

Batch No.231st

Masterclass for Directors

26 - 28 April 2019, Chennai



Participants at the 231st Batch of Masterclass for Directors held in Chennai.

Day One - 26 April 2019

Mr. R. Srinivasan, Regional Director, Institute Of Directors, Chennai Region, welcomed the participants for the 231st Batch of Masterclass for Directors and gave an introduction on the agenda and the topics to be covered for the three days course.

The first session for the day was delivered by **Mr. R. Sridharan**, Past President, Institute of Company Secretaries of India (ICSI) on 'Companies Act 2013 and Other Corporate laws: An Overview'.

Mr. Sridharan enlightened the participants about the types of Companies under the act and their respective definitions. He briefed them about the important documents of a Company like Memorandum of Association and Articles of Association and highlighted the different modes of finance for an organisation. He educated the participants about the Annual Returns to be filed as a compliance requirement under the act and also the procedural aspects of conducting the Annual General Meeting and Extraordinary General Meetings.

Mr. Sridharan taught about the items to be placed in the Board meeting and important issues such as the quorum, power of the Boards and the decisions that could be taken only at the Board meeting. He briefed about the Dividend Declaration Policy and the key functions of the National Company Law Tribunal. While presenting about the general compliances and the standards followed, he gave interesting anecdotes and real life situations and made it interactive and lively.

The second session for the day was on '**Corporate Governance: Enhancing Stakeholder Value**'. It was handled by **Mr. Suresh Krishnan**, Senior Vice President and Chief Compliance Officer, Chola MS General Insurance Company Ltd. He started with the concept of Corporate Governance that was mentioned in the Arthashastra, which speaks about the duties of a King. He gave a glimpse on the historical background of Corporate Governance on the various Committees constituted and mentioned the pitfalls of not having Corporate

Governance. He gave few case studies on the scandals that shook the Corporate world and briefed on the Listing Obligations and Disclosure Requirements (LODR). He chronicled the key recommendations of the Kotak Committee on Composition and Role of the Board of Directors, Independent Directors, Board Committees etc. and other important recent amendments.

Mr. S. Santhanakrishnan, Managing Partner, PKF Sridhar and Santhanam, LLP, presented the session on 'Corporate Sustainability: Environmental, Social and Economic Responsibility'. He mostly shared his personal experiences and achievements with respect to the social initiatives that he undertook and also the importance of environmental and social responsibilities of the organisations that will impact the society at large. The Session was lively and interactive and the participants took keen interest on the topic.

Mr. Gopal Krishna Raju, Chartered Accountant and an Insolvency Professional, delivered the final session for the day on 'Insolvency and Bankruptcy Code: Guidance for Directors and Promoters'. It was an engaging session with practical situations that discussed about the positive impact of the new law that is one of the major reforms that happened recently. He spoke about the Insolvency process in detail and the ways in which the Committee of Creditors lead by the Insolvency Professional handles the calm period of 180 days after the CIRP process is initiated. He also briefed about the impact under the law in case of Related Party transactions and how the legislation has forced the Companies to be cautious in their approach about debt repayment and make it a seamless process for all stakeholders in case of an Insolvency. The Session was extremely interesting for the participants and the way it was handled to simplify the concepts for them was appreciated.

Day Two - 27 April 2019

Day two began with the topic '**Financial Literacy for Directors**' handled by **Mr. V. S. Kumar**, a leading consultant who has a rich Corporate Financial experience. Mr. Kumar gave insights about the

role of Directors in enhancing the financial performance, effective practices for driving financial performance, tools for monitoring performance and shareholder value creation. He educated the participants about the P&L account, Balance Sheet and the Cash Flow statement and the ways to infer and analyse the Company's financial performance through these crucial financial statements. He continued his presentation for the next session and covered critical topics such as financial reporting, investment decisions, financing decisions, compliance and governance. He briefed about the role of Directors in Company's financial management, governance and financial strategy issues and other important financial matters like managerial remuneration, insurance and risk mitigation, stock market performance etc.

Session three was delivered by **Mr. R. Sridharan** on '**The Board's Legal Environment: Duties, Responsibilities and Liabilities of Directorship**'. He covered the basic definitions under the act and the officers in default. He educated the participants about the types of Directors and the mandatory requirements under the act. He also touched upon the remuneration for Independent Directors and their liabilities. Mr Sridharan presented about the Board Powers to be exercised only at the Board Meeting, Boards Report, Directors Responsibility Statement, Board Evaluation and Disqualification of Directors. He covered the types of Board Committees and their roles and responsibilities.

Final Session for the day was delivered by **Mr. KBS Manian**, Chief Risk Officer, Apollo Hospitals Enterprise Ltd. on the topic 'Enterprise Risk Management'. Mr. Manian gave an insightful presentation on the key concepts including risk identification, categorization etc. and gave some examples of prominent risk management failures at the global level. He briefed on the statutory and regulatory requirements under the Companies Act 2013 and SEBI (LODR) Regulations, 2015. He touched upon the critical success factors for effective risk management, risk reporting and establishing a risk management culture. Finally he concluded with cyber risks and the key risk management considerations for the Board.

The Special Guest for the day was **Mr. T. S. Krishnamurthy**, Former Chief Election Commissioner, Government of India. He shared his experiences as a Director in leading Companies and also the precautions that an individual has to take before accepting directorship and also after becoming a Director. He also mentioned about the reforms brought in during his term as the Secretary,

Ministry of Corporate Affairs, Government of India. It was an insightful session and the participants felt privileged to listen to such an experienced person who has held high offices in the Government.

Day Three - 28 April 2019

The first session of the final day started with the topic '**Independent Directors: Improving Corporate credibility and Governance Standards**' by **Mr. M. S. Sundara Rajan**, Chairman, IOD-Chennai Region and Former Chairman and Managing Director, Indian Bank.

Mr. Sundara Rajan, spoke about the due diligence to be done before accepting Directorship and roles and responsibilities of an Independent Director. He touched upon the compliance requirements under the act and also the roles of the Independent Directors in various Board Committees. He mainly spoke in detail about the liabilities of an Independent Director if a fraud occurs and also the generally accepted traits of an Independent Director.

He briefed on the functions of the Management and the information to be provided to the Board before the meeting and also the general leadership traits for maximizing effectiveness and accountability of corporate Boards. He shared interesting anecdotes and personal experiences as an Independent Director and made the session lively and interactive.

Mr. Arcot Kumaresan conducted the session 'Sensitizing Board of Directors - Organizational Dynamics, Communication and Influencing Skills for Boardroom'. He shared his experiences of working with industry leaders in the Boards and their communication and influencing skills. He touched upon the key aspects to be remembered by the Directors and the way they can contribute effectively for the strategic direction of the organisation. He conducted the 'Simulation of Real Boardroom' and gave a case for the batch members to take roles as different types of Directors. The mock Boardroom was well organised and handled by the participants and Mr. Kumaresan gave useful inputs and advice to sharpen their Boardroom skills.

Total 24 senior executives & board members did undergo this training programme. The complete list of participants has been published else where in this issue.

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Boardroom Simulation¹ on the last day of the three day Masterclass