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CORPORATE SOCIAL RESPONSIBILITY CSR ECOSYSTEM IN INDIA

TRENDS, CHALLENGES AND WAYS FORWARD

Journal of

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

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- **THE INSTITUTE OF COST ACCOUNTANTS OF INDIA** (erstwhile The Institute of Cost and Works Accountants of India) was established in 1944 as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy.
- On 28 May 1959, the Institute was established by a special Act of Parliament, namely, the Cost and Works Accountants Act 1959 as a statutory professional body for the regulation of the profession of cost and management accountancy.
- It has since been continuously contributing to the growth of the industrial and economic climate of the country.
- The Institute of Cost Accountants of India is the only recognised statutory professional organisation and licensing body in India specialising exclusively in Cost and Management Accountancy.

VISION STATEMENT

"The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally."

MISSION STATEMENT

"The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting."

IDEALS THE INSTITUTE STANDS FOR

- *to develop the Cost and Management Accountancy profession*
- *to develop the body of members and properly equip them for functions*
- *to ensure sound professional ethics*
- *to keep abreast of new developments*

Behind every successful business decision, there is always a **CMA**

Headquarters
CMA Bhawan, 12 Sudder Street
Kolkata - 700016

Institute Motto

असतोमा सद्गमय	From ignorance, lead me to truth
तमसोमा ज्योतिर् गमय	From darkness, lead me to light
मृत्योर्मामृतं गमय	From death, lead me to immortality
ॐ शान्ति शान्ति शान्तिः	Peace, Peace, Peace

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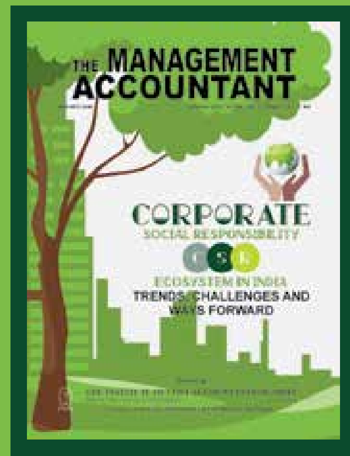

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COVER STORY

We have expanded our Readership from **1** to **94** Countries

Afghanistan, Algeria, Argentina, Australia, Azerbaijan, Bahrain, Bangladesh, Belgium, Benin, Botswana, Brazil, British Indian Ocean Territory, Bulgaria, Cambodia, Cameroon, Canada, Chile, China, Colombia, Croatia, Czech Republic, Djibouti, Egypt, France, Gambia, Germany, Ghana, Great Britain, Greece, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Lebanon, Liberia, Lithuania, Malawi, Malaysia, Mauritius, Mexico, Morocco, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nigeria, Oman, Pakistan, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Rwanda, Saudi Arabia, Serbia, Seychelles, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Suriname, Sweden, Switzerland, Syria, Taiwan, Tanzania, Thailand, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom, United States of America, Vietnam, Zaire, Zimbabwe.

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From the Editor's Desk

Greetings!

Corporate social responsibility (CSR) is the responsibility of the corporates towards the society in consideration of the support given and sacrifice made by the society. CSR in India has been evolving over the past few decades, with an increasing number of companies recognizing the importance of CSR and taking steps to implement it in their operations. The expansion of CSR in India can be traced back to the early 2000s.The enactment of section 135 of the Companies Act of 2013 marked a pioneering step in India, introducing a mandatory spending of a specified percentage of the profits by specified companies towards CSR. Over the years, the CSR landscape has transformed, shifting its focus from mere compliance to striving for a more profound societal impact, all the while emphasizing the importance of transparency in reporting and disclosing CSR activities by companies.

CSR in today's business landscape has gained considerable significance in the business world. In recent years, CSR in India has undergone significant developments, with companies expanding their CSR activities and the Government introducing new regulations to promote CSR activities. Professionals like CMAs are uniquely positioned to facilitate in the functions of auditing, measurement, the environmental accounting, developing financial projections, writing CSR reports and conducting risk analysis. They are bound by a code of ethics to report accurately and truthfully in the best interests of society. CMAs have a responsibility to the company they work for and its shareholders to make an accurate assessment and disclosure of all risks and costs, including environmental factors.

This issue presents articles on the cover story "Corporate Social Responsibility (CSR) Ecosystem in India: Trends, Challenges and Ways Forward" written by distinguished experts. Here's a glimpse of the articles featured in this issue:

In *Corporate Social Responsibility at the Bottom of Pyramid* an attempt has been made to analyse the concept of bottom of pyramid and activities of CSR directed towards bottom of pyramid.

CSR as A Catalyst for skill Development in India discusses a real case study where a PSU is utilising its CSR funds as catalyst for skill development in our country.

ESG AND CSR: The Current Scenario and Future studies the current scenario of both the concepts and traces some of the existing legislations regarding both. It also tries to analyze the differences between the two and the similarities.

Role of CMA in Aligning Taxation and CSR for Balancing Social and Business Development - critically examines the required entanglement of CSR and taxation enactments citing practical situations and the role of CMAs in balancing the interest of diversified stakeholders.

ESG Reporting an Enabler for Sustainable Business and Inclusive Growth examines the need for ESG reporting and the legal mandates which are evolving for ESG reporting in India and the global frameworks for ESG.

The research study titled *Teaching Ethics and Sustainability: A Framework for Embedding CSR in Education* introduces a comprehensive model for the integration of corporate social responsibility (CSR) into the realm of education, with a specific emphasis on ethics and sustainability.

CSR in INDIA: Investigating the Macro Trends has tried to bring out the trends in some important aspects of CSR activities undertaken by Indian companies which may have important policy implications.

Synergy of Corporate Social Responsibility and Sustainability Finance: A Nexus for Positive Impact discusses the linkage between CSR and sustainable finance along with its crucial strategic need.

ESG: A Step ahead of CSR for Sustainable Business and Society explores the evolution of corporate social responsibility and introduces the paradigm shift to environmental, social, and governance.

The Nexus of CSR and TQM Practices: A Catalyst for Sustainable Development has attempted to provide fruitful implications to have a fair idea of the strategic orientations of CSR–TQM philosophies.

We are grateful to all the contributors for sharing their rich knowledge through their articles and research studies. It is sincerely hoped that the articles featured in this issue will enrich your knowledge to a great extent.

Please share your thoughts with us at editor @icmai.in.

THE MANAGEMENT ACCOUNTANT

PAPERS INVITED

Cover Stories on the topics given below are invited for *'The Management Accountant'* for the four forthcoming months

Month	Theme	Subtopics
January 2024	Banking in India: Emerging Challenges and Preparedness of this sector	⦿ Expected Credit Loss Mechanism of Banks: Role of CMAs ⦿ Risk Based Internal Auditing a panacea for good governance ⦿ Stock Audit Appraisal: Checklist for highlighting the exceptional ⦿ CMAs role in Bank's Credit Appraisal and Monitoring Framework ⦿ CMAs as Concurrent Auditors ⦿ Mergers and Acquisitions the way forward for the Indian Banking System ⦿ Digital Banking: The need of the Hour ⦿ NBFCs are they an alternative to Banks ⦿ Artificial Intelligence: A Disruptive changeover in the Banking Landscape ⦿ Inclusive banking to inclusive growth
February 2024	Changing Landscape of Valuation Ecosystem in India	⦿ Valuation in Emerging Markets: Prospects & Challenges for the Valuation Profession ⦿ Risk Assessment and Mitigation: Role of Valuation Professionals ⦿ Forensic Audit & Valuation ⦿ Valuing Start-ups ventures ⦿ Future of Valuers in the Banking Industry – Opportunities and Limitations ⦿ Valuation of Digital Assets: Perspective and Future Prospects ⦿ Governance and Valuation: The Way Forward ⦿ Valuation and Management of Currency Risk ⦿ Valuation Practices in India v/s across the Globe
March 2024	Empowerment of Women: Shaping future of India	⦿ Bridging the Gaps to Accelerate Investment Climate for Women Entrepreneurs ⦿ Embrace Change, Empower Women ⦿ Women Empowerment - the key to achieve Socio-Economic growth of India ⦿ Role of Women as Social Entrepreneurs ⦿ Gender Equity in Education and Workplaces ⦿ Government Policies and Enactments to achieve Women Empowerment ⦿ DigitALL: To overcome the Digital Gender Divide ⦿ Women-led MSMEs: Promoting Robust and Sustainable Growth ⦿ Expanding Access to Finance through Fintech and Innovations ⦿ Women Torchbearers as Founders and Investors in the Indian Startups space
April 2024	Insolvency and Bankruptcy Code - its Journey so far!!!	⦿ Global trends in Insolvency and Bankruptcy landscape ⦿ Blockades and Success stories of IBC since its inception ⦿ The Mediation Act, 2023: A great leap forward in Indian Dispute Resolution mechanism ⦿ Crucial insights into Corporate Insolvency Resolution Process (CIRP) ⦿ Stressed Asset Investment ⦿ Pre-packaged Resolution Framework for MSMEs ⦿ Cross Border Insolvency ⦿ Important Case Laws/ Successful Resolutions under IBC

The above subtopics are only suggestive and hence the articles may not be limited to them only.

Articles on the above topics are invited from readers and authors along with scanned copies of their recent passport size photograph and scanned copy of declaration stating that the articles are their own original and have not been considered for anywhere else. Please send your articles by e-mail to editor@icmai.in latest by the 1st week of the previous month.

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PRESIDENT'S COMMUNIQUÉ

CMA Ashwin G. Dalwadi
President
The Institute of Cost Accountants of India

"All of us do not have equal talent. But, all of us have an equal opportunity to develop our talents."

-- Dr. A. P. J. Abdul Kalam

My Dear Professional Colleague,

As the clock ticks down to the end of the year, let us take a moment to celebrate our achievements, no matter how big or small, and cherish the lessons learned from the experiences we encountered. Each step has brought us closer to who we are today, and I am excited about the possibilities that the coming year holds for us.

Release of new CMA Logo

I am happy to announce the release of new logo for the CMA professionals! Our new logo draws inspiration from the core values that define us as Cost and Management Accountants. This new logo marks a significant chapter in our journey, and we are excited to continue growing and evolving as a team of dedicated Cost and Management Accountants. As we embrace this fresh visual identity, let it serve as a reminder of our shared goals and values.

Postponement of 61st National Cost Convention - 2023

I convey with regret that, due to unavoidable circumstances, we find it necessary to postpone our highly anticipated 61st National Cost Convention originally scheduled for 8-9 December 2023 in New Delhi. This decision was made after careful consideration and thoughtful deliberation, and we genuinely empathize with the disappointment it may bring to our esteemed members and dedicated students who were eagerly looking forward to participating in this significant event.

We understand the inconvenience this may cause and sincerely appreciate your understanding and support in these challenging times. We are committed to keeping you informed about any developments and will provide timely updates regarding the rescheduled National Cost Convention. Our Institute highly values your engagement and participation in our activities, and we assure you that the rescheduled event will uphold the same level of excellence and value that you have come to expect from our conventions. I thank you all for your continued support, understanding, and cooperation. Looking forward to your continued involvement with the Institute.

NCVET Recognition to the Institute

I am elated to share with you a momentous milestone achieved by the Institute; an Agreement with National Council for Vocational Education and Training (NCVET), Ministry of Skill Development & Entrepreneurship, Government of India was signed on 3rd November, 2023. Through this agreement, our Institute has been recognised as an Awarding Body (Dual Category) by the NCVET. I believe that the NCVET recognition will certainly help the Institute to secure more projects under the Skill development programme of the Government.

Associate Membership of ASEAN Federation of Accountants (AFA)

I am delighted to inform you that the Institute has become an associate member of ASEAN Federation of Accountants (AFA). My Council Colleague and Chairman of International Affairs Committee, CMA (Dr.) Ashish P. Thatte attended the 137th AFA Council Meeting on 25th November, 2023 at Bangkok and gave a presentation on behalf of our Institute to the AFA Council for getting the Associate Membership of AFA. This development will enable recognition of our members in ASEAN region.

The ASEAN Federation of Accountants (AFA) was established in 1977, to serve as the umbrella organisation for the national association of the Association of South East Asian Nation (ASEAN). AFA originally had only five founding member-bodies. These were the national accountancy bodies of Indonesia, Malaysia, Philippines, Singapore and Thailand. Currently, AFA membership comprised all ten ASEAN member countries.

1st CMA Overseas Campus Placement Drive

I am pleased to inform you that the Institute is going to organise its 1st CMA Overseas Campus Placement

Drive on 5^{th} & 6^{th} December 2023 through online mode. The CMA Overseas Campus Placement Drive is a unique opportunity for both our members, experienced CMAs and fresh qualified Cost and Management Accountants (CMAs) to explore international career prospects. This event aims to connect talented CMAs with reputed organizations abroad, providing a platform for professional growth and global exposure.

I extend my heartfelt congratulations to CMA (Dr.) Ashish P. Thatte, Chairman of the Career Counselling and Placement Committee for spearheading this noble and impactful initiative.

SAFA meetings in Gujarat

South Asian Federation of Accountants (SAFA) held its 81st Board Meeting on 24th November, 2023 and various Committee meetings on 23rd November, 2023 at Gandhinagar, Gujarat. I attended the SAFA Board meeting on 24^{th} November, 2023 and my Council Colleagues attended their respective SAFA Committee meeting through virtual and physical mode on 23^{rd} November, 2023.

Regional Chapters Meet

I am pleased to share that the Western and Southern Region Chapters meets were organised by the Regional Council & Chapters Coordination (RC&CC) Committee jointly with the Western India Regional Council at Goa on 3^{rd} November 2023 and jointly with Southern India Regional Council at Vijayawada Chapter premises on 26^{th} November, 2023 respectively.

I attended and chaired the Western Region Chapters meet at Goa along with CMA Vinayaranjan P, Chairman, RC&CC Committee who convened the meeting. My other Council Colleagues who are members of the Committee, WIRC office bearers, Chapter representatives of Western Region and officials from Institute & WIRC also participated in the event actively.

The Southern Region Chapters meet at Vijayawada was chaired by CMA Bibhuti Bhusan Nayak, Vice President and was convened by CMA Vinayaranjan P, Chairman, RC&CC Committee which was also attended by my Council Colleagues who are members of the Committee, Chapter representatives of Southern Region, Institute and SIRC officials.

In both the meetings held in November 2023, representatives of the chapters shared their suggestions, views and issues and deliberated on all relevant matters which need the attention and perusal of the Committee, RC or headquarters with a view to streamline and improve upon the functioning of the Chapters and the Institute.

Cost Symposium – 2023 of Bengaluru Chapter & Salem Chapter

I am pleased to inform that I participated and shared my thoughts during the inaugural session of the Cost Symposium – 2023 organized by Bengaluru Chapter of ICMAI in association with Salem Chapter of ICMAI at Yercaud from 17^{th} to 19^{th} November, 2023. I congratulate CMA Devarajulu B, Chairman – Bengaluru Chapter, CMA Thiagarajan R V, Chairman - Salem Chapter and other members of Managing Committee of both the Chapters on the successful conduct of the Cost Symposium.

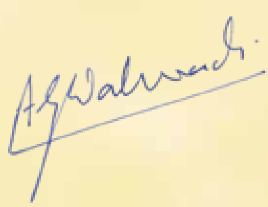
IFAC Council Meeting and Thought Leadership Seminar

The Austrian Chamber of Tax Advisors and Public Accountants together with the Institute of Public Accountants hosted the annual IFAC Council and Thought Leadership Seminar during 15- 16 November, 2023 in Vienna, Austria. I attended the IFAC Council Meeting through virtual mode and CMA (Dr.) Ashish P. Thatte, Chairman of International Affairs Committee attended the meeting at Vienna as Technical Advisor on 15^{th} November, 2023. He also participated in the Thought Leadership Seminar organized by IFAC on 16^{th} November, 2023.

As the CMA foundation, intermediate and final examinations are round the corner, I wish all success to the examinees taking this examination. I am sure that those who have burnt their midnight oil will come out with flying colours and make themselves and their parents proud with their academic achievements.

I wish prosperity and happiness to members, students and their families and pray for their success in all their endeavours. As we bid farewell to this year, may the coming one be filled with new opportunities, growth, and endless possibilities. Merry Christmas and a Happy New Year in advance!

With warm regards,



CMA Ashwin G. Dalwadi

December 02, 2023

BRIEF SUMMARY OF THE ACTIVITIES OF VARIOUS DEPARTMENTS/ COMMITTEES/ BOARDS OF THE INSTITUTE DURING THE MONTH OF NOVEMBER 2023

AGRICULTURE COST MANAGEMENT BOARD

The Agriculture Cost Management Board of the Institute had organized a webinar on "Tomatoes Or Onions the story goes on…" under the Chairmanship of CMA Harshad S. Deshpande on 23rd November 2023. Dr. Suseelendra Desai, Dean, The School of Agriculture Sciences & Technology shared very useful information on production of Tomatoes & Onions and the policies of States and the Central Government. The Webinar was organized for members, farmers, various stakeholders and the public at large, more than 300 participants actively participated in the webinar and there was an overwhelming response from the audience.

