being a wholly-owned subsidiary of a foreign corporation, the company has put in place a robust system whereby it systematically and unfailingly reports to its parent company on events considered significant by the latter.

The company achieves this through adherence to standing orders, which specify the events on which reporting to parent company is mandatory. Out of the events reported to it, the parent company (which is a listed, public limited company), refers such matters to the shareholders where notification to shareholders or approval by the shareholders is necessary as per law or as per standard business practice.

h) Key Managerial Personnel

It is clear that the company believes in a structured involvement of employees at all levels to further the corporate goals. When the company was asked whether the board members interact with key managerial personnel (KMPs), it replied that the directors not only interact with KMPs, but also with employees at all levels, through fora created especially for that purpose. The company also conducts regular employee satisfaction surveys to identify problem areas, some of which may require mid-course correction advised to KMPs by the board.

All the department heads are encouraged to provide inputs to the board agenda on issues which, in their view, merit attention by the board.

i) Whistle-Blower mechanism

The company has a very robust whistle-blower

mechanism wherein employees are encouraged to directly address concerns/wrongdoing to an independent ombudsman sitting in Germany. A proper process is enabled to investigate such cases and plug wrongdoing. Awareness sessions, practical tests/exercises are conducted for employees at all levels. The inference is clear that the company clearly believes in ethical business operations.

j) Social responsibility

It is also clear that the company is interested in acting as a responsible corporate citizen in the country of operation. The company has a CSR committee as mandated by law. The company has a full-fledged department catering exclusively to CSR projects.

k) Conclusions

The conclusion is clear that the company believes in a highly focused and cohesive effort by employees at all levels to achieve corporate goals in an undoubtedly harsh and competitive ecology of the automotive industry. At the same time, the company comes through as a strong believer in an ethical approach to work.

In the end, the suggestions made by the company make it clear that a lot of unnecessary paperwork required by the MCA should be eliminated. The company has also suggested that outmoded practices, such as board meetings requiring the physical presence of directors to transact certain types of business, be done away with. The MCA needs to seriously consider both these suggestions to create an atmosphere better geared towards attracting foreign investors.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
 Constituent of Symbiosis International (Deemed University)
 Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 27/08/2020
 Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India
 All information shared in this questionnaire is strictly confidential
 and will become part of your research records only.

Company name:	SKODA AUTO VOLKSWAGEN INDIA PRIVATE LIMITED
Contact person & designation:	Anoopkumar V. Pillai. Company Secretary
Office address from where information is gathered :	E-1, MIDC Industrial Area [Phase III], Nigoje, Kharabwadi, Mhalunge, Tal: Khed, Chakan, District: Pune -410501.
Registered office:	- Same as above -
Status of company: Joint venture / Subsidiary	Subsidiary
Equity listed on (including overseas listing, if any)	No
Credit Rating, if any	[ICRA] AA+ - Line of Credit (LOC) [ICRA] A+ - Short term rating for LOC [ICRA] Negative for Long term rating for LOC

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	<input type="checkbox"/> Yes	X No	
2	Does the company demarcate functions between executive and non -executive directors?	X Yes	<input type="checkbox"/> No	
3	Are directors appointed based on a clear job description which identifies the required skill and expertise?	X Yes	<input type="checkbox"/> No	
4	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Provisions relating to independent directors are not applicable to us we are an unlisted private company.
5	Is there a practice of tabling Action Taken Report at board meetings?	<input type="checkbox"/> Yes	X No	But we have a board meeting tracking system which tracks 'open topics' and ensure actions thereon in a timely manner.

Sr No	Questions	Response		Remarks if any
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	X Yes	<input type="checkbox"/> No	Board reviews statutory compliances of various functions from time to time and action taken in respect of any compliance issues. Board agenda is also vetted for Integrity and Compliance check separately.
7	Does the board of directors review material-related party transactions that involve conflicts of interest?	X Yes	<input type="checkbox"/> No	
8	Does the board members engage in interaction with key personnel ?	X Yes	<input type="checkbox"/> No	Interactions happen not only with KMPs, but also with employees at all levels since there are different fora to facilitate such interactions to understand the problems/concerns directly and address them quickly.
9	Has the company established a mechanism for prevention and settlement of possible conflicts between its board and the Management?	<input type="checkbox"/> Yes	X No	Most of the board members are of foreign origin and are not in any way interested in any companies/contracts with which the company deals. Hence, there is hardly any conflict of interest.

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Has the company adopted integrated reporting framework in accordance with IIRC?	<input type="checkbox"/> Yes	X No	
11	Are all material events of the company are brought to the attention of the board of its holding company?	X Yes	<input type="checkbox"/> No	The company has adopted its own standing orders pursuant to which all material events as stipulated therein are always notified / approved by shareholders/parent company.
12	Does the company think conducting shareholders' satisfaction survey is desirable?	X Yes	<input type="checkbox"/> No	
13	Does the company think conducting employee satisfaction survey is desirable?	X Yes	<input type="checkbox"/> No	
14	Has any awareness programme been conducted about the whistle-blower mechanism?	X Yes	<input type="checkbox"/> No	The company has a very robust whistle-blower mechanism, wherein employees are encouraged to directly address concerns/wrong doing to an independent ombudsman

Sr No	Questions	Response		Remarks if any
				sitting in Germany. A proper process is enabled to investigate such cases and plug wrong doings. Awareness sessions, practical tests/exercises are conducted for employees at all levels.
15	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/auditors available to the shareholders?	X Yes	<input type="checkbox"/> No	

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16	Does the company have a board induction programme?	<input type="checkbox"/> Yes	X No	
17	Does the company offer regular training to members of the board?	<input type="checkbox"/> Yes	X No	But board members do attend training programmes and update themselves periodically.
18	Does the company have any formal programme for mentoring the board?	<input type="checkbox"/> Yes	X No	

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19	Does the company have a policy for board succession?	<input type="checkbox"/> Yes	X No	
20	Does the company have a policy on CEO succession?	<input type="checkbox"/> Yes	X No	
21	What are the guiding principles for board succession?	The same is decided by the parent company		

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The company has a <input checked="" type="checkbox"/> Nomination committee <input checked="" type="checkbox"/> Audit committee <input checked="" type="checkbox"/> Remuneration committee	<input type="checkbox"/> Yes	X No	
23	Does the company have any other committee?	X Yes	<input type="checkbox"/> No	The company has a CSR committee, in addition to several other committees like top management, strategic committees, operational committees, finance committees, work management committees, sales organisational committees, investment committees etc.

Sr No	Questions	Response	Remarks if any
24	Please mention the terms of reference, if the answer to Question No. 22 is Yes	N.A.	

F. MANAGING MEETINGS

Sr No	Questions	Response	Remarks if any
25	The CEO / chairman / MD finalises the agenda for board meetings.	<input type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman	Both
26	Are all departmental heads required to give inputs on draft agenda?	X Yes <input type="checkbox"/> No	All HODs are free to contribute inputs on the agenda.
27	Is there a system of circulating with the notice of the meeting, significant events that have occurred since the last meeting?	<input type="checkbox"/> Yes X No	
28	Video or any other electronic means is preferred to physical meetings	X Yes <input type="checkbox"/> No	Since most of our directors are foreign residents, they prefer meetings via video conferencing / Skype.

G. RISK MANAGEMENT

Sr No	Questions	Response	Remarks if any
29	Does the company obtain directors and officers' (KMPs) insurance risk policies?	X Yes <input type="checkbox"/> No	
30	Does the company follow any whistle-blower mechanism?	X Yes <input type="checkbox"/> No	Refer to the reply to Point No. 14 above.

H. MEASURING PERFORMANCE

Sr No	Questions	Response	Remarks if any
31	Has board evaluation impacted operations of the company?	<input type="checkbox"/> Yes X No	
32	Has board evaluation affected executive compensation?	<input type="checkbox"/> Yes X No	

I. BEYOND THE BOARDROOM

Sr No	Questions	Response	Remarks if any
33	Does the company implement sustainable development goals (SDGs)	X Yes <input type="checkbox"/> No	
34	Does the company have a CSR spending budget?	X Yes <input type="checkbox"/> No	The company has a full-fledged department catering exclusively to CSR projects.

