



Confederation of Indian Industry

Interactive Session of Public Sectors with Ministry of Corporate Affairs and SEBI

**26th April 2018 from 1700 hrs
at Willow Hall: India Habitat Centre, New Delhi**

Summary of key deliberations in the session

CII Public Sector Enterprises Council organized an Interactive Session of Public Sectors with Ministry of Corporate Affairs and SEBI on 26th April 2018 in New Delhi in partnership with National Foundation of Corporate Governance. Mr K V R Murty, Joint Secretary, Ministry of Corporate Affairs and Mr Jayanta Jash, Chief General Manager, SEBI were the two Guests of Honour representing the respective organisations. The list of Company Secretaries of CPSEs who attended is attached in **Annexure I**.

The schedule of the Interactive session is enclosed in **Annexure II**.

Mr. M E V Selvamm, Company Secretary, ONGC opened the session by welcoming all the participants and thanked them for joining the Session. He briefed them about the purpose of the meeting which was to harmonise the SEBI Listing Obligations & Disclosure Regulations (LODR) 2015 better with the Companies Act, 2013.

Mr. Selvamm requested Mr I P Singh, Company Secretary, BHEL to make a detailed presentation on Amendment/ clarification required in SEBI LODR vis a vis Companies Act. Each point of difference was discussed in detail, which is attached as **Annexure III**. Participants then put forward their concern on each of the points, corroborating the problems being encountered by them.

Participants felt there were some disparity in Companies Act, SEBI LODR and DPE Guidelines. The issues emanating from the deliberations, requiring further clarifications, were as follows:

1. Independent Director- Minimum no of independent director is different as per Companies Act and SEBI LODR.
2. Appointment to Board of Directors (BOD) in CPSEs – Exemption required in provision of SEBI LODR as these were made by the Government, there was no such provision in Companies Act.
3. Additional responsibilities of BOD- No such provision existed in the Companies Act
4. Retirement by rotation of directors as per Companies act 2013- Exemptions were required in provisions of SEBI LODR
5. Evaluation of directors by Board under LODR



6. Appointment of Statutory Auditors by CAG - Exception to be granted to Govt Companies in line with MCA exemption notification, 2015.
7. Suspension of BOD – be exempted as no provision in Companies Act.

Mr Murty advised to take up these issues with them through DPE, as it was the administrative ministry for CPSEs.

Then it was decided that Company Secretaries would send their points with further justification to CII Secretariat. These points were to be collated and submitted to DPE. Secretariat informed that Secretary, DPE has assured to interact with the PSE Council at an early date and these points would be on the agenda for discussion.

Mr Murty also mentioned that more clarification on the regulation was expected to be notified shortly.

SEBI mentioned that they were reluctant to offer any general exemption to CPSEs as it interferes with the governance norms. However keeping the ownership in mind agreed to examine the issues on a case to case basis, with a view to address them appropriately.

Mr.D.S.Sudhakar Ramaiah, CMD, Projects & Development India Ltd received the recommendations on behalf of the PSE Council. He suggested to make this interaction a regular point on the agenda for the PSE Council so that the progress can be monitored and suitable course corrections could be suggested.

The Session ended with a vote of thanks by Mr Selvamm.

X—X—X

Sl. No	Prefix	Name	Designation	Company
1	Mr.	M E V Selvamm	Company Secretary	Oil & Natural Gas Corp Ltd
2	Mr.	I P Singh	Company Secretary	Bharat Heavy Electricals Limited
3	Mr.	Sanjiv Agrawal	Company Secretary	Pawan Hans Ltd
4	Ms.	Nandini Sarkar	Addl. Company Secretary	NTPC Ltd
5	Mr.	Manish Kumar	Addl. Company Secretary	NTPC Ltd
6	Mr.	S R Sayal	Company Secretary	Mahanagar Telephone Nigam Limited
7	Ms.	Kavita Bhavsar	Company Secretary	Balmer Lawrie & Co Ltd
8	Mr.	Abhishek Lahoti	Company Secretary	Balmer Lawrie Investments Ltd
9	Mr	G Anandanarayan	Company Secretary	MMTC Limited
10	Ms.	V Kala	Company Secretary & General Manager (Internal Audit)	Cochin Shipyard Limited
11	Mr.	J B Sharma	Company Secretary	Rashtriya Chemicals & Fertilizers Ltd
12	Ms.	Sonia Singh	Company Secretary	Hindustan Prefab
13	Mr.	Paul Antony	Company Secretary	Mishra Dhatu Nigam Ltd
14	Mr.	Vikas Aggarwal	Asst Company Secretary	GAIL
15	Mr.	M K Aggarwal	Assistant General Manager, (Board and Co. Affairs)	SAIL
16	Mr.	Manohar Balwani	Company Secretary	Power Finance Corp Ltd

		Guests		
1	Mr.	K V R Murty	Joint Secretary	MCA
2	Mr.	Jayanta Jash	Chief General Manager Head of Department Corporation Finance Department	SEBI
3	Mr.	D S Sudhakar Ramaiah	Chairman & Managing Director	PDIL



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Programme

1700 - 1830 hrs	Harmonization of Corporate Governance guidelines for PSEs	
	Welcome Remarks	Mr. M E V Selvamm Company Secretary ONGC
	Context setting	Mr. I P Singh Company Secretary BHEL
	Address by Guest of Honour	Mr. Jayanta Jash Chief General Manager SEBI
	Address by Guest of Honour	Mr. K V R Murty Joint Secretary Ministry of Corporate Affairs
	Interaction with Members	
	Session Sum up	Mr. M E V Selvamm
1830- 1845 hrs	Hi Tea	
1845 - 2000 hrs	Discussions on way forward and determination of review mechanism	
	Welcome Remarks	Mr. M E V Selvamm
	Briefing of the deliberation in the previous session	Mr. I P Singh
	Address	Mr. Jayanta Jash Chief General Manager SEBI
	Address	Mr. K V R Murty Joint Secretary Ministry of Corporate Affairs

Interaction with Members

Way Forward with CII PSE Council

Mr D S Sudhakar Ramaiah
Chairman & Managing Director
Projects & Development India Ltd

2000 hrs

Dinner

Annexure III



Amendment to
Exemption (MCA) 19C



Comparative analysis
- CO Act Sebi DPE 19