BANKING, FINANCIAL SERVICES AND INSURANCE BOARD

The Banking, Financial Services & Insurance Board of the Institute and the BFSI department continued its various activities and initiatives during the month of November 2023, a synopsis of which is presented herein under -

A. Representation letters for inclusion of CMAs

The BFSIB continues its efforts for further development of the profession in the BFSI sector with representations to authorities and employers for inclusion of CMAs in the sector. CMAs are now eligible to apply for the post of Assistant Manager in General Stream of SIDBI.

B. Certificate Courses on Banking

The 9th Batch of the Certificate Course on Credit Management of Banks started from 4th November, 2023. CMA (Dr.) Ram Jass Yadav, Executive Director, Punjab & Sind Bank was the Chief Guest for the inaugural session. Five persons were nominated from the Vishakhapatnam Cooperative Bank Ltd.

Expression of Interest are invited for the admission in the 10th batch of the Certificate Course on Credit Management of Banks and 10th batch of the Certificate Course on Concurrent Audit of Banks along with the 8th Batch of the Certificate Course on Treasury and International Banking as per the following link: https://docs.google.com/forms/d/e/1FAIpQLSdx18Bm27SjBv83hUDP64j3jLmDuSIeVmGn2l2K3Epdg9P3Bw/viewform?vc=0&c=0&w=1&flr=0

The members, students and others are requested to take the opportunity for capacity building and knowledge enhancement by enrolling in such courses for which the link of admission is as follows: https://eicmai.in/advscc/Home.aspx

C. Certificate Courses on Investment Management in collaboration with NSE Academy

The BFSI Board in association with the NSE Academy has started the admission process for the course on Investment Management for three levels. The admission window has opened for all the three levels comprising of the Fundamental Analysis and Valuation (Level-I), Mutual Funds and Market Analysis with Fundamentals (Level-II) and Financial Derivatives & its application (Level-III). The admission window is stated as follows: https://eicmai.in/OCMAC/BFSI/NoRecordFound_BFSI.aspx

CAREER COUNSELLING & PLACEMENT COMMITTEE

The Career Counselling & Placement Committee has embarked on an initiative to facilitate the placement of newly qualified students on a pan-India basis, who have successfully completed the June 2023 term examinations. In the initial phase, we have witnessed successful placements in Delhi, Mumbai, Chennai and Kolkata respectively with 56 students in Delhi, 58 in Mumbai, 74 in Chennai and 30 in Kolkata securing positions with both public sector undertakings and other esteemed companies and the process is still continuing.

Remarkably, this marks the first instance where the Career Counselling and Placement Committee is proactively working towards placing CMAs on a global scale. I encourage everyone to collaborate with the Committee by sharing details of global companies, ensuring the success of this initiative in securing placements for newly qualified students worldwide.

COMMITTEE FOR ACCOUNTING TECHNICIANS (CAT)

- **CAT Course for retiring/retired Defence Personnel**

Two more batches of CAT course for retiring/retired JCOs/OR & their equivalent in association with

Directorate General of Resettlement (DGR), Ministry of Defence, Government of India were commenced on 28th November, 2023 at Madurai & Pune Chapters simultaneously.

- **Online Classes for CAT Students**

The e- learning classes for the students pursuing CAT Course Part-I have been started from 2nd November 2023. The classes are taken by the expert resource persons. Students are urged to regularly attend the classes as these classes will help in writing the CAT examination.

COOPERATIVE DEVELOPMENT BOARD

The Cooperative Development Board of the Institute under the Chairmanship of CMA Navneet Kumar Jain, organized a Webinar on "Maharashtra Cooperative Society Auditor Empanelment-Query Solving Session for PCMAs", basically for resolving the queries for the practicing members and also about the procedures of empanelment in cooperative audit in Maharashtra. CMA Harshad S. Deshpande, a member in the Cooperative Development Board, was the Key Note Speaker in the event. CMA Mahendra Tulsiram Bhombe, an expert in the related field also enlightened the members and discussed about the procedures to be followed by the members for the empanelment in Cooperative Audit in Maharashtra.

The Cooperative Development Board has taken the initiative to send the representations on PAN India basis for the inclusion of CMAs for different types of audits in the Co-operative sector in all the States/Union Territories. All Regional Councils and Chapters are requested to liaison with the respective representatives in the States and support the activities of the Cooperative Development Board.

DIRECTORATE OF STUDIES

A comprehensive set of Model Questions with Answers (MQPs) for all Levels have been made available on our website. These resources will greatly assist candidates preparing for the upcoming December 2023 term of examinations. Further, online classes for all subjects of Foundation, Intermediate and Final Levels under Syllabus 2022 have been successfully conducted providing valuable educational inputs to our students. The E-bulletin covering Foundation, Intermediate and Final Levels under Syllabus 2022 have been continuously uploaded on our website. This publication serves as a valuable knowledge resource for our students.

On 18th November, 2023, the Training and Educational Facilities Committee organized an enriching Online Workshop on 'Power BI Desktop for Finance'. This workshop specifically catered to Final Level Students and Members of the Institute contributing to their academic and professional development. The Training & Educational Facilities Committee has also conducted a Webinar on 'Success Mantra for CMA Exam' for the December 2023 term of examinations. This webinar aims to provide valuable insights, guidance and motivation to our students appearing for the forthcoming examinations as they prepare for their exams.

MEMBERSHIP DEPARTMENT

During the month of December 2023, 79 new members were enrolled as Associate members and 18 Associate members were advanced to Fellowship. Members are requested to login and check the correctness of their contact details in the members' online system. If such contact details need to be updated or corrected members may kindly submit Form M-8 online after login to their account or they can download the form and send a scan copy with all details filled in to membership@icmai.in. Correct contact details, viz - address, phone number, email id etc will ensure that all important communications and the Journal from your Institute will reach you on time.

All final passed students who have a minimum of 3 years of relevant working experience and have not yet taken Associate membership are requested to immediately apply for membership and enjoy all the benefits of membership. Applications for membership are available both by online and physical mode. For ready reference and use the link for online application of membership is - https://eicmai.in/external/ChooseApplicationType.aspx.

Under the leadership of CMA T.C.A. Srinivasa Prasad, Chairman, Information Technology Committee of the Institute, certain facilities have been made available for the benefit of members. Members can download their Identity card with photo. Also in Digi Locker, new facility with QR Code is provided for all members with their information. Members of the Institute's Benevolent Fund can now login through Membership Portal and check status and nominee details of their MBF account.

PROFESSIONAL DEVELOPMENT & CEP COMMITTEE

The Kangra Central Co-operative Bank Limited considered Cost Accountants Firms for appointment as Concurrent Auditor. Further, Kerala State Beverages (M&M) Corporation Limited considered Cost Accountants (CMAs) for Certification of Cost Sheet.

PD Directorate submitted representations to various organizations for inclusion of Cost Accountants for providing professional services.

Please visit the PD Portal for Tenders/EOIs during the month of November 2023 where services of the Cost Accountants are required in Airports Authority of India (AAI), West Bengal Housing Infrastructure Development Corporation Limited, Employees State Insurance Corporation Regional Office H.P., Engineering Projects (India) limited (EPI), West Bengal Highway Development Corporation Limited (WBHDCL). Director Food Civil Supplies and Consumer Affairs Department Haryana, Maharashtra Metro Rail Corporation Limited, The Telecom Regulatory Authority of India, Food Corporation of India, Gujarat., Bureau of Indian Standards, Power Grid Corporation Of India Limited, etc.

Professional Development & CEP Committee organised a webinar on "Provisions of Section 90 of the Companies Act read with Companies (Significant Beneficial Owners) Rules, 2018".

Professional Development & CEP Committee in association with PHD Chamber of Commerce and Industry organised a webinar on "Various Legal Issues being faced by the taxpayers and how to handle such investigation and Get Ready to file GSTR 9 and 9C".

During the month, around 30 programmes in physical mode and around 10 programmes in online mode were organised by the different Committees, Regional Councils and Chapters of the Institute on the topics of professional relevance and importance like Panel Discussion on Risk Based Internal Audit & Internal Control- Recent Trends, Challenges & Way- forward, Corporate Governance-Current Issues, Digital Personal Data Protection Act, 2023, Costing & Cost Management Accounting, Traits in General and Commercial Insurance Businesses, Internal Audit in Mining Industry: Practical Approach, GST Annual Return, GST Audit and Recent Changes in GST, Prevention of Money Laundering Act and so on.

SUSTAINABILITY STANDARDS BOARD

The Sustainability Standards Board of ICMAI has successfully organised a 'Seminar on Sustainability' in association with Western India Regional Council and Goa Chapter of ICMAI on 4th November, 2023 at Goa and also organised a Colloquium on 'Leveraging Sustainability Standards for building Sustainable Organizations' along with Professional Development & CEP Committee of ICMAI, ICMAI Social Auditors Organization in association with Global Reporting Initiative (GRI) on 8th November, 2023 at New Delhi. The Colloquium was graced by Eelco van der Enden, Chief Executive Officer GRI and Ms. Bronte Klein, Chief of Staff – Head of GRI Networks. Both the events received an overwhelming response from the participants.

Sustainability Standards Board released the Volume 4 of its monthly Newsletter – 'SUKHINOBHAVANTU' during the month of November 2023.

TAX RESEARCH DEPARTMENT

The Tax Research Department conducted a physical seminar at Hyderabad on 31st October, 2023. The topic for the session was "7th Year of GST - Critical Issues and Way Forward". The seminar was graced by Shri Sandeep Prakash, Chief Commissioner (Customs and Central Tax - Hyderabad Zone) and CMA Mankoskar Surendrakumar Commissioner, Central Tax Hyderabad. The key takeaways from their speech have been on the small hiccups that still remain in the compliance of GST by the assessees and how the Government is determined to and steps taken to ease out the same. They deliberated on the thought process and the measures that the administration has undertaken or would undertake on issues like:

i. Simplified facility on filing of revised return in case of mistakes that crops up while filing of GST returns
ii. Thoughts on Tax Credit Mismatch and steps to combat the same
iii. Reworking on Form of Annual Return and Reconciliation

The seminar also included discussions on topics like (i) ITC - understanding legal aspects, (ii) Issues on GST Returns and Notices and (iii) GST Litigation and Departmental Audit and eminent Resource pool contributed with their thoughts on these topics.

The classes for the GST Course for college and university students were successfully commenced at Sheshadripuram Degree College, Mysore Karnataka.

The classes for all the 7 taxation courses named below are being conducted:

i. Certificate Course on GST (Batch – 14)

ii. Advanced Certificate Course on GST (Batch – 10)
iii. Advanced Course on GST Audit and Assessment Procedure (Batch – 7)
iv. Certificate Course on International Trade (Batch – 4)
v. Certificate Course on TDS (Batch – 10)
vi. Certificate Course on Filing of Returns (Batch – 10) and
vii. Advanced Course on Income Tax Assessment & Appeals (Batch – 7)

The quiz on indirect tax is conducted on every Friday pan India basis. The Taxation Portal is being updated regularly with the circulars, notifications and press releases. Tax Bulletin has also been published and circulated to the Government and corporates.

INSOLVENCY PROFESSIONAL AGENCY (IPA) OF THE INSTITUTE

The Insolvency Professional Agency of Institute of Cost Accountants of India, in its endeavor to promote professional development and sharpen the skills of the professionals, has constantly been conducting various professional & orientation programs across the country and publishing various publications for the benefit of stakeholders at large. IPA ICMAI has undertaken several initiatives, as enumerated below, during the month of November, 2023.

- One day online "Workshop on Mastering the Information Memorandum" on 3rd November 2023.
- One day "Seminar on Insolvency & Bankruptcy Code, 2016: Milestones Achieved & Way Forward" on 4th November 2023 in a physical mode in Bengaluru.
- One day online "Workshop on Not Readily Realisable Assets" on 9th November 2023.
- Two days' online "Master Class on Personal Guarantors to Corporate Debtors under IBC, 2016" from 17th November 2023 to 19th November 2023.
- One day "Interactive Meet: Challenges/ issues under liquidation including voluntary liquidation and its way forward" was organized by IBBI with all the three IPA's on 23rd November 2023 at IICA, Lodhi Road, New Delhi.
- Five days' online "Certificate Course on Insolvency & Bankruptcy Code, 2016: A Refresher Guide" from 25th November 2023 to 29th November 2023.
- One day "Interactive Meet: Challenges/Issues and Way Forward under IP/IPE regulations including CPE, AFA, enrolment" was organized by IBBI with all the three IPA's on 29th November 2023 at IICA, Lodhi Road, New Delhi.
- Published Au-Courant (Daily Newsletter), a weekly IBC Dossier, and a monthly e- Journal which are hosted on its website.

ICMAI REGISTERED VALUERS ORGANIZATION (RVO)

ICMAI RVO has successfully organized four "50 Hour's training programs" for Securities or Financial Assets Land and Building and organized 17 "Professional Development Programs" during the month of November, 2023. In its efforts to bring out relevant publications for development of valuation profession, ICMAI RVO also released its monthly Journal – The Valuation Professional. ICMAI RVO organized a Round Table discussion in Mumbai with Mr. Nick Talbot CEO – IVSC on 21st November, 2023 and also a Professional Development Program on Valuation at SIRC on 22nd November, 2023. ICMAI RVO is organizing Valuation Conclave in association with all the RVOs and IBBI as the lead RVO in the first week of December in Delhi.

ICMAI SOCIAL AUDITORS ORGANIZATION (SAO)

ICMAI SAO organized one Preparatory course for preparing candidates for the Social Auditors exam conducted by NISM and organized one Professional Development programs during November, 2023. ICMAI SAO also released its monthly Journal – The Social Auditor. It is working on compiling a unified set of Social Audit Standards in association with Social Audit Organizations of ICAI and ICSI.

ICMAI INTERNATIONAL ADR CHAMBER

The Institute has promoted a section 8 company to create awareness, develop competency and establish a Centre for Arbitration and Mediation. A professional development program on Mediation Act 2023 was organized during the month of November.

CMA Chaitanya L. Mohrir, Chairman - WIRC felicitating CMA Ashwin G. Dalwadi, President, ICMAI during WIRC Regional Chapters Meet organised by WIRC at Goa on 3rd & 4th November, 2023.

CMA Navneet Kumar Jain, Council Member and NIRC RCMs, CMA Manish Kandpal and CMA Jeewan Chandra, met with CBIC Board Member Shri Vivek Ranjan and discussed about the availability of eight digit HSN code data through cost audit mechanism for policy makers.

CMA Navneet Kumar Jain, Council Member and NIRC RCMs, CMA Manish Kandpal and CMA Jeewan Chandra, held a fruitful discussion with CBIC Board Member Ms. V. Rama Mathew to delve into the potential utility of cost records data.

Signing of the Agreement with National Council for Vocational Education and Training (NCVET), Ministry of Skill Development & Entrepreneurship, Government of India. Institute has been recognised as an Awarding Body (Dual Category) by the NCVET.

CMA Navneet Kumar Jain, Council Member and NIRC RCMs, CMA Manish Kandpal and CMA Jeewan Chandra recently had a meeting with JS Policy CBDT Shri Raman Chopra and deliberated on the contribution of CMAs in supporting the awareness initiatives of Income Tax Authorities.

CMA Navneet Kumar Jain, Council Member, CMA Jeewan Chandra, RCM-NIRC & CMA Varun Sukhija, Chairman, Faridabad Chapter alongwith other members visited PCIT Faridabad and Gurgaon, Mr. Anand Kedia and discussed about empanelment of CMAs for Inventory Valuation u/s 142 (2A) of Income Tax Act, 1961.

Inauguration of sixth batch of CAT Course under DGR for defence personnel on 28th November, 2023 at Pune in the august presence of Brig. Rohit Mehta, ADG Directorate of Resettlement, Zone (South), Ministry of Defence, CMA Neeraj D. Joshi, Council Member, CMA Harshad S. Deshpande, Council Member, CMA Chaitanya Laxmanrao Mohrir, Chairman-WIRC, Members of Pune Chapter MC, and officials of the Institute.

Moving forward for Collaboration with officials in the cooperative sector to leverage the expertise of CMAs in advancing the Prime Minister's vision of "Sahkar se Samriddhi".

Inauguration of seventh batch of CAT Course under DGR for defence personnel on 28th November, 2023 at Madurai in the august presence of Brig. Rohit Mehta, ADG Directorate of Resettlement, Zone (South), Ministry of Defence (though VC), CMA (Dr.) V Murali, Council Member, CMA Rajendra Singh Bhati, Chairman - CAT (through VC), CMA Divya Abhishek, Chairman - SIRC, Members of Madurai Chapter MC, and officials of the Institute.