J. SUGGESTIONS

35	Suggestions that you may want to make towards a change in policy of the government /the law.	<ol style="list-style-type: none"> 1. MCA should permit MNCs to transact all business of board meetings through video conferencing. 2. DIR-3KYC is quite cumbersome process for our Board members, since they must keep producing apostilled documents of their identity proof, their addresses, etc, with English translations. It would be good if we could do this once every three years, instead of yearly. 3. DSC should be valid for a minimum of three years instead of one year, as it is another cumbersome process of producing various documents, with translations consuming a lot of our board members' time and effort. 4. Filing of multiple forms with ROC should be avoided except for annual report, and annual returns in case of private companies. 5. MCA could think about providing (non-binding) written opinion on company law topics wherever companies have any issue with regard to the interpretation of any provisions under the Companies Act, 2013, and rules framed thereunder [similar to what SEBI provides to listed companies].
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5.6 Thyssenkrupp Industries India Ltd

a) About the Company

Thyssenkrupp Industries India Ltd (TKIIL) is a private unlisted company registered in India. Majority shareholding is with Thyssenkrupp AG, which is a German multinational conglomerate with focus on industrial engineering and steel production. Thyssenkrupp AG is a public company listed on stock exchanges across the globe.

TKIIL, since its inception in 1947, has earned a name for itself as a trusted and leading supplier of sugar plant machinery, open cast mining equipment, bulk material handling systems, cement plants and machinery, and industrial boilers and power plants. The company currently operates nine plants across India, employs nearly 4,300 people, and has an annual turnover of around INR 3,500 crore.

b) Framework for the Corporate Governance Model

As stated before, TKIIL is a wholly-owned subsidiary of Thyssen Krupp AG which is a company located in Germany. TKIIL is duly registered under the Companies Act, 2013, and hence, is liable for all compliances specified under the law. In addition, since the company is engaged in manufacture of safety critical equipment, it is also obliged to all the relevant Indian legislation regarding industrial safety. However, TKIIL is not subject to listing requirements of SEBI (Securities and Exchange Board of India). The aforesaid three factors drive the corporate governance model.

c) Board of Directors

It is noteworthy that even though the company is not listed on the Indian stock exchanges, it conforms to a highly syncretic and disciplined

policy regarding the management of the company board. All board members, Indian or non-Indian, have a fixed tenure. The functional domains of the executive and non-executive directors are clearly defined. There is clear mapping of skill requirements for each directorial position and care is taken that persons recruited as directors match the required skillsets.

The company arranges a formal induction programme for all new additions to the board positions. However, the company does not follow the practice of arranging regular training and mentoring sessions for the directors.

In keeping with the practices followed by several large corporate entities across the globe, the company has a documented policy of board succession.

d) Board Process

Independent directors are provided with a transparent picture of the company's operations including outstanding liability positions of the stakeholders such as creditors, banks, or employees. The board of directors runs a tight ship, and exercises firm control over the company's operations. This is evident from the fact that there is a practice of placing Action Taken Reports (ATRs) with respect to the previous decisions taken by the board, the fact that all legal compliances that the company is subject to are reviewed by the board, that there is a case-by-case review of related party transactions, and that the board members regularly engage with key managerial personnel.

Considering that the operations of the Indian subsidiary are also quite huge, the company has taken care to establish a formal mechanism for prevention and settlement of possible conflicts between its board and the management.

e) Reporting and Controls

In keeping with the practice of adopting tight controls on operations as described in para (d) above, the company has adopted integrated reporting frame work in accordance with IIRC (International Integrated Reporting Council), presumably in order to bring a sense of uniformity in reporting from a very large number (about 670 as of date) of worldwide subsidiaries. Again, in keeping with the practice of tight management, TKIIL has a system in which all

significant events are conveyed to the board of the holding company. The company also considers it fit to provide comprehensive information on the proposed directors and auditors to its shareholders, over and above the disclosures mandated by the law.

f) Board Committees

Considering that TKIIL is a large company in its own right, even though it is a wholly-owned subsidiary of an international conglomerate, the company has taken care to ensure that board committees common across the corporate world viz. nomination committee, audit committee and remuneration committee are duly constituted and functioning. However, the company does not have a CSR committee even though it has a CSR budget, presumably because a majority of the board members are non-Indians and do not have the wherewithal to evaluate CSR projects which have to be necessarily executed in India. It appears that the company has entrusted this activity to a domain expert who reports directly to the CEO.

g) Events of Business Significance

As aforesaid [para (d)], the global holding company has a tightly disciplined system of controls which deploys the integrated reporting framework (IIRC). While this reporting would take care of all the financial aspects of the company performance, it is clear that even the non-financial events which are considered significant are regularly conveyed to the board of the holding company. All in all, a very cohesive system of communication is maintained between TKIIC and its global headquarters.

h) Key Managerial Personnel

It is clear from the responses of the company that a structured interaction between the board members and the key managerial personnel (KMPs) is a regular part of the board process. The company takes care to conduct regular employee satisfaction surveys, presumably to identify problem areas which can then be addressed and resolved. Employee satisfaction surveys could also provide pointers to the performance of the KMPs, which the CEO and the board could then use to determine mid-course corrections, if needed. The KMPs are made a part of the board process by a requirement for them to provide inputs from

their domain on the agenda of the board meeting. Further, the KMPs are exposed to direct evaluation of the performance of their respective domain areas by the board, and this evaluation has a direct impact on the executive compensation. Quite expectedly, this process goes a long way in building a performance-oriented culture since the KMPs are assured of good financial rewards in case they turn in a performance that meets the requirements of the board.

i) Whistle-Blower Mechanism

The company has a whistle-blower mechanism in place which would enable employees to report any instances of wrongdoing. The company has also taken care to conduct awareness programmes about the whistle-blower mechanism to render the process more effective.

j) Social Responsibility

In keeping with the requirements of the Companies Act 2013, the company has a CSR spending budget. However, the company does not have a board committee to monitor CSR expenditure. Presumably, the CSR budget allocations are decided directly by the CEO in consultation with the human resources department.

k) Conclusions

Thyssen Krupp AG, the holding company of TKIIC, is a major global corporation with an annual turnover in excess of \$40 billion (INR 30,000 crore). TKIIC, its Indian subsidiary, is also a large company by Indian standards with a turnover in excess of INR 3,500 crore. Thyssen Krupp AG has more than 600 subsidiaries. Such a vast network of corporate operations just cannot be managed without an extremely tight and disciplined system of internal reporting and controls. The responses from TKIIC go a long way towards confirming this hypothesis. TKIIC, its global parent, and their internal communication processes provide an exciting role model to any company that aspires to become a global company. Significantly, they have refrained from making any comments on the way the corporate affairs are handled by the Ministry of Corporate Affairs in India since, being a large world-class company, they might prefer to communicate directly with the Minister or the senior bureaucrats rather than muddying the water by providing feedback at the lower level. It may be worthwhile for the Ministry to engage Thyssenkrupp at a senior level to elicit suggestions for improvement of our internal governmental processes.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 29/07/2020

Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	Thyssenkrupp Industrieies India
Contact person & designation:	Raju Nageshkar, Director HR
Office address from where information is gathered :	Pimpri, Pune-411018
Registered office:	Mumbai 154 C, Mittal Tower, 15th Floor, 210, Nariman Point, Mumbai - 400 021, India.
Status of company: Joint venture / Subsidiary	Subsidiary
Equity listed on (including overseas listing, if any)	-
Credit Rating, if any	-

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
2	Does the company demarcate functions between executive and non-executive directors?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
3	Are directors appointed based of a clear job description which identifies the required skill and expertise?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
4	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
5	Is there a practice of tabling Action Taken Report at board meetings?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
7	Does the board of directors review material-related party transactions that involve conflicts of interest?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
8	Do board members engage in interaction with key managerial personnel?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
9	Has the company established a mechanism for prevention and settlement of possible conflicts between its board and the management?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Has the company adopted integrated reporting framework in accordance with IIRC?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
11	Are all material events of the company brought to the attention of the board of its holding company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
12	Does the company think conducting shareholders' satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
13	Does the company think conducting employee satisfaction survey is desirable?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
14	Has any awareness programme been conducted about the whistle-blower mechanism?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
15	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/auditors available to the shareholders?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16	Does the company have a board induction programme?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
17	Does the company offer regular training to members of the board?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
18	Does the company have any formal programme for mentor the board?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19	Does the company have a policy for board succession?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
20	Does the company have a policy on CEO succession?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
21	What are the guiding principles for board succession?	-		

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The Company has a <input checked="" type="checkbox"/> Nomination committee <input checked="" type="checkbox"/> Audit committee <input checked="" type="checkbox"/> Remuneration committee	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
23	Does the company have any other committee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
24	Please mention the terms of reference, if the answer to Question No. 22 is yes			

F. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
25	The CEO / chairman / MD finalises the agenda of board meetings.	<input type="checkbox"/> CEO / MD	<input checked="" type="checkbox"/> Chairman	
26	Are all departmental heads required to give inputs on draft agenda?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If applicable, for specific points.
27	Is there a system of circulating with the notice of the meeting, significant events that have occurred since the last meeting?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
28	Video or any other electronic means is preferred to physical meetings	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Since Covid-19 Pandemic

G. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
29	Does the company obtain directors' and officers' (KMPs) insurance risk policies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
30	Does the company follow any whistle-blower mechanism?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

H. MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
31	Has board evaluation impacted operations of the company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
32	Has board evaluation affected executive compensation?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

I. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
33	Does the company implement sustainable development goals (SDGs)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
34	Does the company have a CSR spending budget ?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

J. SUGGESTIONS

35	Suggestions that you may want to make towards a change in policy of the government/the law.
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5.7 Voss Automotive India Pvt Ltd

a) About the Company

Headquartered in Pune with manufacturing plants in Pune, Chennai, and Uttarakhand, Voss Automotive India Pvt Ltd (VAIPL) is a wholly-owned subsidiary of Voss Automotive GmbH (VOSS), a leading manufacturer of fluid transmission systems for automotive applications. Leveraging the cutting-edge technology available from its parent company, VAIPL has emerged as a leading supplier of key components and aggregates required in the automotive fluid transmission systems for almost all major automotive manufacturers in India including Tata Motors, Ashok Leyland, Volvo Eicher, Mahindra, and Maruti.

b) Framework for the Corporate Governance Model

VAIPL is a wholly-owned subsidiary of VOSS, which in turn is a private limited company based out of Wipperfurth, Germany, and registered under the German Companies Act and subject to all compliances applicable to registered companies in Germany. Further, being a private limited company, VOSS is not listed on any of the stock exchanges and is not subject to compliances applicable to listed companies. The sole shareholder of VOSS is a Foundation (or a Public Charitable Trust in our parlance) named Hans Hermann Voss-Stiftung.

VAIPL is registered as a company under India's Companies Act, 2013, and hence is liable for all compliances specified under that law. However, since VAIPL is not listed on Indian stock exchanges, it is not covered by the listing requirements of SEBI. The corporate governance model for the company derives from the aforesaid two considerations.

c) Board of Directors

The appointment of the directors is based on a selection process which in turn is driven by clear job descriptions which identify the required skills and expertise. The functions between executive and non-executive directors are clearly demarcated. Since the company is not required to follow norms applicable to listed companies, there is no corporate policy in place about the tenure of board members.

Even though the company is not required to follow listing guidelines, and the Companies

Act, 2013, does not mandate the appointment of independent directors for non-listed companies, the company has appointed independent directors, surely in the interest of better corporate governance. The current board of directors comprises the CEO of Indian operations, four executives from VOSS nominated by the corporate headquarters, and two independent directors.

While the company does not have formal programmes for the induction or mentoring of board members, it follows the practice of imparting regular training to them.

The company has in place a formal system to decide on the succession to board positions.

d) Board Process

All directors, including the independent directors, receive regular updates on the outstanding liabilities position of stakeholders such as creditors, banks, and employees. It appears that the practice of placing Action Taken Report (ATRs) in the board meetings is not followed, presumably because all critical issues get regularly reviewed in structured reviews conducted by the corporate headquarters. The board, however, regularly reviews the status of the statutory compliances of the various laws applicable to the company. The board also takes up for review related party transactions that could involve conflicts of interest. Further, the board takes the initiative in regular interactions with the key managerial personnel. However, it is seen that the company has not considered it necessary to establish a formal mechanism for prevention and settlement of possible conflicts between its board and the management, presumably because of the compact size of its India operations.

e) Reporting and Controls

It is seen that the company has not adopted integrated reporting framework in accordance with IIRC (International Integrated Reporting Council). It was explained later by their CEO that the first reason was that such an adoption was not mandatory, and the second and perhaps more important reason was that VOSS already has in place a well-honed internal reporting system applicable to all subsidiaries across the world, and the same is used for internal reporting of financial and other results. VAIPL replied in the affirmative to a query as to whether it has a

system through which information related to all events of material significance to the company is conveyed to the board of its holding company. The CFO later clarified that the means deployed for this purpose was a structured monthly top management review with the corporate headquarters.

f) Board Committees

It is seen that the company has not thought it necessary to constitute board committees common across the corporate world, viz nomination committee, audit committee, remuneration committee, or any other committee, presumably on account of the compact size of its India operations. However, it is evident that the company believes in a clear demarcation of functions between executive and non-executive directors to streamline the activities in any given corporate function. The company also takes care to ensure appointment of directors based upon a clear job description which identifies the required skills and expertise. This in turn ensures that each corporate functional area receives competent guidance from a board member.

g) Events of Business Significance

Since VA IPL is part of a global network reporting to corporate headquarters in Germany, it has a well-honed system of reporting all events of business significance to its headquarters. As for the successful conclusion of periodic, local statutory compliances, it is apparent that the activity has been delegated by the board in Germany to the VA IPL board in India.

h) Key Managerial Personnel

Overall responses from the company make it clear that the company assigns great importance to constructive engagement with its key managerial personnel (KMPs). The company takes care to conduct regular employee satisfaction surveys, presumably to identify problem areas, which can then be addressed and resolved. Employee satisfaction surveys could also provide pointers to the performance of the KMPs, which the CEO and the Board could then use to determine mid-course corrections, if needed. The company also places an emphasis on regular interaction between the board members and the KMPs with a view to ensure alignment of corporate goals. The department heads (which would include KMPs and their

reportees) are required to participate in preparation of the agenda for the board meetings, no doubt in the interest of alignment of goals between the board and the management, and to ensure that a major issue, if any, of any department does not escape the attention of the board. The board evaluates the operations of the company and makes suggestions for improvements if required. The board also assesses the performance of the KMPs, and these assessments affect the executive compensation, which must surely create a strong impression that good performance will reap cash rewards.

i) Whistle-Blower Mechanism

The company has a whistle-blower mechanism in place, which would enable employees to report any instances of wrongdoing. To render the whistle-blower mechanism effective, the company has also taken care to conduct awareness programmes about it.

j) Social Responsibility

Considering the compact size of the Indian operations of the company, it has neither a CSR committee nor a CSR budget. However, it is well known that the company takes a humane approach towards its employees who are in personal difficulty and contributes to the extent possible for amelioration of problems faced by local communities such as pandemics and floods.

k) Conclusions

VA IPL is a wholly-owned subsidiary of a giant multinational corporation, which is a technology leader in its own domain. As such, even though the current operations of VA IPL are compact, it enjoys the support of world-class technology developed by its parent and leverages the same fully in securing business for hi-tech components from the leading OE manufacturers of automobiles. The company therefore has high aims. While its current governance and management systems are designed to suit the present level of its operations, built-in flexibilities are clearly visible, which in turn will surely enable the company to travel smoothly on the growth trajectory.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)

Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 29/07/2020

Follow up Dates (If any):

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	VOSS India
Contact person & designation:	Umesh Kothari MD
Office address from where information is gathered :	1102, Pirangut, Mulshi Taluka, Pune
Registered office:	As above
Status of company: Joint venture / Subsidiary	Subsidiary of VOSS Automotive GmBh
Equity listed on (including overseas listing, if any)	No
Credit Rating, if any	

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
2	Does the company demarcate functions between executive and non-executive directors?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
3	Are directors appointed based on a clear job description which identifies the required skill and expertise?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
4	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
5	Is there a practice of tabling Action Taken Reports at board meeting?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

Sr No	Questions	Response		Remarks if any
7	Does the board of directors review material-related party transactions that involve conflicts of interest?	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
8	Do board members engage in interaction with key management personnel?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
9	Has the company established a mechanism for prevention and settlement of possible conflicts between its board and the management?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Has the company adopted integrated reporting framework in accordance with IIRC?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
11	Are all material events of the company brought to the attention of the board of its holding company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
12	Does the company think conducting shareholders' satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable, as we are a foundation.
13	Does the company think conducting employee satisfaction survey is desirable?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
14	Has any awareness programme been conducted about the whistle-blower mechanism?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
15	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/auditors available to the shareholders?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16	Does the company have a board induction programme?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
17	Does the company offer regular training to members of the board?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
18	Does the company have a formal programme for mentor the board?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19	Does the company have a policy for board succession?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
20	Does the company have a policy on CEO succession?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
21	What are the guiding principles for board succession?			