CORPORATE SOCIAL RESPONSIBILITY AT THE BOTTOM OF PYRAMID

Abstract

The Companies Act, 2013, by mandating the spending on corporate social responsibility by corporates, has re-ignited the ever going debate on business and societal relationship. Keith Davis, one of the pioneers of the CSR debate raised two thought-provoking queries in the 1960s: "What does the business person owe society?" and "Can business afford to ignore its social responsibilities?"Despite the fact that even if as per going concern concept, businesses have indefinite life, it is the profit which fuels the businesses to go on indefinitely. The life of an enterprise can also come to an abrupt end, if it fails to earn profit for a prolonged period. Failure of an enterprise also disrupts the economic ecosystem created by it. Employees lose their jobs, Government loses tax revenue, associate companies lose the business opportunities, Bankers lose the loan amount, owners lose the investment etc. Thus, it can be said that one of the moral or ethical duty of the enterprise it to continue to operate, which is possible only by earning profits. Therefore, the concept of CSR should not be understood only as charity or philanthropic activities undertaken by the organisation but also the creation of symbiotic relationship with the society by building economic ecosystem. Bottom of Pyramid (BoP) concept provides one such opportunity and the CSR activities directed towards the BoP may be instrumental in achieving this objective.

"A good company offers excellent products and services. A great company also offers excellent products and services but also strives to make the world a better place."

- Philip Kotler

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Introduction

The notion of social responsibility is not new to India. As per *Dharma-sastras* and other ancient texts, the early society was divided into four varnas based on the occupation chosen by the peasants (Brahmins, Kshatriyas, Vaishya and Shudras). Vaishya- the business class of the society, were known to undertake various social activities like building 'Dharmashalas' and providing other amenities for the greater good of the society. The concept of 'Dana' was prevalent in the society, which was one of the ways for the privileged class to aim for attaining Niravana or Moksha by donating part of their wealth to the needy.

This however, changed with the advent of joint stock company, which brought the entity concept, where ownership was separated from the business. This led to shifting of business priorities from society oriented to owner oriented. The Industrial Revolution of mid-18th century, further contributed to this transition and it also led to labour exploitation and profiteering for the benefit of owners. These developments created the conflicts regarding the supremacy of shareholder approach over stakeholder approach. The Supreme Court of Michigan in its verdict of well-known case of 1919, namely *Dodge v. Ford Motor Company,* observed that a constitution and operation of Business Corporation is essentially for earning profit for its stockholders. The directors' discretionary powers are means to achieve the same and their power cannot be stretched for any decision for reducing the profits or not distribute it by allocating it for some other purposes. Also, Milton Friedman, Economist and Nobel Laureate, noted in his article "The Social Responsibility of Business is to Increase its Profits" that business with staying within the established rules have the sole social obligation to expand its gain by engaging its resources in profitable activities.

However, during the last 50 years, more and more authors started advocating the stakeholders approach over the shareholder approach and India also doesn't seems to be indifferent by it. Insertion of the term "socialist" in the preamble of country's Constitution in 1976 and enactment of provisions of CSR in the Companies Act, 2013 shows India's responsiveness towards the CSR movement.

Investing in the BoP can be regarded as the trade-off between the two approaches and can satisfy the proponents of both.

MEANING AND RATIONALE FOR CSR

The literal meaning of the term suggest that it is the corporate's responsibility towards the society. Various authors have termed CSR alternatively as corporate sustainability, as corporate conscience, as corporate citizenship or as responsible business etc. Sometimes, it is also regarded as the self regulation for the private business.

The motive of the businesses engaging in CSR can be either strategic or ethical. The strategic aim of the business is always to expand long term profits and earn shareholders trust by corporate communication and setting high moral standard to minimise the overall business and legal risk. Ethical perspective is personal in nature. Businesses sometimes adopt CSR policies because of the vision and ethical beliefs of senior management. The critics of CSR theory believe it as a distraction from the economic objective of business but their supporters advocate that CSR indeed is helpful in attaining the long-term economic objective of business.

DEFINITION OF CORPORATE SOCIAL RESPONSIBILITY

Different organisations have conceived their own definitions with considerable amount of similarity between them. In the publication "Making Good Business Sense" of the World Business Council for Sustainable Development, Lord Holme and Richard Watts, defined corporate social responsibility as businesses' continued allegiance towards economic development and behaving ethically while making better the lives of the human resource, their families, the neighbourhood and also the society as a whole.

Different countries have different priorities and values which guide the business activities. For instance, in the US people increasingly are looking towards the fundamental business affairs. *The Business for Social Responsibility* defines CSR as the operation of business apparently in a way; it converges or surpasses the societal anticipation in terms of ethical, legal, commercial and public expectations. On the other hand, the European Commission wrapped the two definitions into one. It defines CSR as concepts where companies decide voluntarily to take part in betterment of the society, cleaner environment and voluntarily blend business operations with social and ecological concerns in their interaction with stakeholders.

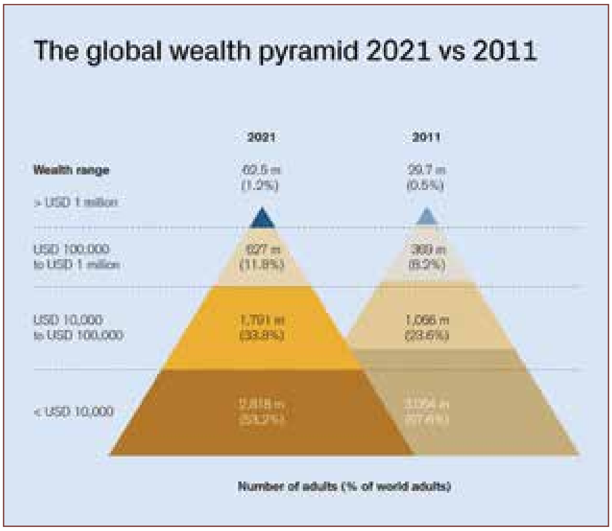
CSR IN INDIAN CONTEXT

As noted earlier, the concept of corporate social responsibility was already being practiced in ancient India. However, it was formalised when the provisions of CSR were incorporated in the Companies Act, 2013. Section 135 of the Act provides that, companies with either minimum net worth Rs.500 crore or minimum turnover of Rs.1000 crore or minimum net profit of Rs.5 crore are required to constitute CSR committee of the Board with minimum three directors and at least one independent director, to approve and publish the CSR Policy in the company's website. Further, the company should spend minimum two per cent of the average net profits of the last three preceding financial years, preferably on local area and surrounding areas where it operates.

THE CONCEPT OF BOTTOM OF PYRAMID

The U.S. president Franklin D. Roosevelt can be credited for using the term "Bottom of Pyramid" for the first time in his April 7, 1932 radio address, "The Forgotten Man". But, it was management scholar, CK Prahalad who popularised the term through his book "The Fortune at the Bottom of the Pyramid" (2004), which was written along with Stuart Hart. He estimated that there are around 4 billion population, who live far less than $2 per day. Individually they may not represent a market but collectively they represent a market worth of trillions of dollars. According to the most recent estimates by World Bank, in 2022, 648 million people (about eight percent of the world's population) lived on less than US$2.15 a day (regarded as extreme poverty level by World Bank), compared to 11 percent in 2013. Further, as per Credit Suisse Global Wealth Report 2022, 53 percent of all adults in the world had wealth below USD 10,000 in 2021. In comparison, 75 percent of the adult population in India had a wealth below USD

10,000 in 2021.



(Image credit: https://www.credit-suisse.com)

C K Prahalad contended that instead of treating poor as victims, if they are treated as adaptive and ingenious merchants and value-conscious consumers, a whole new set of business possibilities can be created. Poor pay poverty penalty as they are not accessible to the economies of the scale. One of the most common examples of poverty penalty is higher interest rates due to non-accessibility to bank credit.

CORPORATE SOCIAL RESPONSIBILITY AT THE BOTTOM OF PYRAMID

Population representing BoP may be a business opportunity worth trillions of dollars, but to transform it into a viable market, capacity for consumption needs to be created. Traditionally, distribution of product or service as a freebie has been the best way to create such capacity among the poor. This may have the feel of philanthropy, but rather than solving the problem, it actually postpones it. Therefore, the aim of the corporates should be to create value at BoP for sustained future earnings. Anold proverb says: "*Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime*".

CSR directed at Bottom of Pyramid is based on the principle of doing well by doing good. Many authors have pointed out that due to their sheer numbers, the businesses can earn considerable amount of profit by doing business with the population representing the Bottom of the Pyramid. This can be helpful to obliterate poverty and also can bring prosperity to the poor. Thus, it would be a win-win situation and a compelling, promising and tempting prospect.

There are two bright examples of this belief- first one is of Muhammad Yunus and the Grameen Bank and second one is of Hindustan Lever's Project Shakti. Muhammad Yunus is credited for his novel concept of advancing "microcredit" loans to poor Bangladeshi women pursuing them to take up small but fruitful and rewarding entrepreneurial projects. He was awarded with Noble peace prize in 2006 and it popularised the concept of poverty eradication with commercial activity in BoP.

Project Shakti envisaged the training and creation of women entrepreneurs, who can work as small-scale distributors to reach the virgin markets of uncharted India, which are difficult to reach through traditional means. The project helped these women to augment their income, sharpen their skill and helped the company widen its reach to create net benefit for all the communities.

IS THERE ANY RESTRICTION GUIDING THE STRATEGY OF CSR DIRECTED AT BOTTOM OF PYRAMID?

In India, CSR activities are governed by the provisions of The Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy Rules) 2014. As per sub rule (1) of Rule 4 of the said Rules, the CSR activities shall be as per company's declared CSR Policy and it excludes activities, undertaken while continuing the normal business operation. Also, as per sub rule (5) any CSR scheme benefitting company personnel and/or their kins shall not be treated as CSR activity as described under section 135 of the Act.

Therefore, any activity of the corporate which undertakes any CSR projects or programs directed towards BoP resulting in making them business companion with an aim to increase the sustenance of the community will automatically be disqualified to be a CSR project or program under the Companies (CSR Policy Rules) 2014. However, the list of activities contained in Schedule VII of the Companies Act, 2013 provide the areas which can be beneficial in conceiving the strategy regarding BoP. This list *inter alia* includes promotion of education and employment enhancing vocational skills which is most suitable in economic upliftment of the population in BoP as poverty and lack of education are positively correlated.

CONCLUSION

Although a company is incorporated under the law, it has to operate within the framework of the society. A corporate cannot earn super profit without exploitation. Moreover, super profit is always a short run phenomenon. Truly a company does not wish to earn super profits and

Businesses sometimes adopt CSR policies because of the vision and ethical beliefs of senior management

wind up; rather it thrives to earn economic profits and continue indefinitely. However, to do so corporates need to build a sound economic ecosystem in which all the stake holders involved automatically get benefitted. The relationship between society and corporate should be symbiotic in nature where both get benefitted by the existence of each other. The population in the BoP being the most vulnerable group in the society needs economic upliftment. A well-directed CSR effort towards the BoP can, not only help in providing economic autonomy to them, but also in return provide the corporates a steady future source of earning in a quest to achieve a truly indefinite life. MA

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NOTES FOR AUTHORS

Referencing is a crucial aspect of writing a journal article to avoid plagiarism. 'Plagiarism' refers to the act of using someone else's work or ideas without giving proper credit to the original source. To avoid plagiarism in your writing, you must properly reference all the sources that you use in your research.

- **Choose a referencing style:** There are many different referencing styles, such as APA, MLA, Chicago, and Harvard, each with its own specific format and rules. Choose the style that is most appropriate for your field and stick to it consistently throughout your paper.
- **Cite your sources:** Cite the sources of information you use in your text by giving the author's name, publication date, and page number(s) for direct quotes or paraphrased material.
- **Use a reference list:** At the end of your paper, include a reference list that lists all the sources you have used in alphabetical order. This will give your readers a complete list of the sources you consulted in your research.
- **Be accurate:** Ensure that the information you provide in your references is accurate and complete. This includes the author's name, publication date, title, and source of the information.
- **Paraphrase carefully:** When paraphrasing, make sure to put the information into your own words, but still give proper credit to the original source.

By following these tips, you can effectively reference your sources in your journal article and avoid plagiarism. Remember that proper referencing is not only important for avoiding plagiarism, but it also helps to support your arguments and show the depth of your research.

CSR AS A CATALYST FOR SKILL DEVELOPMENT IN INDIA

Abstract

It is a fact that despite having largest population of the world, India is suffering with absolute shortage of skilled manpower. Corporate world and service sector have been continuously trying hard to find out and recruit skilled people. Government of India is also emphasising on skill development so that not only the requirement of corporate India can be fulfilled but employability among youth can also be improved.

Skill development of such a huge population is a continuous and tedious job which needs sustained efforts, patience and above all money for providing training. And, Indian companies can play an important role in this process of skill development and can utilise its CSR fund, which is a major bottleneck, for the purpose.

This article discusses a real case study where a PSU is utilising its CSR fund as catalyst for skill development in our country.

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Acquiring the ability through systematic efforts by humans to carry out complex job functions smoothly is termed as skills development. Skill development identifies the skills gap and makes efforts to bridge the gap.

It is a fact that despite having the largest population of the world, India is suffering with absolute shortage of skilled man power. Corporate sector and service sector have been continuously trying hard to find out and recruit skilled people. Government of India is also now-a-days emphasising on skill development so that not only the requirement of corporate India can be fulfilled but employability among youth can also be improved.

Today India is the fifth largest economy of the world and within next few years we will grow to number three position. India is destined to be the hub of the economic activities and knowledge in the world; but lack of skill among youth may create a major bottleneck towards this goal.

Skill development of such a huge population is a continuous and tedious job which needs regular efforts, patience and above all money for providing training. And, Indian companies can play an important role in this process of skill development and can utilise its CSR fund for the purpose.

In this article we will try to understand with a real life case study that CSR can be a catalyst for skill development in our country.

We all know that the Companies Act, 2013 provides for CSR under section 135 and it is mandatory for the companies, covered under this section, to comply with the CSR provisions. Companies are required to spend a minimum of 2 percent of their net profit of preceding three years on scheduled CSR activities, which include promoting education, including special education and employment enhancing vocational skills, especially among children amongst others and also provide training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports, amongst others.

In Ranchi, the capital of Jharkhand State, a huge sports complex, Khel Gaon, was built in 2011 to host the national games. In this mega sports complex, the stadiums of almost all the major popular sports played in our country like athletics, boxing, indoor stadiums, tennis court, cycling velodrome etc, were erected. All these facilities were of world class but were lying idle after the end of national sports.

In 2016, Central Coalfield Limited (CCL), a subsidiary of Coal India Limited with head quarters at Ranchi, entered into an agreement with the Government of Jharkhand (GoJ) to manage this sports complex and to provide training to sports loving youth of the state of Jharkhand.

The youngsters of Jharkhand, specially who come from tribal communities, are known to be sports enthusiastic. They are highly talented, but most of them come from very humble background from the remote parts of the State and lack money, guidance, opportunity and facilities which debar them from showcasing their talent in the interest of the state and nation.

CCL and GoJ created a Jharkhand State Sports Promotion Committee (JSSPS), registered under the Societies Act, to manage this mega sports complex (Khel Gaon) and to provide training of different sporting events to selected youngsters of the State of Jharkhand. As per the agreement, the day-to-day activities of JSSPS (Khel Gaon) are managed by a Local Managing Committee (LCM), consisting of one CEO (Chief Executive Officer) and few other members.

At the start the officials of JSSPS visited villages and small towns of each and every district of Jharkhand during different time periods with the support of district administration and selected around 500 potential and talented young players from different sports activities, amongst thousands of enthusiastic.

These young boys and girls, mostly from very humble background and from remote areas of Jharkhand, now reside in the hostels of Khel Gaon and known as cadets. They are given rigorous training in different sports activities by the highly reputed coaches, selected from all across the country. These cadets are provided healthy food (breakfast, lunch, evening tea and dinner) and health supplements from time to time, if required.

JSSPS spends money, apart from feeding and giving training to cadets, on their clothing, education (school fees), grooming and health services, clothing includes sports jersey, school dress, night dress and other casual dresses. Hair dressers, medical attendants, security personnel etc have also been appointed by JSSPS.

The basic idea of this sports academy is to identify the potential players from the remote areas

The annual expenditure of JSSPS is around to Rs.20 to 25 crores and a major chunk of the Budgeted revenue is also spent on maintenance of stadiums / gardens / infrastructure of Khel Gaon also. World class sports equipment is procured for the training of cadets. In addition, cadets are also given a stipend of Rs 500 per month so as to expose them to financial decision making.

The annual expenditure of Rs. 20 to 25 crores is shared between CCL and GoJ and CCL contributes the whole amount from its CSR fund.