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The company has a <input checked="" type="checkbox"/> Nomination committee <input checked="" type="checkbox"/> Audit committee <input checked="" type="checkbox"/> Remuneration committee	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
23	Does the company have any other committee ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
24	Please mention the terms of reference, if the answer to Question No. 22 is yes			

F. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
25	The CEO / chairman / MD finalises the agenda of board meetings.	<input checked="" type="checkbox"/> CEO / MD <input checked="" type="checkbox"/> Chairman		
26	Are all departmental heads required to give inputs on draft agenda?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
27	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since last meeting?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Close monitoring exists at monthly intervals
28	Video or any other electronic means is preferred to physical meetings	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

G. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
29	Does the company obtain directors' & officers' (KMPs) insurance risk policies?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
30	Does the company have in place a whistle-blower mechanism?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

H. MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
31	Has board evaluation impacted operations of the company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
32	Has board evaluation affected executive compensation?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

I. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
33	Does the company implement sustainable development goals (SDGs)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
34	Does the company have a CSR spending budget ?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

J. SUGGESTIONS

35	Suggestions that you may want to give towards change in policy of the government / the law.	None
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5.8 ZF India Pvt Limited

a) About the company

ZF is a global technology company and supplies systems for passenger cars, commercial vehicles and industrial technology, enabling the next generation of mobility. ZF allows vehicles to see, think and act. In the four technology domains, Vehicle Motion Control, Integrated Safety, Automated Driving, and Electric Mobility, ZF offers comprehensive solutions for established vehicle manufacturers and newly emerging transport and mobility service providers. ZF electrifies different kinds of vehicles. With its products, the company contributes to reducing emissions and protecting the climate.

Founded in 1915, ZF has evolved from a supplier specializing in aviation technology to a global technology company. Group shareholders include the Zeppelin Foundation, administered by the City of Friedrichshafen, holding 93.8 per cent of shares, and the Dr. Jürgen and Irmgard Ulderup Foundation, Lemförde, with 6.2 per cent.

In India, ZF is one of the leading suppliers of technology solutions and services that is shaping mobility trends in the country. The group has had operations on the subcontinent for over three decades. In fact, the U.S. company TRW, which was acquired by ZF in May 2015, has been in India for roughly half a century. Most of ZF Group's strategic divisions and business units are already present in India and cater to the automotive and non-automotive segments in the country.

ZF operates in India through seven legal entities: two wholly-owned legal entities and five joint

venture partners. The regional headquarters, ZF India Pvt Ltd, is a multi-product facility based in Chakan, Pune. The group has a strong presence in the country that has steadily grown to spread across manufacturing at 14 locations in India. ZF Aftermarket division provides a wide range of spare parts for product brands SACHS, LEMFÖRDER and TRW with strong service support

b) Framework for the Corporate Governance Model

It is a subsidiary of a principal located outside India namely Germany. It has an authorised capital of INR 372.76 crore and a paid-up capital of around INR 359.46 crore.

c) Board of Directors

Being a private company, the concept of independent director as stated in Section 149 of Companies Act, 2013, does not apply to this organisation. However, all existing directors are made aware of all information relating to outstanding liabilities position of stakeholders, like creditors, cash position, employees, markets, operations, etc. The company currently has four directors, of whom one is of Indian origin and three are of foreign origin. The company has established a mechanism for the prevention and settlement of possible conflicts between its board and the management. Compulsory online training for graded managers and awareness on the disclosures ensure that such conflicts don't occur.

d) Board Process

The company does not follow the practice of placing Action Taken Reports (ATRs) at board meetings. It doesn't have any specific document

called ATR. As a practice, board minutes are circulated within 14 days of the conclusion of the meeting and actions are taken based on the final minutes. The board is informed of the statutory compliances of the various laws applicable to the company, as and when there are changes to the policies, IND AS, local regulations, applicable laws etc. The president is responsible for finalizing the agenda. The CFO and the legal head also play a role. They have a system of circulating the notice of meeting; significant events that have occurred since last meeting. Since the management and the board members are located at different places, meetings via video conferencing or any electronic medium are preferred to physical meetings.

e) Reporting and Controls

The company has not adopted integrated reporting framework in accordance with IIRC. However, all material events of the company are brought to the attention of the board of its holding company. Financial results and any irregularities are reported. As mentioned by them, the supervisory board in Germany does not exercise micro-management and the board in India is more involved in material events, if any.

f) Board Committees

The company does not have any board committee other than the nomination committee, audit committee and the remuneration committee.

g) Events of Business Significance

Though IIRC reporting is not adopted, irregularities, if any, are reported to board in Germany. The board in India, and not the supervisory board in Germany, is concerned with other material events of business significance to the company. It has adopted sustainable development goals (SDGs).

h) Key Managerial Personnel

The board interacts with the key managerial personnel (KMPs). A comprehensive interactive briefing session with KMPs is undertaken before any business decision is taken. In addition, the KMPs present the salient features of their functions on a regular basis at board meetings.

i) Whistle-Blower Mechanism

The company conducts awareness programmes about its whistle-blower mechanism. A

mandatory two-and-a-half-hour training session is conducted for all employees. In addition, a due notification in the form of posters to be put up at conspicuous spots, with the name and the number of the compliance delegate responsible for implementing the mechanism, was recently mandated.

j) Social responsibility

The company has a CSR committee and CSR fund. The CSR committee approves the projects, initiated and recommended by HR. There is a budget based on 2% of average net profits for the past three years.

k) Conclusion

In response to suggestions towards change in policy of government/law, the company gave a detailed feedback as follows:

- Issues in the automatic filing of GST.
- Duty Drawback claims need physical documents
- E-BRC is hard to obtain for the MEIS/SEIS claims
- Relaxations in the filing dates for GST returns, incentives, faceless assessments, board meeting dates for listed companies, and virtual board meetings came about only due to the pandemic.
- No furloughing by the government yet. No social security, like in developed countries. Mandatory suspension of work eventually called for salary cuts in the absence of government support.
- Automation drives are still in few pockets and might take a long time to regularise. E-invoicing must be relaxed for companies with turnover of more than INR 500 crore. There is no mandate yet.
- MSMEs' definition changed for the fifth time, causing confusion.
- Income tax: personal returns with a choice of two options is causing confusion. Packaged Scheme of Incentives takes four years to claim, subject to the officer's availability at the Ministry.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)

Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 08/08/2020

Follow up Dates (If any): N.A.

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

(To be filled in by the RA)

Company name:	ZF India Private Limited CIN: U74999PN2007FTC130569
Contact person & designation:	K V Suresh, President, Soma Ghosh, CFO
Office address from where information is gathered:	B-38, MIDC Chakan Industrial Area, Phase II, Vasuli, Tal: Khed, Pune - 410501 Telefon: +91 2135 624 810
Registered office:	B-38, MIDC Chakan Industrial Area, Phase II, Vasuli, Tal: Khed, Pune - 410501
Status of company: Joint venture / Subsidiary	Subsidiary of Foreign Company
Equity listed on (including overseas listing, if any)	N. A
Credit Rating, if any	N. A

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on the tenure of board members?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A tenure of five years is generally followed for each whole-time director. However, there is no standalone policy document mandating so. It is a decision approved by BOD
2	Does the company demarcate functions between executive and non-executive directors?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Sr No	Questions	Response		Remarks if any
3	Are directors appointed based on a clear job description which identifies the required skill and expertise?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The company is organized on a division basis and functions are clearly demarcated for the directors who are appointed to head specified operations. Selection is based on corporate guidelines which ensures adequate representation from the product line and from functions within the Units -e.g. Manufacturing, Technical, Operations, Finance (Chairman is a CFO of ZF APAC), etc.
4	Are independent directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc ?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Being a private company, the concept of independent director as stated in Section 149 of Companies Act, 2013 does not apply. However, all existing directors are made aware of all information relating to outstanding liabilities position of stakeholders, like creditors, cash position, employees, markets, operations, etc.
5	Is there a practice of placing Action Taken Report (ATR) at board meeting?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	No specific document called ATR. Board minutes are circulated within 14 days of conclusion of the meeting and actions are taken on the final minutes.
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	As and when there are changes to the policies, IND AS, local regulations, applicable laws etc.
7	Does the board of directors review-material related party transactions that involve conflicts of interest?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The RPT transactions are reported
8	Do board members engage in interaction with key managerial personnel?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A comprehensive interactive briefing session with KMPs is undertaken before any business decision is taken. In addition, the KMPs present the salient features of their functions on a regular basis at board meetings.
9	Has the company established a mechanism for the prevention and settlement of possible conflicts between its board and the management?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Compulsory online training for graded managers and awareness on the disclosures ensure that such conflicts don't occur

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Has the company adopted the integrated reporting framework in accordance with IIRC?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	---
11	Are all the material events of the company brought to the attention of the board of its holding company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Financial results and any irregularities are reported. The supervisory board at Germany does not exercise micro-management and the board in India is more involved in material events, if any.
12	Does the company think conducting shareholders satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	The company, being a wholly-owned subsidiary, does not currently require such a survey.
13	Does the company think conducting employee satisfaction survey is desirable?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Surveys are conducted based on local requirements. In India we are associated with Great Place to Work (GTPW) institute and the standard survey conducted by them is administered annually.
14	Has any awareness programme been conducted about the whistle -blower mechanism?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A mandatory two-and-a-half-hour training session is conducted for all employees. In addition, a due notification in the form of posters to be put at conspicuous spots, with name and the number of compliance delegate responsible for implementing the mechanism, was recently mandated.
15	Apart from disclosures to be made under the law, is comprehensive information on the proposed directors/auditors available to the shareholders?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	---

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
16	Does the company have a board Induction programme?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The legal and finance team is mainly responsible for this function. Thrust is on role and responsibility of directors
17	Does the company offer regular training to members of the board?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Need based

Sr No	Questions	Response		Remarks if any
18	Does the company have any formal program for mentor the board?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	---

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
19	Does the company have a policy for board succession?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	This, being a subsidiary, does not have such policy. The holding company has such a policy in place.
20	Does the company have a policy on CEO succession?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
21	What are the guiding principles for board succession?	N.A		

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
22	The company has a <input checked="" type="checkbox"/> Nomination committee <input checked="" type="checkbox"/> Audit committee <input checked="" type="checkbox"/> Remuneration committee	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
23	Does the company have any other committee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
24	Please mention the terms of reference, if the answer to Question No. 22 is yes	N. A		

F. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
25	The CEO / chairman / MD finalises the agenda of the board	<input checked="" type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman		The president is responsible for finalizing the agenda. The CFO and the legal head also play a role
26	Are all departmental heads required to give inputs on draft agenda?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Need based
27	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since last meeting?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
28	Video or any other electronic means is preferred to physical meetings	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	This is imperative as the management and board members are located at different places.

G. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
29	Does the company obtain directors' & Officers' (KMPs) insurance risk policies?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, for Indian directors
30	Does the company have in place whistle-blower mechanism?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Very formal, and board members are updated appropriately.

H. MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
31	Has board evaluation impacted operations of the company?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
32	Has board evaluation affected executive compensation?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

I. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
33	Does the company implement sustainable development goals (SDGs)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
34	Does the company have a CSR spending budget?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The CSR committee approves the projects, initiated and recommended by HR. There is a budget based on 2% of average net profits of 3 years. Follows the standard.

J. SUGGESTIONS

35	Suggestions that you may want to give towards change in policy of government / the law.	A per the body of the email reply by Ms Soma Ghosh.
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5.9 Wuerth Industrial Services India Private Limited

a) About the Company

Wuerth Industrial Services India Private Limited started its operations in India towards the end of 2005. They are part of the Würth Group which is world market leader in its core business-the trade in assembly and fastening material. It currently consists of over 400 companies in more than 80 countries and has over 77,000 employees on its payroll. Over 33,000 of them are permanently employed sales representatives. According to the preliminary annual financial statement, the Würth Group generated total sales of EUR 13.6

billion in the 2018 business year.

Wuerth Industrial Services India Private Limited is headquartered in Pune. Besides Pune, the company has branches in Gujarat (Ahmadabad, Surat, Vadodara, Rajkot), Karnataka (Bengaluru), Madhya Pradesh (Bhopal, Indore, Pithampur, Dewas), Telangana (Hyderabad), Tamil Nadu (Chennai, Coimbatore, Hosur), Chandigarh, Delhi, Rajasthan (Alwar), Maharashtra (Mumbai, Nasik, Pune, Goa, Aurangabad), Punjab (Baddi, Ambala, Ludhiana), Kolkata, Assam, Orissa. Under the brand "CPS® -C-Parts Solutions", it provides industrial manufacturing customers with customized, logistical procurement and supply

concepts, such as scanner-supported rack systems, automated electronic ordering systems or just-in-time supply using Kanban bin systems. This way customers benefit from direct deliveries to their production lines. In 2014, Wuerth Industrial Services India was awarded the 'Best Performing Industry Company of the Würth Group' award.

b) Framework of the Corporate Governance model

It is a family-owned business located in Künzelsau, Germany. It has an authorised capital of INR 28 crore and a paid-up capital of around INR 27.52 crore.

c) Board of Directors

This company is a family-owned business, in which there are three members in the board of directors. Of these three, two are of foreign origin and one is of Indian origin.

d) Board Process

The company follows the practice of placing Action Taken Reports (ATRs) or monthly MIS at board meetings. The board is informed of the statutory compliances of the various laws applicable to the company. The agenda of the board meetings is finalized by the chairman of the company. The company prefers meetings through video conferencing or any other electronic medium to physical meetings.

e) Reporting and controls

The members of the board of directors, including KMPs, exercise the internal controls on the company including risk management. KMPs regularly report on all aspects of internal controls and risk management by interacting with the board members in and outside the board meetings. Significant events that occurred after the previous meeting are reported to the board, along with the minutes of the last meeting.

f) Board Committees

In response to a question on whether the company has any board committees, such as audit committee, etc, the company stated that it has a CSR committee which is responsible for taking care of its social responsibilities.

g) Events of Business Significance

Materials events or events of business significance are brought to the attention of the

holding company. It does not have a formal implementation of sustainable development goals.

h) Key Managerial Personnel

The company responded in the affirmative about its key managerial personnel. Board members do interact with key managerial personnel at board meetings, as well as in other fora.

i) Whistle-Blower mechanism

The company conducts programmes to raise awareness about its whistle-blower mechanism, and conducts exit interviews.

j) Social responsibility

The company has a CSR fund which it spends on the following activities:

- i. Providing medical relief to the poor, the sick and the suffering.
- ii. Publication of literature on all aspects of health, medicine and other allied subjects on a no-profit basis.
- iii. Granting relief and assistance to victims of natural calamities.
- iv. Establishing, maintaining and running scholarships and rendering other kinds of aid to students.

k) Conclusion

The company did not make any specific suggestions on the change in policy of the government/law pertaining to governance.

COMPANY'S RESPONSES



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)

Constituent of Symbiosis International (Deemed University)

Range Hills Road, Khadki, Pune - 411020

Original Date of Mailing: 28/08/2020

Follow up Dates (If any): N.A.

Best Boardroom Practices - Comparison between Select Companies from Germany and India

All information shared in this questionnaire is strictly confidential
and will become part of your research records only.

Company name:	Wuerth Industrial Services India Private Limited
Contact person & designation:	Ms. Snigdha Banerjee, Executive - Marketing & Communication
Office address from where information is gathered :	World Trade Center, 7th Floor, Unit No. 711, WTC-2, Kharadi Pune- 411014
Registered office:	World Trade Center, 7th Floor, Unit No. 711, WTC-2, Kharadi Pune- 411014
Status of company: Joint venture / Subsidiary	Subsidiary
Equity listed on (including overseas listing, if any)	N.A
Credit Rating, if any	N.A

A. BOARD OF DIRECTORS

Sr No	Questions	Response		Remarks if any
1	Does the company have a policy on tenure of board members?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No
2	Does the company demarcate functions between executive and non-executive directors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No
3	Are directors appointed on the basis of a clear job description, which identifies the required skill and expertise?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
4	Are directors made aware of the outstanding liabilities position of stakeholders, like creditors, banks, employees, etc?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

Sr No	Questions	Response		Remarks if any
5	Is there a practice of placing Action Taken Report (ATR) / monthly MIS at board meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
6	Is the board informed of the statutory compliances of the various laws applicable to the company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
7	Are material related party transactions approved by board of directors/members?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, directors/members.
8	Does the board members engage in interaction with key managerial personnel at meetings / outside meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, at its meetings and outside the meetings.
9	Has the board of directors put in place a policy on Prevention of Sexual Harassment (POSH)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

B. DISCLOSURES & ENGAGEMENT

Sr No	Questions	Response		Remarks if any
10	Are all material events of the company brought to the attention of the board of its holding company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
11	In general, other than the appointment of auditors and approval of accounts, what items of business are approved by shareholders ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
12	Does the company think conducting employee satisfaction survey is desirable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
13	Has any awareness programme been conducted about the whistle-blower mechanism or exit interviews?	Yes	<input type="checkbox"/> No	No
14	Is comprehensive information on the proposed directors / auditors available to the shareholders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

C. INDUCTION AND EDUCATION

Sr No	Questions	Response		Remarks if any
15	Does the company have a board induction programme?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
16	Does the company offer regular training to members of the board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
17	Does the company have any formal programme to Mentor the board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

D. SUCCESSION PLANNING

Sr No	Questions	Response		Remarks if any
18	Does the Company have a policy for board /CEO succession ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, available at the group level.

E. BOARD COMMITTEES

Sr No	Questions	Response		Remarks if any
19	Are there any board committees, like audit, CSR, etc, in the company? Explain four functions of each committee in the remarks column	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, CSR. 1. Providing medical relief to the poor, the sick and the suffering. 2. Publication of literature on all aspects of health, medicine and other allied subjects to no-profit basis. 3. Granting relief and assistance to victims natural calamities 4. Establishing, maintaining and running scholarship and rendering other kind of aids to students.

A. MANAGING MEETINGS

Sr No	Questions	Response		Remarks if any
20	The CEO/ chairman / MD finalises the agenda of the board	<input type="checkbox"/> CEO / MD <input type="checkbox"/> Chairman		Yes
21	Are all departmental heads required to give inputs on draft agenda?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes
22	Is there a system of circulating, with the notice of the meeting, significant events that have occurred since last meeting?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes, minutes are prepared and circulated.
23	Video or any other electronic means is preferred to physical meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

B. RISK MANAGEMENT

Sr No	Questions	Response		Remarks if any
24	Does the company obtain directors & officers' (KMPs) liability insurance risk policies	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No

MEASURING PERFORMANCE

Sr No	Questions	Response		Remarks if any
25	Is third-party professional evaluation done to measure the board's performance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No

D. BEYOND THE BOARDROOM

Sr No	Questions	Response		Remarks if any
26	Does the company implement sustainable development goals (SDGs) ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	No
27	Does the company have a CSR spending budget?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Yes

E. SUGGESTIONS

28	Suggestions that you may want to make towards a change in policy of government / the law	Nil
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5.10 Siemens Limited

a) About the Company

Siemens' long-term commitment in India began in 1867, when Werner von Siemens personally supervised the setting up of the first telegraph line between London and Calcutta. Today, Siemens has 22 factories located across the country, eight Centres of Competence, 11 R&D centres and a nationwide sales and service network.

Siemens India is a leader in technology solutions for intelligent (smart) and sustainable cities, smart grid, building technologies, mobility and power distribution. Siemens is involved in the Restructured Accelerated Power Development and Reforms Programme (R-APDRP) of the Government of India for installing Smart Grid solutions in many cities in India. Siemens India has signed a Memorandum of Understanding with Confederation of Indian Industry (CII) to be the Lead Industry Partner in a consortium for the conceptualisation and development of Smart Cities in India.

Siemens India manufactures steam turbines, turbo compressors, high-voltage switchgear (circuit breakers, disconnectors and gas-insulated switchgear), switchboards, remote monitoring systems (RMS), fire detectors and suppression systems, motors and generators, relays and smart grid systems, transformers, and advanced medical imaging equipment. The factories replicate global, best-in-class manufacturing systems and practices, with a facility to overhaul and repair gas turbines, compressor blades and rotors.

b) Framework of Corporate Governance Model

Siemens Limited is a leading player in technology solutions for intelligent (smart) and sustainable cities, smart grid, building technologies, mobility and power distribution. They have their equity listed in BSE Limited and National Stock Exchange of India Limited. The company has an authorised capital of over INR 200 crore and a paid-up capital of INR 71.2 crore.

c) Board of Directors

Siemens Limited has 11 directors on its board. The directors review material-related party transactions that involve conflicts of interest, in accordance with regulatory requirements.

d) Board Process

The board is informed of the statutory compliances of the various laws that are applicable to the company. The board members engage in interactions with key managerial personnel. The company follows the practice of placing ATRs in the board meetings. The board also takes up for review related party transactions that will involve conflict of interest.

e) Reporting and Controls

The company has not directly answered questions on whether it has adopted integrated reporting framework as per IIRC norms, or the question on whether it has a system through which information related to all events of material significance to the company is conveyed to the board of its holding company. But the fact that its board is informed of all the statutory compliances gives reason to believe that the company has a system in which information related to all events of material significance is

conveyed to the board of its holding company.

f) Board Committees

The company in its response has not specified which other committees it has in addition to the audit committee, nomination committee and remuneration committee. The company has also not specified whether it has a CSR committee.

g) Events of Business Significance

The company board informs its headquarters in Germany about all the statutory compliances as well as events of business significance.

h) Key managerial Personnel (KMP)

The company engages its key managerial personnel. From its response, it also appears to conduct regular employee satisfaction surveys presumably to identify problem areas and to resolve them. It also obtains directors' and officers' insurance policies. This indicates that the company probably has in place a performance-based incentive system to ensure its profitability and thereby safeguard its shareholders' interests.

i) Whistle-Blower Mechanism

The company has not disclosed in its response whether it has a whistle-blower mechanism.

j) Corporate Social Responsibility

While the company in its response has not specified which other committees it has in addition to the audit committee, nomination committee and remuneration committee, it does mention that it has a CSR spending budget. So, while it is not clear whether it has a CSR committee that oversees the spending of its CSR budget, it is evidently acting as a responsible corporate citizen in the country of its operation, namely, India.

k) Conclusions

From the company's annual report for the year ended September 30, 2019, it is clear that it is a large listed company with a market capitalisation of over Rs 50,000 crore and is in full compliance of the corporate governance regulations under the Companies Act, 2013, as well as SEBI (LODR) Regulations, 2015. The report also shows that the company's Enterprise Risk Management (ERM) framework is also integrated with COSO framework. Its Environmental, Social, and Governance (ESG)

compliance is in place. This clearly shows that the company takes seriously its responsibility to foster sustainable local development, as well as enrich the local economy in which it operates.

As a part of its ESG compliance, the company's "Corporate Citizenship Framework" forms part of its sustainability and citizenship priority areas.

Its 2030 "Agenda for Sustainable Development" addresses most of the globally accepted SDGs directly or indirectly.

COMPANY'S RESPONSES

Company Name - Siemens Limited

Registered Office - Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai - 400030

Equity listed on - BSE Limited and National Stock Exchange of India Limited

Board of Directors

1. Is there a practice of tabling Action Taken Reports at board meetings? Yes
2. Is the board informed of the statutory compliances of the various laws applicable to the company? Yes
3. Does the board of directors review material-related party transactions that involve conflicts of interest? The board reviews the same in accordance with regulatory requirements.
4. Do board members engage in interaction with key managerial personnel? Yes

Disclosure and Engagement

Does the company think conducting employee satisfaction survey is desirable? Yes

Board Committee

Does the Company have any other committee? Yes

Risk Management

Does the company obtain directors' and officers' (KMPs) insurance policies? Yes

Beyond the Boardroom

Does the company have a CSR spending budget? Yes

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Annexure

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Fri, Jul 24, 2020 at 8:56 PM

To: b.satheesh@stihl.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Satheesh Balasubramanian

ANDREAS STIHL PVT.LTD

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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In anticipation of your response, so that we can take it further.

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 4:33 PM

To: Rajesh.Shanoy@bajajallianz.co.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Rajesh Shanoy

BAJAJ ALLIANZ LIFE INSURANCE CO. LTD

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@simms.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@simms.edu>

Fri, Jul 24, 2020 at 9:39 PM

To: Sandip.Deshmukh@bhtc.com

Cc: "Dr. Pravin Kumar" <pravink@simms.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Sandip Deshmukh

BEHR-HELLA THERMOCONTROL INDIA PVT LTD

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - are you a well governed company

1 message

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 5:30 PM

To: sachin.bhosale@benteler.com

Cc: Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pravin Kumar" <pravink@sims.edu>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, parat rajagopal <pk_rajagopal@yahoo.co.in>

Dear Sir

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My contact details are 7798613911 / 9518781582

Regards

----- Forwarded message -----

From: **Sanchari Debgupta** <sanchari.debgupta@sims.edu>

Date: Fri, Jul 24, 2020 at 9:53 PM

Subject: Kind Request - Symbiosis, Pune

To: <sachin.bhosale@benteler.com>

Cc: Dr. Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Sachin Bhosale

BENTELER AUTOMOTIVE INDIA PVT.LTD

Pune

Respected Sir

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

20 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Fri, Jul 24, 2020 at 10:05 PM

To: rajesh.pantsachiv@bericap.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Rajesh Pantsachiv

BERICAP INDIA PVT. LTD

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Symbiosis Institute of Management Studies Mail - Fwd: Boardroom Prac... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Fwd: Boardroom Practices - Questionnaire

7 messages

Dr. Pradnya Chitrao <pradnyac@sims.edu>

Wed, Jul 29, 2020 at 2:05 PM

To: Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "P.K. Rajagopal" <paratkrishnan@gmail.com>, parat rajagopal <pk_rajagopal@yahoo.co.in>, Sanchari Debgupta <sanchari.debgupta@sims.edu>

Our first respondent

Regards,

Pradnya

----- Forwarded message -----

From: **Hemant** <hemant.katakkar@katcontrols.com>

Date: Wed, Jul 29, 2020 at 1:22 PM

Subject: Boardroom Practices - Questionnaire

To: Dr. Pradnya Chitrao <pradnyac@sims.edu>

Cc: Vishwesh Katakkar <VKatakkar@blumenbecker-kat.com>, Hemant Katakkar HVK <hemant.katakkar@katcontrols.com>

Dear Madam,

Please find attached herewith the Questionnaire and my photograph.

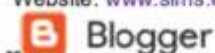
Hope this is ok.