The basic idea of this sports academy is to identify the potential players from the remote areas of Jharkhand who can win medals in Asian Games or Olympics in future for the country.

This is a wonderful example of using CSR by a corporate house for dual purpose - to promote nationally recognized sports and to promote education, including special education and employment enhancing vocational skills especially among children. It is also a project of providing livelihood to needy youngsters of very humble background. It is also a perfect example of using CSR as a catalyst for skill development.

Other corporate can also take lessons from this project. MA

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ESG AND CSR: THE CURRENT SCENARIO AND FUTURE

Abstract

ESG and CSR are both important in the current business scenario. This article studies the current scenario of both the concepts and traces some of the existing legislation regarding both. It also tries to analyze the differences between the two and the similarities. The article also discusses the future of both the concepts which are directed towards sustainability.

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INTRODUCTION

ESG means environment, social, and governance. E stands for environment, companies are using the natural resources as well as creating pollution; S stands for social, as there are employees working in the companies, what are the labor and employee practices of the company. G stands for governance which deals with practices related to shareholders. The importance of ESG has increased over the years. ESG practices create value for companies. And investors are also paying attention to non-financial parameters of the company. Profits, sales, revenue, return on investment are important criteria for investors. However the investors are also checking the environmental, social and governance aspects and the importance and value given by the companies to the ESG factors. As a result of this ESG rating, ESG disclosures in the annual reports have assumed importance.

The concept of corporate social responsibility has been there since some time, where the social responsibility of the companies has been the focus. Accountability, transparency, ethics are some of the factors that are important. The Companies Act 2013, introduced a provision to the effect that corporate social responsibility is mandatory for companies to undertake social responsibility projects. The provision will lead to sustainable development. The concept of CSR falls under the section 135 of the Companies Act 2013, Schedule VII and Companies (CSR Policy) Rules, 2014.

THE CURRENT SCENARIO: ESG

The importance of ESG has increased over the years. (*Newell, 2023*). ESG practices create value for companies. (*Wang et al., 2023*). The reason why ESG reporting is important is that there are challenges in sustainable development around the world and also due to the economic scandals some companies have lost their credibility; improving ESG reporting is important.*("Sustainability (CSR or ESG) Reporting," 2020).Companies have ESG disclosures that influence enterprise risk management, which in turn is associated with financial performance and* *value. (Chairani&Siregar, 2021). Investors look for ESG performance.* (Mervelskemper & Streit, 2017). ESG information can help price formation on stock exchanges. (*Nyakurukwa&Seetharam, 2023*).

There exists different standards related to environment, social and governance such as EFRAG Sustainability Reporting Board established in 2001, Global Reporting Initiative established in 1997 and revised in 2010, International Sustainability Standards established in 2021, Sustainability Accounting Standards Board 2011, Climate Disclosure Standards Board (CDSB—an initiative of CDP) established in 2007, International Integrated Reporting Council (IIRC) 2010,Task Force on Climate-Related Financial Disclosures (TCFD),2015, Sustainable Development Goals (SDGs or UN SDGs)2015 to name a few. There are no global reporting standards related to ESG as a single reporting standard like the IFRS for financial reporting. However, the above mentioned rules exist. Some countries have made disclosure and reporting of ESG mandatory, like the United States, United Kingdom, Malaysia, Singapore to name a few. In these countries ESG disclosures are mandatory for large companies and organizations. In Singapore and Philippines, it is mandatory for listed companies to report on ESG.

In 2011, the Securities and Exchange Board of India (SEBI) made it voluntary for the top 1000 listed companies to report on ESG. The SEBI issued a circular on 10th May 2021, stating that from 2022-2023, the top 1000 companies listed on the stock exchanges have to report on the parameters related to ESG in a report called the Business Responsibility and Sustainability Report. For 2022-2023 onwards it is a mandatory report on ESG. Thus SEBI is making the companies accountable for the sustainability practices. SEBI is contemplating introduction of business reporting and sustainability reporting core and making it applicable to more companies. There is a proposal to introduce a regulatory framework of ESG rating service providers and ESG investing. SEBI is placing emphasis on disclosure of ESG.

CURRENT CSR SCENARIO

Different countries around the world have incorporated CSR initiatives seriously. The Bureau of Economic and Business Affairs (EB) guides the companies in the United States to develop and incorporate CSR Policies. In the United Kingdom, CSR is a part of corporate governance. Many countries like Denmark, France have introduced disclosure norms regarding expenditures on CSR.

In India CSR means and includes, but is not limited to

i. Projects or programs relating to activities specified in Schedule VII of the Companies Act 2013; or
ii. Projects or programs relating to activities undertaken by the board of directors of a company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the company, subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.

The rules and regulations enacted in India deal with the eligibility for companies, implementation of the CSR policies and the reporting there under.

As of the financial year 2021-22, Rs 25932.79 crore has been spent on the CSR activities. Including rural development, health and sanitation, encouraging sports, and slum development. Maharashtra and Karnataka lead in the CSR spending as of FY 2021-2022. Reliance industry, HDFC bank TCS, ONGC are the largest spenders on CSR. Further more than 18000 companies have spent on CSR activities.

If one considers the development of CSR activities, there are important stages since its inception like the introduction of Voluntary Guidelines on Corporate Social Responsibility in 2009;National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business 2011;National Guidelines on Responsible Business Conduct' (NGRBC) in March 2019 to align with the United Nations Guiding Principles on Business & Human Rights (UNGPs); UN Sustainable Development Goals (SDGs), and more recently introduction of ,section 135 in the Companies Act, 2013 making CSR mandatory effective from 01.04.2014.CSR talks about integrity, transparency, ethics, employee wellbeing, inclusive growth and equitable development.

CSR AND ESG

Two important questions which arise are -

1. Are CSR and ESG similar?
2. What is the future of ESG/CSR?

The answer to the first question can be analyzed and discussed as follows: -

Corporate social responsibility is a sustainability framework and is used by companies; on the other hand ESG is a measurable sustainability assessment and is popular with investors. Both CSR and ESG seem to be working under the broader concept of sustainability. CSR is a responsibility towards sustainability whereas ESG is the measurement of the efforts of the company towards sustainability. Both get disclosed in the form of reports, but the CSR is a qualitative report and ESG a quantitative one. CSR guides elements of ESG strategy and ESG measures the efficacy and extent of CSR. Both is interdependent and linked to one another. CSR is used for achieving internal goals, social responsibility and is directed towards existing employees and shareholders. ESG, on the other hand, seems to be associated with investors as they study the ESG practices before investing. Both concepts can be two sides of the same coin.*(Kaźmierczak & Poznań University of Economics and Business, 2022)*

Corporate social responsibility has been in existence for quite some time now, whereas ESG is a rather recent concept. However both form part of sustainability. Can one thus say that ESG is an extension of CSR? Both are important for strategic management.

As regards the second question, it needs to be noted that CSR includes environmental and social issues, whereas ESG includes governance along with social and environmental. Environmental issues include climate change, air and water pollution, biodiversity, deforestation energy efficiency, waste management and water scarcity. Social issues include data protection and privacy, customer satisfaction, gender and diversity, employee engagement, community relations, Human rights and Labor standards. Governance includes Audit committee structure, Board composition, bribery and corruption, executive compensation, lobbying, political contributions and whistleblower protection. ESG is measured using ESG ratings as the performance measurement. However there have been concerns over the reliability and issues regarding the diversity of the ratings of the data for these ratings. There has been an existence of green washing in ESG disclosures. Hence the ratings and disclosures have to deal with the limitations. On the other hand, the investors, whether retail or institutional seem to be interested in knowing the ESG and CSR policy of the company. Many research studies indicate the influence of the ESG and CSR policy on valuation and firm's performance. Thus, it is a good indication of the importance of ESG and CSR growing even more in the future. Further if we reflect on the current SEBI announcements regarding ESG, the monitoring authority seems to be focusing on better ESG disclosures and utility for the benefit of investors and other stakeholders.(Rau & Yu, 2023)

CONCLUSION

Legislations, rules, standards are made for both CSR and ESG. Many studies are conducted to understand the benefits, impacts and influence of both CSR and ESG. Some rules are voluntary and some are mandatory. Both focus on the importance of investor and stakeholder protection. Though CSR and ESG are leading towards sustainability, there are some similarities and differences amongst them. CSR seems to be oriented towards social responsibility. ESG emphasizes the measurement aspect of these. Investors, shareholders and other stakeholders will be undertaking social responsibility as well as environmental responsibility and ensure good governance of the companies while associating themselves with the company. It may be argued that ESG is a broader concept than CSR. However both seem to be evolving. For achieving the goal of sustainability, they are both important. MA

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ROLE OF CMA IN ALIGNING TAXATION AND CSR FOR BALANCING SOCIAL AND BUSINESS DEVELOPMENT

Abstract

Traces of corporate philanthropy are evident since the inception of businesses. India is very early to mandate CSR expenditure, which is definitely something beyond the general philanthropy. CSR could be nothing but the very driving force which must relate to business needs and perpetuity in the form of ESG obligations. Specific denial of voluntary CSR under Income Tax Law as business expense/ deduction results in misalignment with very purpose of local development as enshrined in section 135 (5) of the Companies Act , 2013 and the issue is left open for litigation. This article critically examines the required entanglement of CSR and taxation enactments citing practical situations and role of CMA in balancing the interest of diversified stakeholders.

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CSR is extended version of corporate philanthropy in the form of novel contribution towards sustainable development preserving the social, environmental and economic values, both at macro and micro level. Under business definition W.r.t Corporation, CSR is an inherent and core business activity as it yields benefits of both revenue and capital nature ensuring long term sustainability and survivability of business. On revenue front CSR attends to the needs of the public at large catalysing its business domain, tending consumer to perceive presence of business and at the same time co-relating its products or services when they come across. Thus, businesses derive benefit from CSR similar to advertisements. On capital front, CSR create and maintain positive brand image in the long run. In a way it is goodwill in the form of intangible assets of capital nature. Evolving concept of business on the one side accommodates the ESG issues as voluntary social act and at the , same time the Government has mandated CSR by various legal enactments for encouraging and enforcing such expenditures for social balancing.

Even before the enforcement of statutory obligation, corporations used to discharge natural social obligations as a good corporate citizen. Section 135 added a new dimension of mandatory contribution (at least 2 percent of the average profit) towards specified Funds /CSR activities (Schedule VII) by corporates based on financial threshold.

The mandated CSR expenditure covered under Companies Act emanates from the very concept of business, specifically the resource footprint of business which must be set off through embracing societal obligation while channelizing the CSR expenditure under the gamut of listed activities as enshrined under Schedule VII of the Companies Act.

In contrast, the Finance act 2014 introduced explanation 2 to section 37(1) of Income Tax Act, 1961 placing an embargo on the deductibility of CSR expenditure, as business expenditure.

Before the enactment of section 135, there was nothing like mandatory CSR, although voluntary CSR was prevalent. In income tax, there was no specific provision to deal with deductibility of CSR expenditure. The intention of the special enactment succinctly calls for something definitely beyond the general philanthropy or donation which could be nothing but the very driving force which must relate to business needs and perpetuity in the form of ESG obligations. Hence, specific denial of deduction under the Income Tax Act has been challenged many times and the issue is still underlie.

This article seeks to critically examine the CSR expenditure from taxation point to enrich the professional literature and further to gain deeper insights on the ways of allowability of voluntary CSR as expenditure / deduction under the income tax backed by cost certification for balancing the interest of stakeholders.

DIRECT TAXATION AND CSR EXPENDITURES

Section 135 (5) mandates spending of at least two percent of the average net profits on CSR. Since the statute deploys the word ‘at least’ there is no upper limit of expenditure. A well placed company may spend on CSR beyond the mandated limit. Voluntary CSR is always open even if a company is outside the ambit of CSR mandate. There may be project specific and inevitable requirements where particular project calls for outgo, which is beyond mandated spending under law and in such cases, the project outlay beyond mandated limit is nothing but voluntary CSR. However, such voluntary CSR also may not fit in the criteria of eligible expenditure under the income tax regime

After introduction of Explanation 2 to section 37(1) of IT Act-1961, cases of denial of voluntary CSR as deduction under 80G by tax authorities have also been reported. Extension of explanation of section 37(1) to section 80 G is double edged sword to corporates merely on the strength of fact that payment relates to CSR. However, some activities bearing characteristics of CSR have been allowed under sections 80G and 80GGA but activities outlined by Schedule VII of the Companies Act continue to overlap with the items deductible under 80Gof Income tax.

The above varied situations have increased the legal complexity and opened the door for litigation which hampers the broader objective of government in ease of doing business for ushering corporate growth. With the help of the following two illustrative cases, we can have better understating of the issue.

Case-I: Company A Limited, which falls under the mandatory spending in terms of section 135 of the Companies Act, intends to spend say 6 per cent of its profit on social welfare projects.. If the whole 6 per cent is exhausted in CSR projects, there shall be no deduction under the income tax. However, if A Limited spent 2 percent on CSR projects and remaining 4 per cent is channelized under similar allowable activities covered under section 80G/other eligible sections, such portion of 4 per cent could be lawfully claimed as deduction while meeting the requirements of CSR.

In the above situation the company is in an advantageous position by contributing 6 per cent of the profits by splitting it - 2 per cent for CSR business expenditure and 4 percent under specified funds eligible for income tax deduction. Expenditure on the following qualifies under CSR and also eligible for income tax deductions:

- PMNRF.
- Contributions towards public funded Universities / Institution for scientific research.
- Contribution towards the Clean Ganga Fund
- Activities / funds related to education, rural development etc.

Case -II

Company B Limited does not fall within the mandate of section 135 of the Companies Act for CSR but intends to undertake CSR project in its vicinity. There shall be no deduction under income tax of the expenditure incurred under CSR project. However, if donation is made against activity covered under sections 80G and 80GGA the same can be lawfully claimed as deduction under income tax. Voluntary CSR is otherwise disadvantageous for corporates, as Income tax Act does not extend the deduction though the company is discharging its social obligations.

Contribution to specified funds which are equally qualified both under CSR as well as Income tax is rather a straight forward solution to discharge CSR obligation while enjoying tax benefits on voluntary contributions or beyond mandatory CSR obligation. This could be a deterrent situation where the corporate would like to undertake large CSR projects giving preference to the local area in line with section 135 (5) requirements as such spending does not qualify for deduction by way of business expenditure under the Income Tax Act. Further, inclination towards specified funds remains the only possibility and local development might suffer, which otherwise have to be true beneficiaries where a particular corporate operates.

Issue of CSR expenditure and its allowability have been tested on different legal platforms and diverse outcomes have emerged at different points of time. Following decisions are relevant and may be referred to for better understanding:

- Adani Power Rajasthan Limited v. ACIT, Gujrat High Court, (R/Special Civil Application No. 18826 of 2021)
- CIT v. Madras Refineries Ltd. [2004] 266 ITR 170
- Hindustan Petroleum Corp. Ltd Vs Dy.CIT, 96 ITD 186 (Mum) 2005
- CIT v. Vatika Townships Pvt Ltd [(2014) 367 ITR 466 (SC)] - Prospective disallowance of CSR.
- Bengal NRI Complex Ltd. v. DCIT (ITAT, Kolkata, 31/11/2018)
- CIT Vs Madras Refineries Ltd. [2004] 138 Taxman 261/266 ITR 170
- CIT Vs M/S Infosys Technologies Ltd, ITA No. 1192 of 2006
- CIT Vs VELUMANICKAM LODGE, LAWS (MAD) -2009-6-402
- CIT v Lake Palace Hotels & Motels (P) Ltd., (2007) 293 ITR 281, (Raj)
- Ranbaxy Laboratories limited Vs ACIT A.Y. 2008-09, ITA 196 Del 2013

It is very difficult, either to establish or dissociate business connection with social welfare activities. CSR expenditure may or may not have any business connection, but social welfare activities (CSR) generate current and enduring benefits to businesses and more importantly social welfare is one of the core elements of any corporate or taxation law. Wherever legislature mandates corporates to undertake CSR activities in local area, it's quite natural and obvious that legislature itself upholds the very sense of business connection with local development, which translates into direct/ indirect benefits to business as well as to society in short/ long run.