Best regards

Hemant Katakkar

--

Dr. Pradnya V. Chitrao,
Associate Professor,
Symbiosis Institute of Management Studies (SIMS),
Range Hills Road, Khadki,
Pune-- 411 020, India
Ph: 91-20-25593217
Website: www.sims.edu



Pradnyachitrao.blogspot.com

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - are you a well governed company

1 message

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 5:43 PM

To: vijay.dighe@in.bosch.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, parat rajagopal <pk_rajagopal@yahoo.co.in>

Dear Sir

This is in reference to my last mail dated 25th July.

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My contact details are 7798613911 / 9518781582

Regards

----- Forwarded message -----

From: **Sanchari Debgupta** <sanchari.debgupta@sims.edu>

Date: Sat, Jul 25, 2020 at 12:13 PM

Subject: Kind Request - Symbiosis, Pune

To: <vijay.dighe@in.bosch.com>

Cc: Dr. Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, Dr. Pradnya Chitrao <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Vijay Dighe

BOSCH CHASSIS SYSTEMS INDIA PRIVATE LIMITED

Pune

Respected Sir

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@simms.edu>

Kind Request - Symbiosis, Pune

4 messages

Sanchari Debgupta <sanchari.debgupta@simms.edu>

Fri, Jul 24, 2020 at 10:09 PM

To: Amitabh.Ghosh@brose.com

Cc: "Dr. Pravin Kumar" <pravink@simms.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Amitabh Ghosh

BROSE INDIA AUTOMOTIVE SYSTEMS PVT. LTD

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Fri, Jul 24, 2020 at 10:16 PM

To: vrushali.oak@terex.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Ms Vrushali Oak

DEMAG CRANES & COMPONENTS (INDIA) PVT LTD

Pune

Respected Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - are you a well governed company

1 message

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 5:37 PM

To: viraj.shah@doehler.co.in

Cc: "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, parat rajagopal <pk_rajagopal@yahoo.co.in>, "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

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My contact details are 7798613911 / 9518781582

Regards

----- Forwarded message -----

From: **Sanchari Debgupta** <sanchari.debgupta@sims.edu>

Date: Fri, Jul 24, 2020 at 10:18 PM

Subject: Kind Request - Symbiosis, Pune

To: <viraj.shah@doehler.co.in>

Cc: Dr. Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Viraj Shah

DOEHLER INDIA PRIVATE LIMITED

Pune

Respected Sir

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 4:40 PM

To: abhijit.tikekar@altana.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Abhijit Tikekar

ELANTAS BECK INDIA LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - are you a well governed company

1 message

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 5:38 PM

To: arun.mishra@elringklinger.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, parat rajagopal <pk_rajagopal@yahoo.co.in>

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Regards

----- Forwarded message -----

From: Sanchari Debgupta <sanchari.debgupta@sims.edu>

Date: Fri, Jul 24, 2020 at 10:21 PM

Subject: Kind Request - Symbiosis, Pune

To: <arun.mishra@elringklinger.com>

Cc: Dr. Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Arun Mishra

ELRINGKLINGER AUTOMOTIVE COMPONENTS PVT. LTD

Pune

Respected Sir

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:29 PM

To: umesh.dharmaraya@emuge-franken.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Umesh Dharmaraya

EMUGE - FRANKEN INDIA PRIVATE LIMITED

Pune

Respected Sir

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - are you a well governed company

1 message

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 5:34 PM

To: sangeeta.kulkarni@bwf-envirotec.in

Cc: Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, parat rajagopal <pk_rajagopal@yahoo.co.in>, "Dr. Pravin Kumar" <pravink@sims.edu>

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Regards

----- Forwarded message -----

From: **Sanchari Debgupta** <sanchari.debgupta@sims.edu>

Date: Fri, Jul 24, 2020 at 10:12 PM

Subject: Kind Request - Symbiosis, Pune

To: <sangeeta.kulkarni@bwf-envirotec.in>

Cc: Dr. Pravin Kumar <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Ms Sangeeta Kulkarni

BWF TEC INDIA PVT.LTD

Pune

Respected Ma'am

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

10 messages

Dr. Pravin Kumar <pravink@sims.edu>
To: pune@indo-german.com
Bcc: sanchari.debgupta@sims.edu

Mon, Jul 13, 2020 at 2:14 PM

SIMS/NFCG/102

13th July 2020

Ms Mira Dalvi Sahni
Regional Director
Indo German Chamber of Commerce
710, Nucleus Mall
1, Church Road
Opp. Police Commissioner's Office
Pune – 411001.

Respected Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune.

1. We congratulate you to have taken up the leadership at the Pune office during such challenging times. However, we are sure such times present opportunities too.

2. The trade between India and Germany has always been significant in terms of volumes. However, our countries follow different legal regime for operating the corporations. One significant difference being the structure of the Board of directors. India has a unitary Board level against the dual Board system of Germany. Further our Governance systems may differ on many other counts. Even though the Indian subsidiaries of the German companies comply with the Indian laws, their core of governance must be guided with the ethos of the German culture and jurisprudence.

3. Given the background of the Governance structure and regime in India, we have been bestowed with a research project By the National Foundation for Corporate Governance (NFCG), a PPP of the Ministry of Corporate Affairs, Government of India. The research project 'Best Boardroom Practices – Comparison Between Select Companies from Germany and India' aims at studying and showcasing select German companies as a glaring example of organizations that has added business value through best board room practices in the world.

4. Our research broadly aims at evaluating the following practices:

- a. The Board
- b. Board Composition
- c. Induction and Education
- d. Board Leadership
- e. Succession Planning
- f. Board Committees
- g. Managing Meetings
- h. When Things Go Wrong (Risk management)

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:30 PM

To: s.bhide@klaus-union.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Satish Bhide

KLAUS UNION INDIA PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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In anticipation of your response, so that we can take it further.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

9 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:32 PM

To: satyen.das@nord.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>

SIMS/NFCG

To

Mr Satyen Das

NORD DRIVESYSTEMS PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:49 PM

To: diwakar.vn@remondis.co.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Diwakar Velliyur Nott

REMONDIS AQUA (INDIA) PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:55 PM

To: averma@schmersal.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

SCHMERSAL INDIA PRIVATE LIMITED

Pune

Respected Sir/Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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In anticipation of your response, so that we can take it further.



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Brief on NFCG Project

13 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Wed, Sep 16, 2020 at 10:15 PM

To: amitava.mukherjee@siemens.com

Cc: parat rajagopal <pk_rajagopal@yahoo.co.in>

Hello Sir

Greetings from Symbiosis Institute of Management Studies!!

As per our telephonic conversation, PFA the brief of the project and the questionnaire.

Please let me know if anything else is required from my end.

Regards

--

Sanchari Debgupta

Research Assistant

In-charge - SIMS Production House | SIMS Economic Think-Tank | SIMS Corporate Presentation Team

Co-Convenor - SIMS Annual International Research Conference

Symbiosis Institute of Management Studies

Range Hills Road, Khadki

Pune - 411020, India

Tel : 020-25593217

2 attachments



Brief_NFCG Project.pdf

800K



Boardroom Practices - Questionnaire.docx

86K

Mukherjee, Amitava <Amitava.Mukherjee@siemens.com>

Thu, Sep 17, 2020 at 1:50 PM

To: Sanchari Debgupta <sanchari.debgupta@sims.edu>, "Thaker, Ketan" <ketan.thaker@siemens.com>

Cc: parat rajagopal <pk_rajagopal@yahoo.co.in>

Hi Sanchari

I have spoken to my colleague Mr. Thaker on this topic and have explained the expectations as per my understanding. Please be informed, any information which is supposed to be typically for Siemens internal consumption, he will not be comfortable to share, any questions qualifying under such criteria will be left unanswered. He may also further align with the Siemens Corporate Communication guidelines and procedures before responding.

By the way, I also understand your senior colleague Dr. Pravin Kumar has also approached Mr. Thaker through another colleague sometime back, it will be mutually convenient if you may internally decide for a single channel of communication from your institute to interact with Siemens on this topic.

Symbiosis Institute of Management Studies Mail - Kind Request - Symbi... <https://mail.google.com/mail/u/0?ik=0744364a87&view=pt&search=all...>



Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune - Are you a well governed company

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Aug 29, 2020 at 6:33 PM

To: suman@gofar.works

Cc: arunima@gofar.works

SIMS/NFCG

To

Mr Suman Bose

GoFar

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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We would be delighted to have your perspective of the Corporate Governance scenario of the German Companies and humbly request you to kindly share a few moments of your precious time so that the research actually showcases the success stories of the Indo German trade which has stood its test of time and presents a great case of learning on the Governance practices from each other.

PFA a slide deck of 5 slides only for your kind perusal which gives a bird's eye view of the purpose of our study.