Issue of CSR expenditure and its allowability have been tested on different legal platforms and diverse outcomes have emerged at different points of time

WAY FORWARD

For balancing the interest of corporates, the Government and public at large, voluntary CSR activities (i.e CSR beyond mandatory limit) may be allowed as business expenditure / deduction under 80 G of the Income Tax Act to encourage corporates to undertake more socio-economic activities particularly in local areas of the corporates , while ensuring the transparency of such transactions. CSR is a noble cause, but not insulated from unethical and corrupt practices. Several cases of malpractices and frauds have been reported in public domain on misutilisation of CSR funds, inflating CSR expending etc. These issues need to be addressed to preserve the essence of the enactment. If voluntary CSR expenses are allowed as eligible business expenses or deduction plainly, there could be the possibility of mis-utilisation of this window by way of inflating CSR project cost. To address this, project cost measurement and reporting need to be standardised. The Institute of Cost Accountants of India (ICMAI) has already issued Guidance Note on Treatment of Costs Relating to Corporate Social Responsibility (CSR) Activities. CSR project cost need to be properly measured with appropriate Cost Standard or specific Cost Standard need to be framed. To ensure genuineness of voluntary CSR claims as eligible business expenses / deduction, Cost Certificate duly audited by practicing Cost Accountants (CMA)may be called for. MA

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ESG REPORTING
AN ENABLER FOR SUSTAINABLE BUSINESS AND INCLUSIVE GROWTH

Abstract

Environment, Social, Governance reporting represents a fundamental shift in the mindset of Indian corporates. It goes a step beyond CSR to provide a framework for assessment of the sustainability performance of businesses and enables investors and stakeholders to make decisions based on financial and non-financial indicators, risks and opportunities. This article examines the need for ESG reporting, and the legal mandates which are evolving for ESG reporting in India and the global frameworks for ESG. It also touches upon the ESG contribution of some of the top corporates in India. Finally, it examines the kind of opportunities that the shift to ESG reporting will generate for finance professionals in India.

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In the early 1900's, a man named Jamsetji Tata was sowing the seeds of inclusive co-development of business and society in India. A successful businessman, he dreamt of an institute of international standards, dedicated to research pure science and contributed nearly Rs. 1.25 lakh for its formation, which we know as IISC today. He did not envisage any direct benefit for his businesses, rather a holistic benefit from the development of the nation as a whole. In another instance, almost 5 years before Tata Steel (Formerly TISCO) started production, Jamsetji wrote to his son to ensure that apart from all amenities and greenery for workers, they should build football and hockey fields and temples, mosques and churches for the benefit of villagers. Thus, his forward thinking was one of the early examples of businesses giving back to society in equal measure, and set the stage for what would later emerge as corporate social responsibility (CSR) and evolve into ESG(environmental, social, governance) reporting.

THE NEED FOR ESG REPORTING

Traditionally, many businesses focused on profits and rarely prioritized community and environmental impact. Instances of environmental abuse, water contamination, deforestation and displacement of communities for profit-seeking have been common. This exploitation leads to global risks like climate change, species extinction, and social issues such as malnutrition and inequalities. In today's connected world, the ramifications of these risks are deeply felt across countries and even continents.

CSR emerged as a mandate to push companies beyond profit-driven motives, aiming for positive impacts on communities and the environment. These activities required businesses to genuinely make an impact beyond their own interests and profits. However, merely allocating funds for CSR without integrating these values into a company's core beliefs falls short of the objectives of CSR.

ESG reporting compels businesses to embed environmental, social, and governance considerations into their operations and community engagement. Neglecting these factors poses heightened risks, with investors increasingly holding businesses accountable. As a result, sustainability metrics, alongside financial performance, are becoming crucial for future success, and ESG reporting is the way forward in the future, where financial results will be deeply integrated with ESG factors.

LEGAL MANDATES FOR ESG REPORTING IN INDIA

India was among the pioneers in mandating CSR for corporations, significantly enhancing communities' quality of life across social and environmental aspects. However, the mandates for ESG reporting in India are still evolving. While international ESG reporting frameworks exist, compliance remains voluntary for the businesses.

In India, SEBI has initiated mandatory ESG reporting for the top 1000 listed companies, via the 'Business Responsibility and Sustainability Report' (BRSR) to be included in their annual reports starting from the FY2022-23. It will contain comprehensive ESG disclosures and be shared with stock exchanges, published on company websites, and provided to shareholders. Previously, the top 1000 listed companies published the 'business responsibility report' (BRR), but it provided limited meaningful ESG data. The BRSR, in contrast, expands on the framework of the MCA ESG Guidelines, drawing inspiration from international reporting standards.

In May'22, SEBI constituted an advisory committee on ESG matters and recently, vide Circular No SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 DT July 12,2023 introduced the BRSR Core, a sub-set of the BRSR, consisting of a set of KPIs/metrics under 9 ESG attributes. These disclosures will be applicable to the top 1000 listed entities based on market capitalization, with phased compliance from FY 2023-24(top 150) to FY 2026-27(top 1000).

As per the circular, listed entities shall report the KPIs in the BRSR Core for their value chain to the extent it is attributable to their business with their value chain partners. For this purpose, value chain shall encompass the top upstream and downstream partners of a listed entity, cumulatively comprising 75per cent of its purchases / sales (by value) respectively.

The introduction of BRSR core will be helpful, as businesses will look for sustainability factors (ESG) in their upstream and downstream value chain as well, instead of pushing their own indiscretions up or down the value chain. The clearly defined KPI's in areas such as Green House Gas footprint, water footprint, energy footprint, and waste management will help in combating climate change and improve the environment. The KPIs related to enhancing employee wellbeing, enabling gender diversity, and enabling inclusive development will help to develop livelihood for local, and often discriminated communities. The KPIs on fairness in engaging with customers and suppliers and openness of business will strengthen the governance factors of the business and help it conduct its operations in a fair, transparent and responsible manner.

GLOBAL VOLUNTARY REPORTING STANDARDS FOR ESG

SEBI mandates BRSR for top 1000 listed Indian companies, but any company can voluntarily adopt global ESG reporting standards. Here are some key global frameworks:

1. **GRI (Global Reporting Initiative)**
   - An independent organization in the Netherlands providing ESG reporting standards and guidance.
   - Offers sectoral and material topic standards covering areas like biodiversity, local communities, rights of indigenous people, effluents and wastes, emissions, child labour and more.
2. **SASB (Sustainability Accounting Standards Board)**
   - A non-profit body founded in 2011, now part of IFRS foundation since Aug 2022.
   - Provides standards tailored to 77 industries, helping identify sustainability-related impacts on cash flows, access to finance and cost of capital, and the disclosure topics and metrics that are likely to influence the decisions of investors.
3. **World Economic Forum (WEF): Measuring stakeholder capitalism**
   - The report, published in 2020, offers 21 core and 34 expanded metrics in four pillars: Governance, Planet, People, and Prosperity.
   - The set of recommended disclosures 'can be used by IBC members to align their mainstream reporting on performance against ESG indicators and track their contributions towards the SDGs.'
4. **TCFD (Task Force on Climate Related Disclosures)**
   - Created to recommend disclosures for climate-related information, aiding investors and insurers in assessing climate risks.

- Disclosure recommendations around four thematic areas: governance, strategy, risk management, supported by 11 recommended disclosures.

5. **Integrated Reporting Framework**
   - A global framework by the International Integrated Reporting Council (IIRC), encourages comprehensive corporate reporting for better capital allocation and accountability.

6. **UN Sustainable Development Goals (SDGs)**
   - Set of 17 goals and 169 targets addressing global challenges.
   - Companies can use SDGs as a framework to assess ESG impact and set strategic goals, with a mutually beneficial relationship between SDGs and ESG.

ESG-REPORTING & INITIATIVES BY CORPORATES IN INDIA

As per KPMG report-on 'Accelerating the change' ESG reporting 2.0, (Aug2022), while 100 per cent % of the top 100 listed companies complied to the legal requirement of submitting a BRR, only 79per cent published a standalone ESG report, to give further insight into the companies' sustainability and impact of ESG factors on business. Some of the top ESG contributors and reporters in Indian corporate landscape, have not only embraced ESG reporting, but made it an enabler for their growth and sustenance. The details are given below:

1. **Godrej Group:** Godrej Group laid out their sustainability vision in 2010, and since then they have taken huge strides in their ESG goals. They have trained and supported over half million under privileged people to improve their incomes through better jobs, improved farm practices, or building their businesses. More than 50 per cent of the energy they use across their companies is from renewable sources. They have lowered their energy use by 30 per cent, recharge 4x the water they use in their processes, lowered emissions by 50 per cent, and lowered landfill waste by 75 per cent.

2. **Infosys:** Infosys has been recognised as the world's most ethical company by Ethisphere for 3 years in a row. They have been carbon neutral for the last 4 years, and undertake 100 per cent recycling of wastewater across their campuses. 114 mn+ lives empowered via Tech for Good programs in e-governance, healthcare and education.

3. **ITC:** ITC has the distinction of being water, carbon and solid waste recycling positive for over a decade. Nearly 43 per cent of the company's energy consumption is met from renewable sources. They are running various social programs as well. Their e-Choupal, watershed development, afforestation and sustainable agriculture interventions strengthen agriculture, while programmes for economically empowering women and livestock development expand rural income streams.

4. **Tata Steel:** Tata Steel is a leader in the steel sector in India and in 2022, it became the first company to initiate the trial for continuous injection of coal bed methane (CBM) gas in a Blast Furnace at Jamshedpur Works. This process is expected to be equivalent to reducing 33 kg of CO2 per tonne of crude steel. It is having more than 98 per cent solid waste utilization across its plants.

ESG IMPETUS BY GOVERNMENT

Apart from mandates on ESG reporting, there are many initiatives taken by the Government of India to promote companies to take ESG action. Some of them are illustrated below:

1. Panchamrit:

At COP26, India drew attention to the need of 'Lifestyle for Environment', through the five nectar elements (Panchamrit) of India's climate action. By 2030, India aims to:

a. Reach 500GW non-fossil energy capacity
b. Meet 50 per cent of its energy requirements from renewable energy
c. Reduce total projected carbon emissions by 1 billion tonne
d. Reduce carbon intensity of the economy by 45 per cent over 2005 levels

By 2070, India aims to achieve the target of net zero emissions.

Through this pledge, the Government has inspired many corporates to invest in the area of renewable energy and adopt the same for their operations as well.

2. Green Finance

a. RBI has notified framework for acceptance of green deposits by banks, NBFCs to use funds for financing activities like renewable energy projects, green transportation, sustainable water and & waste management, pollution prevention and control and design green buildings.

b. As per the circular, Banks and NBFCs will have to independently verify the allocation of funds raised through green deposits through third-party firms on an annual basis, along with policies and internal controls (includes project evaluation and selection, management of proceeds, and validation of the sustainability information provided by the borrower).

This will increase investments in environmental improvement activities, and increase opportunities for finance professionals working in this area.

3. Sovereign Green Bond

a. Government raised INR 16,000 crore (USD 2 billion) through two issuances of Sovereign Green Bonds.

b. These funds will be deployed in public sector projects aimed at reducing the carbon intensity.. Thus, many companies will directly or indirectly contribute to improving the environment.

ESG REPORTING: OPPORTUNITIES & WAY FORWARD FOR FINANCE PROFESSIONALS

ESG principles are finding their way into the corporate strategies, and businesses start recognizing the benefits of the integration-better access to capital, improved financial performance, sustainable business development, competitive advantage, and customer loyalty and trust. This will also create massive new opportunities for finance professionals in future:

- SEBI is gradually shifting ESG disclosures from mere regulatory compliance to emphasizing holistic engagement with stakeholders on ESG parameters. With this shift, companies will require expert finance professionals in the area of ESG to assure BRSR Core principles and achieve the accurate and meaningful reporting of ESG.

- There is a complex relationship between ESG parameters and financial performance, which ultimately affects the valuation outcomes. Thus, valuation professionals also have a new dimension of ESG to consider, and this expertise will be in demand.

- The development of green finance will open a multitude of opportunities, both in India and globally. Regulated entities in Banking, with the assistance of external firms shall annually assess the impact associated with the funds lent for or invested in green finance activities/ projects through an impact assessment report. This assessment will be on a voluntary basis for the financial year 2023-24 but will have to be mandatorily filed from financial year 2024-25 onwards.

> **Jamsetji wrote to his son to ensure that apart from all amenities and greenery for workers, they should build football and hockey fields and temples, mosques and churches for the benefit of villagers**

- In multinational enterprises, transfer pricing evaluation should commence as soon as it starts interlacing ESG dimensions into its strategic and operational processes.

"VasudhaivaKutumbakam" is an ancient Indian concept, conveying that the world is one family, with a shared future: One earth, one family, one future. This belief underlies all the initiatives towards CSR, ESG and sustainability. These practices will ultimately benefit the businesses themselves, as these "costs" will soon turn into "profits" and create a win-win situation for everybody, and also create new avenues for finance professionals. MA

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TEACHING ETHICS AND SUSTAINABILITY: A FRAMEWORK FOR EMBEDDING CSR IN EDUCATION

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Abstract

In today's constantly evolving global context, education serves a more profound purpose than merely transmitting information and competencies. It bears the weighty responsibility of cultivating forthcoming generations to be socially conscious, ethically astute and dedicated to sustainability. This research article introduces a comprehensive model for the integration of corporate social responsibility (CSR) into the realm of education, with a specific emphasis on ethics and sustainability. Employing case studies and thorough examination, we investigate the consequences of this amalgamation on educational achievements and its capacity to mold individuals who are accountable and morally upright.

INTRODUCTION

Education assumes a pivotal role in sculpting the developmental landscape of any nation. In a distinct and unparalleled manner, education transcends mere economic growth and conventional metrics, establishing itself as the very bedrock of the society. It exerts a profound influence on the values, culture, and progress of a nation, making its contribution truly unique.

Corporate social responsibility has developed into a foundational and universally acknowledged concept within the corporate domain. It places notable focus on ethical behavior, sustainable growth and proactive involvement in the community. This transition towards responsible business practices originates from the understanding that mere economic expansion is inadequate for securing the holistic advancement and welfare of society.

The concept of CSR is intricate and far-reaching, extending beyond the boundaries of distinct business and management spheres. Its interpretation and importance display diversity in diverse academic and practical realms, shaping the methodologies applied within these fields.

TABLE 1

DIVERSE PERSPECTIVES ON THE CSR CONCEPT IN MANAGEMENT AND BUSINESS DISCIPLINES.

CSR in Marketing	**Brand Enhancement** Within marketing, CSR is harnessed as a strategy to elevate brand perception, with businesses employing responsible measures to craft a favorable brand identity. **Consumer Appeal** CSR initiatives are put into action to attract socially aware consumers, who are inclined to favor businesses that align with their principles and beliefs.

CSR in Business Ethics	**Moral Obligation** Within the area of business ethics, CSR is regarded as a moral duty, emphasizing the ethical responsibilities of corporations to make a constructive contribution to society. **Ethical Decision Framework** It offers a structure for ethical decision-making within corporate operations, highlighting responsible behavior and the welfare of stakeholders.
CSR in Human Resources	**Employee Welfare** CSR encompasses the assurance of employee well-being and the advancement of diversity, fairness, and inclusivity. **Staff Involvement** In the field of human resources, CSR is linked to active employee participation and long-term retention, with companies embracing socially responsible approaches to attract and keep valuable talent.
CSR in Finance and Investment	**ESG Integration** In finance, CSR is integrated into investment decisions through Environmental, Social, and Governance (ESG) criteria, reflecting an ethical investment approach. **Risk Assessment** ESG factors are assessed as critical indicators of a company's long-term financial viability and resilience.
CSR in Environmental Management	**Regulatory Compliance** CSR initiatives ensure compliance with environmental regulations and commitment to sustainability goals. **Sustainability Focus** Environmental management views CSR as a driver of sustainability, emphasizing practices that reduce ecological impact and promote resource conservation.
CSR in Operations Management	**Efficiency and Sustainability** In operations management, CSR focuses on improving operational efficiency and sustainability by reducing waste, energy consumption, and carbon emissions.

The educational perspective of CSR focuses on integrating CSR principles and practices into educational systems at various levels, from primary and secondary schools to higher education. It involves teaching students about ethical business conduct, sustainability, social responsibility, and the importance of making informed and responsible decisions in both their personal lives and future careers.

KEY ASPECTS OF THE EDUCATIONAL PERSPECTIVE OF CSR

- **Integrating into the Curriculum:** The process of infusing CSR principles and sustainability into the educational curriculum at different academic levels and across diverse subjects, which may encompass the introduction of specialized CSR courses or the seamless inclusion of CSR-related subjects within existing coursework.
- **Enhancing Educators' Capabilities**: Empowering instructors to proficiently teach CSR by equipping them with the essential knowledge and resources required to convey these principles to their students.
- **Learning Through Experience:** Furnishing students with practical, hands-on experiences via projects, internships, and community involvement, enabling them to put CSR concepts into action in authentic real-world scenarios.
- **Collaborative Endeavors:** Engaging in alliances with businesses, non-profit entities, and community organizations to offer students tangible learning experiences and concrete illustrations of CSR in practice.

There appears to be disconnected between what should be covered in CSR education and the CSR subjects that are now covered in business instruction when examining the CSR topics that are available across educational platforms. It is possible to prevent this disarray and discord by integrating following CSR topics in the curriculum.

- History of corporate social responsibility.
- Definition and evolution of CSR
- Sustainable development.
- Integration of CSR into business strategy
- Social, environmental and governance accountability
- Global CSR practices - a comparative study.
- Legal and reporting framework of CSR.
- Impact assessment of implemented CSR programs

- Social Audit
- Innovation and social entrepreneurship
- CSR communication and stakeholder relations
- Emerging trends in CSR

TABLE 2: CSR TOPICS ALIGNED TO LEARNING OBJECTIVES

Topic	Learning objectives	Indicative content	Delivery style
Understanding CSR	Considering essential viewpoints in Corporate Social Responsibility (CSR)	Examining the historical evolution and various forms of CSR applicable to prevalent business models.	Thinking
CSR and Business ethics	Exploring the connection between business ethics and Corporate Social Responsibility	Investigation into ethical theories.	Thinking
Developments in CSR	Gaining insights into the current developments in CSR implementation.	Current advancements in the field of CSR.	Thinking
CSR Internal Process	Grasping alternative methods for evaluating performance.	Thorough assessment of conventional models.	Thinking/ Doing
CSR Frameworks	The capacity to contemplate the standards that define CSR principles.	Deliberation of legal and semi-legal structures concerning CSR.	Thinking/ Doing
CSR Theories	Recognizing the reasoning and mechanisms behind CSR. application	Consideration of CSR theories	Thinking

Source: Mahameed& Riaz, 2019

Let's explore the benefits and challenges of teaching ethics and sustainability as part of a framework for embedding CSR in education:

FIGURE 1

BENEFITS OF EMBEDDING CORPORATE SOCIAL RESPONSIBILITY (CSR) IN EDUCATION

Source: Own Work

CHALLENGES OF EMBEDDING CSR IN EDUCATION

- Require interdisciplinary collaboration
- Measuring the impact of CSR education and identifying KPIs is quite challenging
- Implementing CSR in education may face resistance from traditional educational systems
- Providing adequate resources can be a financial challenge for some institutions.

CASE STUDIES OF UNIVERSITY IMPLEMENTING CSR INITIATIVES IN EDUCATION

Case Study 1: Arizona State University (ASU) - Sustainability Education

Institution: Arizona State University, a prominent U.S. public research university.

Background: ASU has been at the forefront of sustainability education and embedding CSR principles in its curriculum.

Implementation

- *Restructured curriculum for sustainability:* ASU implemented a comprehensive sustainability curriculum spanning multiple academic disciplines. The University disclosed that more than 30,000 students had enrolled in sustainability-focused courses, accompanied by the introduction of 14 undergraduate degree programs centered on sustainability themes.
- *Sustainability-driven Initiatives:* The University took an active stance on sustainability initiatives. By 2020, ASU had successfully reduced its carbon emissions by 39 per cent in comparison to the baseline set in 2007 and it had set a goal to achieve carbon neutrality by 2025.
- *Collaborative Ventures:* ASU forged partnerships with corporations, Government bodies, and non-profit organizations to provide students with practical, real-world experiences. The university had documented more than 500 sustainability partnerships.

Results

- *Student Participation:* Through its comprehensive sustainability curriculum, ASU actively involved students in ethical and sustainable activities. A survey conducted among ASU students revealed that 89 per cent of respondents acknowledged the University's positive influence on their comprehension of sustainability.
- *Environmental Progress:* ASU's initiatives resulted in a significant reduction in greenhouse gas emissions and a noteworthy decline in campus water consumption.
- *Reputation and Standing:* ASU's unwavering commitment to sustainability education substantially enhanced its standing and resulted in high rankings within sustainability-related categories among universities.
- **Student Achievement:** The University's reports indicated that students who had completed sustainability courses demonstrated a higher likelihood of graduating on schedule and achieving successful career outcomes.

Case Study 2: University of St. Gallen (HSG) - CSR and Ethics Education

Institution: University of St. Gallen (HSG), a leading Swiss Business University.

Background: HSG recognized the importance of incorporating CSR and ethics education into its business programs to produce responsible business leaders.

Implementation

- *CSR Educational Program:* The institution introduced a comprehensive curriculum on CSR and ethics, seamlessly integrated into its business programs. This curriculum encompassed courses in responsible management, corporate ethics, and sustainable business practices.
- *Center for Ethical Studies:* HSG founded an Ethics Center dedicated to advancing research and innovation in the domain of corporate ethics and social responsibility.
- *International Case Challenges*: The University hosted global case competitions centered on CSR and sustainability, offering students the chance to employ their knowledge to address real-world challenges.

Results

- *Career Opportunities:* Graduates from HSG with a solid foundation in CSR and ethics were in high demand among global corporations dedicated to ethical business practices.
- *Research Influence:* The Ethics Center at HSG conducted influential research that enriched the

global dialogue on CSR and ethics.

- *Student-Driven Initiatives*: Students took the lead in launching their CSR projects and campaigns, championing responsible business practices not only within the university but also in the broader community.
- *International Standing:* HSG's dedication to CSR education played a pivotal role in its impressive rankings in sustainability and business ethics categories.

Case Study 3: Copenhagen Business School (CBS) - Sustainable Business Education

Institution: Copenhagen Business School, a prominent Danish Business School.

Background: CBS aimed to prepare students for the complex challenges of a globalized world by integrating sustainability and CSR principles into its business education.

Implementation

- *Programs for Sustainable Business:* CBS designed a variety of programs focused on sustainable business practices, such as a Master's in Social Entrepreneurship and a Bachelor's in Business Administration and Digital Management, emphasizing sustainability.
- *Centers for Research:* The University founded multiple research centers specializing in sustainability, ethics, and CSR, making significant contributions to the pool of knowledge in these domains.
- *Environmentally Friendly Campus Efforts*: CBS undertook measures to minimize its environmental footprint, which encompassed enhancements for energy efficiency within buildings and initiatives to curtail waste generation.

Results

- *Scholarly Contributions:* Faculty members at CBS generated an extensive collection of research papers on CSR, sustainability, and ethics, making notable contributions to academic journals and industry publications.
- *Active Student Involvement:* Student-led initiatives and clubs at CBS played a significant role in championing sustainability and social responsibility, arranging various on and off-campus events and projects.

By embedding CSR principles into the educational fabric, we aim to foster a generation of individuals

- *Postgraduate Achievements:* Graduates of CBS's sustainable business programs conveyed a strong sense of readiness for careers in organizations dedicated to CSR and sustainability.
- *Environmental Stewardship Acknowledgment:* CBS was commended for its endeavours to diminish its environmental impact, achieving green certifications and accolades in recognition of its achievements.

CONCLUSION

Incorporating CSR into the domain of education holds a critical role in shaping the future. It's more than just a buzzword; it's a fundamental approach to nurturing the values and principles that will guide the next generation. By embedding CSR principles into the educational fabric, we aim to foster a generation of individuals who are not only academically proficient but also ethically responsible, socially conscious, and committed to sustainability.

The importance of this approach cannot be understated. It prepares students to be responsible global citizens, equipped with the knowledge and mindset to tackle the complex challenges of the modern world. Whether it's making ethical decisions in the corporate boardroom, advocating for sustainable practices, or actively participating in community initiatives, these future leaders will be ready for the task.

We passionately support the transformative power of education and our entire business education framework, which includes CSR teaching, is where its promise is brought to life. We view CSR education as a dynamic process that weaves a rich tapestry of complex political, economic and cultural power relations. It goes beyond simply collecting and disseminating CSR knowledge to business students. MA

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CSR IN INDIA: INVESTIGATING THE MACRO TRENDS

Abstract

Indian society has traditionally recognised the role of business in societal development. Ancient Indian literatures promoted this concept on several occasions. However, it is the Companies Act, 2013 which formalised the same in the form of compulsory spend on CSR activities. As a result, during the post mandate period, CSR landscape in India has changed permanently. In this context, the present article is a humble effort to investigate into the macro trends in CSR in India during the period 2014-15 to 2021-22. Based on the macro level data available from National CSR Portal, the study has tried to bring out trends in some important aspects of CSR activities undertaken by Indian companies which may have important policy implications.

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INTRODUCTION

Adherence towards their social responsibilities had been at the core of Indian businesses since ancient times. Ancient literatures have mentioned about this tradition several times. According to *Rig Veda* (verses 5-60.6), an affluent community must share their wealth with those who lack it (*Gouda & Sharma,* 2018). *Manu Smriti* says that a business must also pay attention to the resources they use from the society while making profits. *Sukhasyamulam dharma*, as stated by *Kautilya*in *Arthashastra,* is the only way to achieve happiness, and it is not a matter of accumulating money(*Gouda & Sharma,* 2018). Religious traditions like *dan*, *seva*, *dharmada* (among Hindus), *zakat* (among Muslims) and *daashaant* (among Sikhs) that exist in India over centuries speaks about the tradition of sharing wealth by affluent with those who lack it (*Aiyer*, n.d.).

However, during the British era, while formalizing legislation for corporate form of organizations, regulators largely overlooked the necessity of a legislation recognizing the need for mandatory initiatives on the part of the corporates for social good. Even the post independent version of Companies Act i.e., the Companies Act, 1956, hardly had any provision requiring the corporations to mandatorily take steps or spend money towards their social responsibilities. The issue was rather left for the business conscience. As a result, corporate social responsibility became a voluntary initiative in India practiced by a few large corporate houses only.

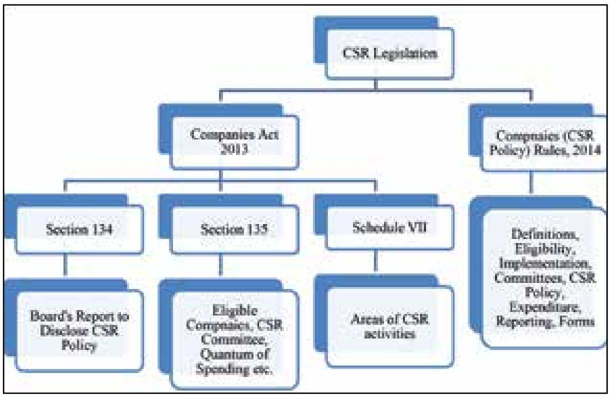
Fortunately, things changed in a positive way with the introduction of Companies Act, 2013 which dedicated part of the Act (Section 135) for corporate social responsibilities. The Act requires a minimum spending as well as an organized effort on the part of the Indian corporations towards discharging their social responsibilities. But, has this mandate really lived up to the expectations? Do corporate activities towards discharging social responsibilities have resulted into a balanced distribution of resources across the country? Is there any significant discrepancy among states in receiving the resources contributed under CSR activities by Indian corporations? Which areas of CSR activities are most preferred? How do private and public sector eligible companies differ in their contribution? These issues adequately form a research agenda. In this context, the present study humbly attempts to explore the macro trends in different aspects of corporate social responsibility activities undertaken by corporate India.

LEGAL FRAMEWORK OF CSR IN INDIA

The legal framework of CSR in India comprises of the Companies Act, 2013 and Companies (Corporate Social responsibility Policy) Rules, 2014. Following schematic diagram provides various Sections and Schedules and

Rules governing CSR in India.

FIGURE 1: CSR LEGISLATION IN INDIA – A SCHEMATIC VIEW



LITERATURE REVIEW

There has been ample research work on corporate social responsibility in India during the post mandate period. The following are notable in this context.

Bansal and Rai (2014) opine that CSR spending in India has been growing steadily over the years even in the absence of any law. However, there is hardly any pattern observable across industries with respect to CSR spending.

Mirta et al. (2015) attempted an in-depth analysis to explore the impact of CSR (variable) on firm performance using factor analysis. They find that CSR (variable) is positively associated with firm performance.

Norwal and Sharma (2016) apply factor analysis to assess the perception of CSR in India. They opine that in market driven economies, societies are skeptical about the impact of CSR though they do value CSR in a positive way.

(2017) attempt to identify the pattern of CSR spending by selected IT companies in India. They find that environmental sustainability is the most preferred area among the sample companies while choosing the CSR area. Community development is found to be the least preferred

Susruth(2017) assesses the impact of CSR initiatives undertaken by Indian companies on their performance. He finds a positive association between CSR with firm performance.

Sawant and Patil (2017) find significant departure in actual CSR spend from the mandated 2 per cent among companies from GAS, FMCG and chemical industries.

Krishnan (2018) finds that firms under manufacturing industries prefer environmental sustainability over other areas of CSR

RESEARCH GAP

Based on survey of literature, the following observations may be drawn:

a. The studies conducted on CSR in India during the post mandate period mostly focused the micro-level (i.e., firm level) analysis.

b. A significant number of studies attempted to explore the relationship between CSR initiatives and firm performance.

c. Studies have also attempted to identify the general trend in the selection of CSR area by firms across industries.

Thus, there is ample scope for analyzing the macro level CSR data to explore the trends in CSR activities with relation to aspects like State-wise and sector-wise distribution of CSR resources, differential trends in CSR spending among public and private sector companies, listed and unlisted companies etc. The present study attempts to explore these macro characteristics of CSR activities by Indian corporate sector and infer relevant trends therefrom. The findings of the study, therefore, may be of great help for future policy decisions by regulators. The same may also be relevant for society at large to assess how far Indian corporates are honest in discharging their social responsibilities.

OBJECTIVES OF THE STUDY

The primary objective of the present study is to investigate the macro trends in CSR activities undertaken by Indian corporates. In this process, however, the study will attempt to address the following secondary objectives:

a. To assess the CSR trends state-wise.

b. To assess the CSR trends development sector-wise.

c. To assess the differential trends in CSR between public sector and private sector entities.

d. To assess the differential trends in CSR between listed and non-listed entities.

e. To assess the CSR compliance company-wise on aggregate level.

RESEARCH METHODOLOGY

Type of the Study

The present study is primarily empirical in nature.

Type of Data

The data used for the study is basically macro or aggregate level CSR data which is secondary in character.

Sample Period

The study investigates the macro level CSR trends during post mandate period i.e., after the introduction of CSR related provisions in section 135 of the Companies Act, 2013. Based on availability, the study considers data for the period 2014-15 to 2021-22.

Source of Data

The data as mentioned above have been collected from the National CSR Portal (https://www.csr.gov.in), an initiative from the Ministry of Corporate Affairs of India.

Research Methods Used

The study primarily uses tables, comparative tables, charts and graphs for presentation of the data and studying the composition and CAGR for studying growth.

FINDINGS OF THE STUDY

Growth in Aggregate CSR Spend and number of Projects

The aggregate CSR spending by Indian corporations have increased continuously during the post mandate period. While the aggregate CSR expenditure in 2014-15 was only Rs.10,065.93 Crore, the same has reached its highest level of Rs. 26,210.95 crore in 2020-21. There is however a slight reduction to Rs.25,932.79 Crore in the aggregate CSR spending in 2021-22. This is because, during 2020-21, most companies have contributed more than the mandated CSR requirement to support the nation's fight against Covid-19 pandemic. Overall, aggregate CSR expenditure grew at a CAGR of 14.47 percent during 2014-15 to 2021-22. Growth was also significant in terms of the number of projects undertaken. The number grew from 2,658 in 2017-18 to 42,440 in 2021-22.

State-wise CSR Trends

Though the aggregate CSR expenditure more than doubled during 2014-15 to 2021-22, not all States were benefitted to the same extent. In other words, CSR resources were not shared symmetrically. Union Territories, a few North-Eastern States (Manipur, Meghalaya, Mizoram, Nagaland, Tripura) and some other small UTs/States like Chandigarh, Puducherry, Sikkim have largely been ignored by the companies. Among the North-Eastern States, Assam stands out while Arunachal Pradesh has got a fair share of CSR resources as compared to other north-eastern States. Top ten States since 2014-15 to 2021-22 have been shown in the following table.

TABLE 1: TOP TEN STATES RECEIVING CSR CONTRIBUTION

STATE	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Maharashtra	1445.92	2026.91	2420.35	2797.53	3147.72	3353.24	3464.81	5229.31
Tamil Nadu	539.64	588.22	548.28	669.65	877.08	1072.26	1174.07	1371.91
Andhra Pradesh	414.28	1276.73	745.24	575.07	665.97	710.23	719.81	640.7
Karnataka	403.47	771.59	876.84	1145.79	1257.69	1448.16	1277.81	1761.39
Gujarat	313.41	547.94	865.81	967.97	1082.18	984.37	1461.6	1554.16
Rajasthan	299.76	483.99	353.75	443.35	595.49	734.12	670	700.44
Odisha	252.18	618.69	355.32	504.22	697.91	717.39	578.16	652.01
Delhi	237.44	455.17	460.71	579.37	750.85	830	724.59	1158
West Bengal	194.86	412.14	276.59	338.32	382.23	423.85	471.48	541.46
Haryana	187.41	373.44	386.65	363.43	378.11	537.91	550.86	654.88
Uttar Pradesh	148.9	416.99	321.63	435.21	521.32	577.98	907.32	1321.36
Telangana	101.96	263.6	256.39	380.57	428.06	445.8	627.71	670.06
Colour Scheme (Rank)	1	2	3	4	5	6	7 8	9 10
Pan India	3995.7	4039.44	4646.22	5505.31	6443.53	9385.66	7805.03	5439.79
Pan India (Other Centralised Funds)	624.61	910.74	787.22	799.18	1156.86	1790.69	3491.3	1581.43

The above Table shows that Maharashtra has been in the top position during all the years. Moreover, the top ten slots have been shared by only 12 States indicating that relative contribution over the time to these States has been consistent (as revealed by the colour scheme used). Apart from State-wise contribution, companies are allowed to contribute and report contribution on pan India basis. Contributions to these pan India schemes and contributions to other centralized funds have secured the top two slots in terms of total contribution.