Sanchari Debgupta <sanchari.debgupta@sims.edu>

NFCG Project Meeting

7 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Wed, Sep 16, 2020 at 8:02 PM

To: arunima@gofar.works

Cc: Amitava Banerjee <amitbanerjee1979@gmail.com>, parat rajagopal <pk_rajagopal@yahoo.co.in>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, "Dr. Pravin Kumar" <pravink@sims.edu>, suman@gofar.works

Hello Arunima

As per our telephonic conversation, I have scheduled the meeting with Mr Bose on **18th Sep (Friday), 4:30pm**. PFB the meeting link

<https://meet.google.com/tsq-oezt-rye>

Following members from our team will be present for the meeting.

Dr Pravin Kumar Bhoyar - Deputy Director of SIMS and Project Head

Mr Amitava Banerjee - Project Consultant

Prof PK Rajagopal - Faculty and Technical Analyst

Dr Pradnya Chitrao - Faculty and Technical Analyst

Sanchari Debgupta - Project Associate

I am reattaching the brief which has the details of the project and the team.

Regards

--

Sanchari Debgupta

Research Assistant

In-charge - SIMS Production House | SIMS Economic Think-Tank | SIMS Corporate Presentation Team

Co-Convener - SIMS Annual International Research Conference

Symbiosis Institute of Management Studies

Range Hills Road, Khadki

Pune - 411020, India

Tel : 020-25593217

**Brief_NFCG Project.pdf**
800K**Sanchari Debgupta** <sanchari.debgupta@sims.edu>

Sat, Sep 19, 2020 at 12:45 PM

To: suman@gofar.works

Cc: Amitava Banerjee <amitbanerjee1979@gmail.com>, parat rajagopal <pk_rajagopal@yahoo.co.in>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>, "Dr. Pravin Kumar" <pravink@sims.edu>, arunima@gofar.works

Hello

Greetings from Symbiosis!!

At the outset, I would like to thank you on behalf of the entire team for taking out time and sharing those invaluable insights on Corporate Governance practices.

As discussed in the meeting yesterday, below are the specific areas which are a part of the approved proposal . We have mapped them to limit our study on these aspects as the universe of CG is too large. Your inputs on these parameters will be highly appreciated.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 1:57 PM

To: Mohammed.Hidayath@trumpf.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Hidayath

TRUMPF (INDIA) PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 4:48 PM

To: aakash.dave@dana.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Aakash Dave

VICTOR REINZ INDIA PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

2 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 4:51 PM

To: vinay.mishra@volkswagen.co.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Vinay Mishra

VOLKSWAGEN IT SERVICES INDIA PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 5:00 PM

To: comp.secr.in@wilo.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

WILO MATHER AND PLATT PUMPS PRIVATE LIMITED

Pune

Respected Sir/Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 5:02 PM

To: joseph.toppo@wirtgen-group.com

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Joseph Toppo

WIRTGEN INDIA PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

12 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 5:04 PM

To: priti.nair@wuerth-industry.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Ms Priti Nair

WUERTH INDUSTRIAL SERVICES INDIA PRIVATE LIMITED

Pune

Respected Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

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Sanchari Debgupta <sanchari.debgupta@sim.s.edu>

Kind Request - Symbiosis, Pune

30 messages

Sanchari Debgupta <sanchari.debgupta@sim.s.edu>

Sat, Jul 25, 2020 at 5:10 PM

To: soma.ghosh@zf.com

Cc: "Dr. Pravin Kumar" <pravink@sim.s.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sim.s.edu>

SIMS/NFCG

To

Ms Soma Ghosh

ZF INDIA PRIVATE LIMITED

Pune

Respected Ma'am

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

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Sanchari Debgupta <sanchari.debgupta@sims.edu>

Kind Request - Symbiosis, Pune

3 messages

Sanchari Debgupta <sanchari.debgupta@sims.edu>

Sat, Jul 25, 2020 at 5:12 PM

To: Vikas.kundra@ziehl-abegg.in

Cc: "Dr. Pravin Kumar" <pravink@sims.edu>, Amitava Banerjee <amitbanerjee1979@gmail.com>, "Dr. Pradnya Chitrao" <pradnyac@sims.edu>

SIMS/NFCG

To

Mr Vikas Kundra

ZIEHL-ABEGG INDIA PRIVATE LIMITED

Pune

Respected Sir

Greetings from the Symbiosis Institute of Management Studies (SIMS), Pune!!

Set up in 1993, SIMS is a premier Management Institute ranked amongst the top B Schools in India. SIMS is a constituent of the prestigious Symbiosis International (Deemed University) and is the only MBA institute of its kind in India and a shining example of PPP (Public Private Partnership) between Symbiosis and Government of India – Ministry of Defence since 2002.

We have been bestowed with a research project by the National Foundation for Corporate Governance (NFCG), a PPP of the **Ministry of Corporate Affairs**, Government of India. The research project titled '**Best Boardroom Practices – Comparison Between Select Companies from Germany and India**' aims at studying and showcasing select German companies as a glaring example of organizations that have added business value through best board room practices in the world.

We would be delighted to have your perspective of the Corporate Governance scenario of the German Companies and humbly request you to kindly share a few moments of your precious time so that the research actually showcases the success stories of the Indo German trade which has stood its test of time and presents a great case of learning on the Governance practices from each other.

In anticipation of your response, so that we can take it further.

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CSR MONITORING AND IMPLEMENTATION SERVICES - SIMS, PUNE

BACKGROUND

The Companies Act, 2013 mandates companies with a net worth of Rs.500 Crore or more, Turnover Rs.1000 crore or more, net Profit Rs.5 Crore or more to spend 2 % of their profits for affirmative social action under CSR. Interestingly, 1/4th of the total CSR spend in India is by PSUs. Further, Oil Refinery & Petrochemical companies own almost ¼ of the total CSR funds in India. Further the magnitude of proposed spend can be understood from a media report which states that "Central public sector enterprises (CPSEs) will pump in more than Rs 2,000 crore of their corporate social responsibility (CSR) funds in 2018-19 for development of most backward districts in areas of health, education and nutrition".

WHY IS MONITORING IMPORTANT

In India CSR is generally seen to be a cost as the generation of brand value through CSR expenditure is an ignored aspect. Only a few of the big players', who can afford to engage the Big Four audit firms, reap the benefit of brand building through CSR. CSR if spent properly can create value and also strengthen the various ancillary industries associated with a company. Further with the advent of ESG grading of Corporates, which affect their ability of attracting Capital from the market, including FDI / FII investments the improper compliances or unplanned spending can be detrimental. In order to choose a project, devise a structure, align it with companies' objectives, create synergy with specific operations or area where improvement is required, selecting manpower, monitoring progress 'Management skills' are required. This is where SIMS, Pune could play a crucial role in analysing the above requirement can give tailor-made solutions.

SPECIFIC CONTRIBUTION BY SIMS

SIMS, being a prominent university is well connected with Corporates. Further its locational advantage can be harnessed to support the implementation of CSR project of both Public sector & Private sector undertakings. The University can contribute in the following manner:

- A multi-disciplinary team of professionals assisting in defining CSR strategy, implementation modalities, developing standard processes and systems for effective implementation of CSR;
- Organise capacity building workshops on CSR, Implementation and projects
- Assist in drafting CSR plans, policies, Tax efficient structures to execute projects
- Nominate University representatives on various CSR committees of Clients
- Supervise as monitoring agency CSR projects in Pune and adjoining areas;
- Train employees on the job with live CSR projects;
- Issue completion / monitoring reports to Clients for their reporting needs
- Assisting in getting the right implementation partners on-board,
- Keep CSR committee abreast with industry trends and help in reporting;
- Help ensure compliance in line with regulatory requirements
- Corporate brand building showcasing CSR initiatives.

SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

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SIMS is an ISO 9001:2015 quality certified management institute, one of the three institutes in complete Western India. SIMS is an accredited "Centre for Corporate Governance" of the 'National Foundation of Corporate Governance' (established by Ministry of Corporate Affairs and CII) and one of the few recognized as a Centre for Entrepreneurship by Department of Science and Technology.

SIMS has an enviable placement record and it offers an excellent return on investment in terms of the placement packages. Top Companies such as Deloitte, JP Morgan Chase, Credit Suisse, Infosys, TCS, Gartner, ICICI, HDFC, GE, Eaton Tech, Marsh, Mother Dairy, SBI, Religare Securities, Bajaj Allianz, Tata Motors, Tally Solutions, WNS, etc. are some of the loyal recruiters of SIMS student managers.

SIMS is the B-School which creates leaders who "Make a Difference". Come and be a part of SIMS, become a leader and "Make a Difference".

There is no greater glory than the journey on which we strive to "Make A Difference".



SYMBIOSIS INSTITUTE OF MANAGEMENT STUDIES

(For-(MBA Programme only) - Defence Personnel and Their Dependants)
Constituent of Symbiosis International (Deemed University)
Range Hills Road, Khadki, Pune - 411020