Development Sector-wise CSR Trends

Schedule VII of the Companies Act, 2013 has suggested certain areas eligible for CSR contribution. The National CSR Portal has sub-divided these areas into 14 development sectors. The following table summarizes the CSR contribution by eligible companies into these fourteen sectors from 2017-18 to 2021-22.

TABLE 2: DEVELOPMENT SECTOR-WISE CSR CONTRIBUTION

Development Sector	2017-18	2018-19	2019-20	2020-21	2021-22	Average
Education, Differently Abled, Livelihood	7,282.32	8,004.12	9,635.35	8,559.05	8,381.99	8,372.566
Health & Sanitation	4,269.70	5,547.83	6,840.56	9,275.51	9,987.44	7,184.208
Rural Development	1,724.07	2,434.17	2,301.02	1,850.71	1,801.43	2,022.280
Environment, Animal Welfare, conservation of Resources	1,660.41	1,704.90	1,804.64	1,336.60	2,836.79	1,868.668
PMNRF	200.42	322.19	798.43	1,698.38	1,190.86	842.056
Any Other Fund	292.73	731.06	932.16	1,618.17	303.34	775.492
General Equality, Women Empowerment, Old Age Homes, Reducing Inequalities	581.87	572.73	694.71	522.52	707.18	615.802
Heritage Art & Culture	395.22	225.94	933.57	493.13	241.24	457.82
Encouraging Sports	285.41	310.16	304	243.39	286.69	285.93
Others	15.2	87.61	502.79	203.14	0.59	161.866
Swatch Bharat	272.07	95.5	53.47	161.35	32.92	123.062
Technology Incubators, Benefit to Armed Forces, Adm. O/H	46.03	122.28	115.55	146.66	49.88	96.08
Slum Development	39.16	51.06	42.94	88.95	58.14	56.05
Clean Ganga Fund	33.96	8.11	6.63	13.39	54.31	23.28

The above Table shows that in terms of average CSR expenditure, Education, Differently Abled, Livelihood has been the leading sector followed by Health and Sanitation. In other words, these two are the most preferred areas for CSR spending by companies. Rural development and Environment are the next two preferred areas receiving more than Rs.1,500 crore each year. Among various funds, PMNRF has been the most preferred. Unfortunately, Slum Development and Clean Ganga Fund are the least preferred areas for CSR expenditure by companies.

CSR Trends w.r.t PSUs and Non-PSUs

The following Table shows the macro trends in CSR expenditure by eligible public sector undertakings and non- PSUs.

TABLE 3: CSR TRENDS W.R.T PSU AND NON-PSU COMPANIES

Year	Total Company FY 2014-15	Amount Spent (Rs. in Cr.)	Average CSR Spent (Rs. in Cr.)	Total Company FY 2014-15	Amount Spent (Rs. in Cr.)	Average CSR Spent (Rs. in Cr.)
2014-15	493	2,816.82	5.713631	16,055	7,249.11	0.451517
2015-16	533	4,214.69	7.907486	17,759	10,302.52	0.58013
2016-17	552	3,444.15	6.239402	19,004	11,098.36	0.584001
2017-18	541	3,651.02	6.748651	20,984	13,447.56	0.640848

2018-19	619	4,224.46	6.824653	24,562	15,993.20	0.651136
2019-20	483	5,310.12	10.99404	22,502	19,655.70	0.873509
2020-21	448	4,486.27	10.014	20,392	21,724.68	1.065353
2021-22	313	4,313.46	13.78102	18,310	21,619.34	1.180739

The above Table shows that over the years the amount spent on CSR has increased both in respect of PSUs and non-PSUs, though the number of eligible companies has experienced a dip following the Covid-19 pandemic in 2020-21. However, it is interesting to note that the average CSR spend per company has increased indicating higher amount spent on CSR on an average by eligible companies in both PSU and non-PSU categories. Also, the Table reveals that contribution of PSUs is significantly less as compared to non-PSUs and the relative share is continuously on a decline.

CSR Trends w.r.t Listed and Unlisted Companies

Companies eligible for mandatory CSR spending need not be listed only. The following Table shows the macro trends in CSR expenditure by eligible listed and unlisted companies.

TABLE 4: CSR TRENDS W.R.T LISTED AND UNLISTED COMPANIES

Type of Companies	Amount Spent (Rs. in Crore)					
	2016-17	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**
Listed	8826.73	10226.27	12101.48	14882.4	14208.61	13501.48
Unlisted	5715.78	6872.3	8116.17	10083.42	12002.35	12431.31

The Table clearly shows that over the years the total amount spent by listed and unlisted companies have increased significantly. While for listed companies the contribution grew from Rs.8,826.73 crores to Rs.13,501.48crores at a CAGR of 8.87 percent , for unlisted companies, the same increased from Rs.5,715.78 crores to Rs.12,431.31crores with a CAGR of 16.81 percent . It seems that more and more companies from the unlisted group are becoming eligible for mandatory CSR spending which has increased their relative share in the total CSR expenditure by all companies.

CSR Compliance – Company-wise

The study also investigates the CSR compliance-company wise. The following Table summarizes the figures.

TABLE 5: CSR COMPLIANCE – COMPANY-WISE

Year	Number of Companies				
	Zero Spent	More than prescribed	Less than prescribed	Exactly as prescribed	Total
2016-17	10,707	3,660	3,342	1,848	19,552
2017-18	11,748	4,945	3,767	1,066	21,526
2018-19	13,976	6,334	4,130	744	25,184
2019-20	10,435	7,004	4,736	810	22,985
2020-21	5,888	9,935	3,506	1,511	20,840
2021-22	3,929	10,443	3,065	1,186	18,623

The above Table reveals that there is an overall decline in zero spent companies. Moreover, total no. of companies spending exactly or more than the prescribed amount have increased consistently which shows improved compliance with CSR mandate by Indian companies. The same is further confirmed by an overall decline in the number of companies missing the prescribed CSR target.

Leading Companies in the Field of CSR Contribution

The following Table summarizes the list of top companies of India in the field of CSR expenditure.

TABLE 6: LEADING COMPANIES IN THE FIELD OF CSR CONTRIBUTION

Company	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
RIL	408.99	649.26	745.04	849.32	908.71	922.00	812.33
TCS	127.28	380	400	434	602	674.00	719.92
Infosys	491.8	504.91	482.07	586.85	582.07	361.82	436.19
ITC	247.5	305.42	374.55	443.78	535.31	335.43	722.99
Wipro	132.7	275.96	168.1	306.95	326.49	246.99	333.38

CSR in India is slowly and steadily getting embedded in the corporate culture and the society at large is reaping its fruits

The above Table summarizes the CSR expenditure of five leading companies in India. Among the five, Reliance Industries (RIL) has managed to secure the top spot in all the years. Other companies have also managed to remain within top fifteen companies in terms of the CSR spending. The Table reveals remarkable growth in CSR contribution especially by RIL, TCS and ITC.

CONCLUSION

The Companies Act, 2013 has given CSR requirements a formal shape and the Central Government is constantly striving to streamline the CSR legislation and CSR reporting by taking timely initiatives. The figure as have been available so far is clearly indicating that these efforts have largely been successful. CSR in India is slowly and steadily getting embedded in the corporate culture and the society at large is reaping its fruits. However, the distribution of CSR resources is still not balanced but rather skewed to certain States and certain development sectors while others are still getting neglected. Hence, the regulators need to take some urgent steps to overcome this imbalance in distribution of CSR resources. Only this can help the Government to achieve its mission of ensuring corporate participation in societal development in India. MA

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SYNERGY OF CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY FINANCE: A NEXUS FOR POSITIVE IMPACT

Abstract

The connection between corporate social responsibility (CSR) and sustainable finance signifies a crucial juncture in the development of business and finance. As businesses acknowledge the interdependence between their activities and the welfare of society and the environment, the incorporation of corporate social responsibility and sustainable financing becomes a crucial strategic need.

This synergy represents not just a passing fad, but a profound transformation towards a more sustainable and ethical global economy. The future of business and finance is likely to be shaped by the examples set by industry leaders and the increasing support from regulatory frameworks. This future will prioritize a harmonic balance between profitability and beneficial societal effect. Within this nexus, both enterprises and investors discover not just financial prosperity but also a profound feeling of mission in their efforts to foster a more sustainable and fair world.

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INTRODUCTION

In an era marked by global challenges such as climate change, social inequality and environmental degradation, the intersection of corporate social responsibility (CSR) and sustainable finance has emerged as a powerful catalyst for positive change. This synergy is reshaping the landscape of business and finance, driving a paradigm shift towards more responsible and sustainable practices.

DEFINING THE TERMS: CSR AND SUSTAINABLE FINANCE

Corporate Social Responsibility

CSR is a business approach that goes beyond profit maximization, emphasizing a company's responsibility to contribute positively to society and the environment. It involves integrating ethical, social, and environmental considerations into business operations and decision-making.

CSR encompasses various initiatives, including philanthropy, environmental sustainability, ethical labor practices, and community engagement. Companies engaged in CSR activities aim to strike a balance between financial success and societal impact. This involves not only complying with legal requirements but also actively seeking ways to make a positive difference in the communities they operate in.

CSR is integral to building trust and credibility among stakeholders, including customers, employees, investors, and the broader community. It enhances a company's reputation, mitigates risks associated with environmental and social issues, and attracts socially conscious consumers.

In a rapidly changing business landscape, CSR is increasingly seen as a strategic imperative. Companies that embrace CSR not only contribute to the greater good but also position themselves as responsible and sustainable entities, aligning with the values of modern consumers and investors. Ultimately, CSR is a key driver in fostering a more ethical, sustainable, and inclusive global business environment.

Sustainable Finance

Sustainable finance, a cornerstone of responsible investing, involves integrating environmental, social, and governance (ESG) factors into financial decision-making processes. It aims to align investments with ethical and sustainable practices, addressing global challenges such as climate change, social inequality, and corporate governance issues.

In sustainable finance, investors assess not only financial returns but also the broader impact of their investments on the planet and society. This approach spans various financial instruments, including green bonds, social impact bonds, and sustainable mutual funds. Companies seeking sustainable financing often adhere to stringent ESG criteria, promoting transparency, responsible business practices, and a commitment to environmental stewardship.

The growing popularity of sustainable finance reflects a global shift towards a more conscious and responsible approach to capitalism. Investors are recognizing the potential for both financial returns and positive societal impact. Governments, financial institutions, and businesses are increasingly incorporating sustainable finance principles, signaling a commitment to a more resilient and sustainable global economy. In essence, sustainable finance is not just a financial strategy; it's a powerful mechanism for driving positive change and fostering a more sustainable and equitable future.

THE NEXUS: HOW CSR AND SUSTAINABLE FINANCE INTERSECT

1. **Shared Values and Objectives**

   At the heart of the linkage between CSR and sustainable finance lies a shared commitment to ethical practices and positive societal impact. Both concepts recognize the importance of considering not only financial returns but also the broader implications of business and financial decisions.

2. **Risk Mitigation and Resilience**

   Companies engaging in CSR often demonstrate a proactive approach to managing environmental and social risks. Sustainable finance, by integrating ESG factors, aligns with this risk-aware mindset. The synergy between CSR and sustainable finance contributes to building more resilient and adaptable businesses, better equipped to navigate challenges and uncertainties.

3. **Enhanced Stakeholder Trust**

   CSR initiatives contribute significantly to building trust among stakeholders, including customers, employees, and investors. Sustainable finance, with its emphasis on transparency and ethical considerations, reinforces this trust. The combination of CSR and sustainable finance enhances a company's reputation as a responsible and accountable entity.

4. **Positive Impact Measurement**

   Both CSR and sustainable finance place importance on measuring and reporting impact. CSR initiatives often undergo rigorous impact assessments to gauge their effectiveness. Sustainable finance requires a similar evaluation of the environmental and social outcomes of investments. This shared commitment to impact measurement ensures a more holistic understanding of a company's contribution to sustainable development.

CASE STUDIES: EXEMPLIFYING THE LINKAGE IN ACTION

1. **Unilever's Sustainable Living Plan**

   Unilever's Sustainable Living Plan is a stellar example of the integration of CSR and sustainable finance. The company committed to doubling its business while halving its environmental footprint. Unilever's sustainability initiatives not only align with CSR principles but also attract sustainable finance through investments in green initiatives and responsible supply chain management.

2. **Green Bonds in Renewable Energy Projects**

   The issuance of green bonds to finance renewable energy projects is a prime illustration of sustainable finance in action. Investors in these bonds fund projects with a positive environmental impact, aligning their financial goals with the broader aim of transitioning to a sustainable and low-carbon economy.

CHALLENGES AND OPPORTUNITIES

While the synergy between CSR and sustainable finance holds immense potential, challenges persist.

Companies may face difficulties in quantifying the impact of CSR initiatives, making it challenging to attract sustainable finance based on measurable outcomes. Additionally, varying global standards for CSR and ESG practices can create complexities in implementation and reporting.

However, these challenges also present opportunities for innovation and collaboration. The development of standardized impact metrics, increased transparency, and industry-wide initiatives for sustainable finance can help overcome these hurdles, fostering a more conducive environment for businesses to embrace the linkage between CSR and sustainable finance.

THE FUTURE LANDSCAPE: TOWARD A MORE SUSTAINABLE ECONOMY

The evolving landscape of CSR and sustainable finance suggests a future where responsible business practices and ethical financial decision-making are integral to corporate strategies. Governments, regulatory bodies, and international organizations are recognizing the need for frameworks that promote and reward sustainable practices, further fueling this transformative journey.

1. **Regulatory Support**

   Governments worldwide are increasingly introducing regulations that encourage CSR and sustainable finance. This includes mandatory reporting on ESG factors, tax incentives for sustainable investments, and stringent environmental regulations. Such regulatory support creates an environment where businesses are incentivized to integrate sustainability into their operations.

2. **Rise of Impact Investing**

   The growing prominence of impact investing reflects a shift in investor preferences towards aligning financial goals with positive social and environmental outcomes. This trend is influencing the investment landscape, with more funds being directed towards projects and companies that prioritize CSR and sustainable practices.

3. **Stakeholder Activism**

   Stakeholders, including consumers, employees, and investors, are becoming more vocal in demanding responsible business conduct. Companies responsive to these demands not only fulfill their CSR obligations but also attract sustainable finance, creating a symbiotic relationship between corporate responsibility and financial sustainability.

> **While the synergy between CSR and sustainable finance holds immense potential, challenges persist**

CONCLUSION

The linkage between CSR and sustainable finance represents a pivotal moment in the evolution of business and finance. As companies recognize the interconnectedness of their actions with the well-being of the society and the environment, the integration of CSR and sustainable finance becomes a strategic imperative.

This synergy is not merely a trend but a fundamental shift towards a more sustainable and ethical global economy. The examples set by industry leaders and the growing support from regulatory frameworks indicates that the future of business and finance lies in a harmonious balance between profitability and positive societal impact. In this nexus, companies and investors alike find not only financial success but a deeper sense of purpose in contributing to a more sustainable and equitable world. MA

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CONGRATULATIONS!!!

Congratulations to CMA S Subhashini on being conferred with the Degree of Doctor of Philosophy, Ph.D on the Title of Thesis – A Study of Goods and Service Tax and its Implications on Automobile Industry in India from Madurai Kamaraj University on the Convocation Ceremony held at Madurai on 02.11.2023.

We wish CMA S Subhashini the very best for her future endeavors.

ESG: A STEP AHEAD OF CSR FOR SUSTAINABLE BUSINESS AND SOCIETY

Abstract

This article explores the evolution of corporate social responsibility and introduces the paradigm shift to environmental, social, and governance highlighting ESG's strategic integration, investor relevance, and regulatory significance, it emphasizes its transformative role beyond CSR. Through case studies, the article underscores ESG's advantages and real-world impact, positioning it as a catalyst for responsible business conduct, benefiting both companies and society.

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INTRODUCTION

Corporate social responsibility (CSR) has traditionally guided businesses towards societal good. Yet, there's an evolving landscape in ethical business practices with the advent of environmental, social, and governance (ESG). This innovative framework extends beyond CSR, embracing governance, strategy adaptation, and enduring sustainability. In this engaging exploration, we delve into ESG's impactful role, contrasting it with CSR, and underscoring its pivotal influence in driving sustainable business growth and societal progress.

EVOLUTION OF CSR

Source: ESG - Sustainable Investment Group (sigearth.com)

CSR, in its standard form, has been a well-established exercise amongst firms for decades. It notably revolved around the notion that corporations have to not solely try for monetary success but additionally think about their effect on society and the environment. This regularly translated into philanthropic initiatives, neighbourhood engagement and moral commercial enterprise practices. The necessary standards of CSR encompassed the following:

1. **Social Responsibility:** Companies ought to make a contribution positively to society, whether or not with the aid of helping the neighbourhood communities, promoting education, or addressing urgent social issues.
2. **Environmental Responsibility:** Organizations have to decrease their environmental footprint, adopting eco-friendly practices and sustainable useful resource management.
3. **Ethical Governance:** CSR is known for moral and obvious enterprise practices, together with honest labour requirements and compliance with legal guidelines and regulations.

While CSR performed an extensive function in shaping a greater accountable commercial enterprise landscape, it had some limitations. It used to be regularly considered as a set of voluntary things to do that group may want to select to interact in, instead of an obligatory commitment.

THE RISE OF ESG

The idea of ESG arose as a response to these limitations. ESG represents an extra complete and structured method to evaluating a company's have an impact on society, the environment, and its very own governance. It places an enhanced emphasis on long-term sustainability and considers a number of broad criteria. To efficiently analyze the factors of ESG criteria, let's dissect and give an explanation for every element, focusing on their wonderful roles and contributions inside the broader context of sustainable commercial enterprise practices.

1. **Environmental:** This element evaluates a company's environmental policies that have an impact on sustainability. It includes elements such as greenhouse gasoline emissions, air management, waste reduction, and initiatives to fight local weather change.
2. **Social:** ESG assesses a company's care of its employees, suppliers and the broader community. It focuses on labor practices, range and inclusion, human rights, and neighbourhood engagement.
3. **Governance:** Governance in ESG focuses on a company's leadership, ethics, and transparency. It considers elements such as the excellence of board governance, Government compensation, anti-corruption measures and shareholder rights.

ESG affords a greater holistic view of a company's actions that have an effect on society and its potential to create sustainable value. ESG is not simply a reflection of a company's efforts; it is a metric that investors, stakeholders, and regulators more and more think about when evaluating a company performance.

ESG VS. CSR: WHAT SETS THEM APART?

While CSR and ESG both emphasize ethical and responsible business practices, there are key distinctions that set them apart:

1. **Scope and Focus:** CSR tends to encompass a wide range of activities, including philanthropy and community engagement. ESG, on the other hand, is more focused on specific criteria related to environmental, social, and governance issues, making it a more structured and comprehensive framework.
2. **Integration into Business Strategy:** ESG is often deeply integrated into a company's business strategy, influencing decision-making processes. In contrast, CSR initiatives are often seen as separate from core business activities and may lack a strategic approach.
3. **Investor and Stakeholder Relevance:** ESG criteria are increasingly important to investors and stakeholders, affecting investment decisions, shareholder activism, and corporate reputation. CSR initiatives, while valuable, may not carry the same weight in these contexts.
4. **Regulatory Requirements:** ESG reporting and disclosure are subject to increasing regulatory requirements in many jurisdictions. Companies are often required to provide detailed ESG information, ensuring transparency and accountability. CSR, on the other hand, is less likely to be subject to the same level of regulation.
5. **Long-Term Sustainability:** ESG's emphasis on governance and risk management contributes to a focus on long-term sustainability. This aligns with the growing recognition that responsible business practices are crucial for business resilience and longevity.

WHY ESG IS CONSIDERED A STEP AHEAD

ESG's prominence in today's business world can be attributed to several key factors that make it a step ahead of traditional CSR:

1. **Investment and Financial Performance**

   ESG is closely tied to financial performance. Many studies have shown that companies with strong ESG performance often outperform their peers in terms of stock market returns and risk management. Investors are increasingly integrating ESG factors into their decision-making processes, recognizing the potential impact of environmental and social issues on a company's long-term financial stability.

2. **Stakeholder Expectations**

   Stakeholders, including customers, employees, and communities, have higher expectations regarding corporate responsibility. They want companies to go beyond mere philanthropy and demonstrate a genuine commitment to address pressing social and environmental issues. ESG is seen as a more effective way to meet these expectations.

3. **Regulatory Environment**

   Regulators worldwide are taking steps to mandate ESG reporting and disclosure, recognizing the importance of standardized and transparent reporting. This regulatory environment encourages companies to adopt ESG practices, ensuring greater accountability.

4. **Risk Management**

   ESG considerations, particularly in the realm of governance, play a crucial role in risk management. By adopting ethical governance practices and addressing environmental and social risks, companies can better protect themselves from financial and reputational harm.

5. **Long-Term Focus**

   ESG's integration into business strategy and governance encourages a long-term view. This is essential for companies facing evolving global challenges such as climate change, social inequality, and resource scarcity.

6. **Stakeholder Engagement**

   ESG requires companies to engage more deeply with stakeholders, understand their concerns, and act on feedback. This engagement can lead to improved relationships and enhanced corporate reputation.

7. **Attracting Talent**

   Younger generations entering the workforce often prioritize working for socially responsible and environmentally conscious companies. ESG is key in attracting and retaining top talent.

8. **Adaptability to Emerging Trends**

   ESG is adaptable and can respond to emerging trends and issues. As global challenges evolve, ESG criteria can be updated to reflect the most pressing concerns, ensuring continued relevance.

9. **Competitive Advantage**

   Companies that excel in ESG can gain a competitive advantage in the market. A strong ESG performance can enhance brand reputation, customer loyalty, and access to capital.

10. **Real Impact**

    ESG is designed to create meaningful, long-lasting change. While CSR initiatives can be valuable, they sometimes face criticism for being superficial or driven by public relations motives. ESG, with its focus on long-term sustainability and accountability, aims to generate real and lasting impact.

IMPLEMENTING ESG: CHALLENGES AND OPPORTUNITIES

Transitioning from traditional CSR to a robust ESG framework presents both challenges and opportunities for companies. Here's what businesses need to consider:

Challenges

1. ***Data Collection and Reporting*:** Gathering accurate data to measure ESG performance can be complex, as it involves multiple dimensions of a company's operations.
2. ***Integration into Business Strategy:*** Embedding ESG into the core of a company's strategy requires a shift in mindset and culture, which can be challenging.
3. ***Costs and Resource Allocation*:** Implementing ESG practices may require financial investment and allocation of resources, which can strain a company's budget.
4. ***Complex Regulatory Landscape:*** Navigating the evolving regulatory environment and staying compliant with ESG reporting requirements can be demanding.

Opportunities

1. ***Enhanced Reputation:*** Strong ESG performance can boost a company's reputation, making it more attractive to customers, investors, and partners.
2. ***Innovation:*** Embracing ESG often leads to innovative solutions for environmental and social challenges, which can drive business growth.

3. ***Risk Mitigation:*** By addressing environmental and social risks, companies can safeguard their long-term viability and reduce financial liabilities.
4. ***Sustainability:*** ESG places a company on the path to long-term sustainability, aligning it with global goals and societal expectations.

CASE STUDIES: ESG IN ACTION

Several businesses have verified the influence of ESG via their movements and commitments. Notable case research includes the following:

1. **Unilever:** Unilever, a multinational company, has made full ESG commitments, together with a pledge to grow to be carbon-positive by the year 2030. They have additionally invested in sustainable sourcing and social initiatives like promotion of hand washing.
2. **Sales force:** The technological know-how business enterprise Sales force is devoted to enhancing ESG performance. They have dedicated to carbon neutrality and have superior social initiatives, such as addressing pay equity.
3. **Novartis:** The pharmaceutical major Novartis is regarded for its robust ESG focus. They have set formidable environmental dreams and are actively engaged in international fitness programs.
4. **Nestlé:** Nestlé, a meals and beverage giant, has been actively working on ESG goals, which include local weather alternate mitigation and accountable sourcing of ingredients. They are additionally dedicated to addressing vitamin and water challenges.
5. **Microsoft:** Microsoft is dedicated to turning into carbon poor by 2030 and has set bold ESG targets. They are investing in renewable power and have a robust focal point on moral governance and records privacy.

These cases show that ESG is not restricted to a precise enterprise but is a framework that can be embraced by organizations of all sizes and sectors..

CONCLUSION

ESG represents a significant step forward in the realm of sustainable business and society. It goes beyond the traditional boundaries of CSR, providing a structured and comprehensive framework that is deeply integrated into a company's strategy and governance. ESG is gaining traction among investors, stakeholders, and regulators, and it is becoming a critical factor in business success.

Companies that embrace ESG are better positioned to address environmental and social challenges, mitigate risks, and secure long-term sustainability. ESG also offers opportunities for innovation, reputation enhancement, and competitive advantage. As we navigate through a rapidly changing world with complex global challenges, ESG is more than just a step ahead of CSR—it's a giant leap towards a more responsible, ethical, and a more secured sustainable future for businesses and society. MA

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COVER STORY

THE NEXUS OF CSR AND TQM PRACTICES: A CATALYST FOR SUSTAINABLE DEVELOPMENT

Abstract

This article seeks to explore the interlinkages between CSR and TQM practices and how these crucial management philosophies affect the sustainable growth of an organization. It observes considerable evidence from empirical research studies that were retrieved from various online databases like Emerald, Elsevier, Inderscience and the search engine Google Scholar. Further, the researchers of the current study have attempted to provide fruitful implications to have a fair idea of the strategic orientations of CSR–TQM philosophies.

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INTRODUCTION

In an era of liberalization and globalization, organizations struggle to serve their customers at a reasonable price. Simultaneously, the organizations resist the ongoing pressure to behave responsibly by protecting the interests of internal and external stakeholders. In a competitive and rapidly changing world, customers, Governments and other stakeholders extend their expectations of organizations to understand and accept their social and ecological/ environmental responsibilities by operating in such a way as to contribute to building society most positively and constructively (*Benavides-Velascoet al.*, 2014).

Corporate social responsibility is an ideology that combines social and environmental aspects with organizational activities (*Baumgartner, 2014*). There are several definitions but the following is the widely accepted one "CSR is associated with behaving with the internal and external stakeholders in a socially responsible manner which means not only adhering to the legal requirements but moving ahead and investing more in human assets, environment and relevant stakeholders" (*Hopkins, 2005;Carroll, 1979*).

Total quality management is an established and proven philosophy for organizational improvement and previous researchers have significantly contributed through their studies towards its development. The concept is defined differently by different researchers, "TQM is considered to be one of the most distinguished management programs capable of gaining sustainable competitive advantage and improved organizational performance and effectiveness" (*Oza and Shiroya, 2015*).

OBJECTIVES OF THE STUDY

This research study aims to investigate the connection between CSR and TQM philosophies and to explore whether the interlinkages can lead to sustainable performance. The methodology is categorized into different parts as follows:

- Elements of CSR and TQM
- CSR and TQM – Framework
- Integration of TQM-CSR

- Comparison of CSR and TQM
- Discussion and Conclusion

LITERATURE REVIEW

The concept of CSR came into existence in the 1950s when it was thought to create a link between organizations and environment, social values and expectations whereas the concept of TQM is a relatively new one compared to CSR. The idea behind the expansion of CSR stemmed from the perception that there was an unbalanced relationship between the authority that organizations possessed and the responsibilities they exercised for society at large.CSR concept has shown dominance and further continues to flourish specifically in the fields of sustainable development and environmental protection. It's a general misconception that CSR is applicable only to organizations that are involved in handling hazardous stuff that can affect the environment adversely; therefore to be managed carefully and judiciously but the concept is not sector-specific. In the last couple of decades, organizations have expanded their relationships with various stakeholders and society to improve the overall profitability but *Freeman (1984)* stated the exclusive motive of any enterprise is not only to earn profits but also to accept the responsibilities to serve the stakeholders and society. Many authors in their respective studies have suggested the activities of CSR based on various social responsibilities that include social, economic, environmental and philanthropic aspects (*Carroll, 1979*)

The concept of TQM emerged much later than CSR in 1985 as one of the major quality concepts in the world. TQM is the most distinguished and holistic quality management philosophy which is aimed at continuous improvement of quality through the involvement of different stakeholders to achieve improved levels of customer satisfaction (*Karuppusami and Gandhinathan, 2006*). Similarly, many researchers have discussed the TQM concept in detail (*Bharti et al., 2022; Ghobadianet al.*, 2007).

ELEMENTS OF CSR AND TQM

Ahmed and Machold (2004) identified the elements of CSR and provided brief details for each of them. Similarly, *Mcdonaldet al.* (2002) discussed the elements of TQM while considering MBNQA criteria. The following Table 1 depicts the elements of both philosophies.

TABLE 1. ELEMENTS OF CSR AND TQM

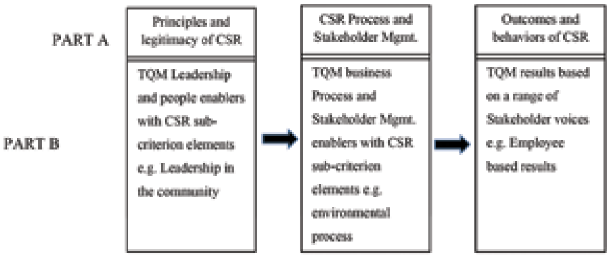
Elements of CSR	*Remarks*	*Elements of TQM*	*Remarks*
Maxim of no-harm	The organization should not be involved in any harmful activity	Leadership	Senior management commitment
Maxim of Transparency	Exhibit openness and disclosure of information	Strategic planning and Development	Strategic direction, actions
Maxim of voice	Active participation of stakeholders in decision making process	Customer Focus	Customer relationship and satisfaction
Maxim of equity	Ensure equity in business activities	Supplier Management	Supplier evaluation, Supplier code of conduct
Maxim of benefit	Create a win-win situation for Stakeholders	Human Resource Management	Employee well-being and participation
Maxim of Integrity	Ethics and integrity in all actions	Process Management	Process design, improvement, review and improvement
Maxim of care	Protection and promotion of positive rights	Information Management	Corporate benchmarking, performance measures

Source: Ahmed and Machold (2004); Mcdonald*et al.* (2002)

CSR AND TQM – FRAMEWORK

The CSR performance model was developed by *Wood (1991*) which addresses CSR concepts that lead to social responsiveness and eventually to corporate behaviour results. This model shows the ethos of people, process and results which are also part of Baldrige and Business Excellence models. The CSR performance model was later modified by *McAdam and Leonard* (2003) by incorporating the TQM aspects into it as depicted in Figure 1. The TQM model now includes CSR-centric leadership and people aspects wherein the leadership pertains to ethically conscious management with a decisive role inhuman resource management. TQM-based approaches become consistent with the addition of CSR concepts.

FIGURE 1: MODEL OF CSR IN TQM CONTEXT



Source:McAdam and Leonard, 2003

INTEGRATION OF TQM-CSR

Globalization has encouraged business enterprises to adopt a dynamic and integrated management approach comprising TQM and CSR that focuses on the overall enhancement of organizational performance. The extensive review of the literature reveals that TQM and CSR approaches have several common aspects. Most scholars have talked about the integration of ethics as well as social responsibility into their standards. *Khurshid et al.* (2018) developed a TQM – CSR model which suggests that leadership is the foundation of organizational activities and as suggested by *Freeman* (1984) the society and environmental aspects have also been included in the integrated model as shown in Figure 2.

FIGURE 2: TQM-CSR INTEGRATED MODEL

Source: Khurshid *et al.* (2018)

COMPARISON OF CSR AND TQM

Ghobadianet al., (2007) in their study argued that TQM is an advanced tool compared to CSR and they developed a comparative analysis depicting the interlinkages of both management philosophies as shown in Table 2.

TABLE 2. COMPARISON OF CSR AND TQM

	CSR	***TQM***	***Remarks***
Philosophy	Strongly connected with ethical behavior and a lesser degree on human behavior	Strongly connected with ethical considerations of human behavior beyond economic performance	These two concepts share a common point of view and can operate together
Elements	Integrity	Promotion of values	CSR theory of ethics synchronizes with many TQM values
	Equity	Participative management style	Equity is concerned with the participative style of working
	Benefit	Meeting the customers' needs	CSR is focused on meeting the stakeholder's needs
	Voice	Delegation of authority, empowerment, teamwork and learning	Voice supports effective participation and TQM supports delegation of authority to the lowest level
	Transparency	Openness, Two-way communication	Addresses the same issue
	No harm		Not addressed by TQM but fits with the TQM philosophy
	Liberty		TQM addresses limitedly such as HRM and participation
	Care		TQM addresses through HRM, openness and values

Outcomes	The effects may be wide but indirect	TQM has several benefits that impact all facets of business including financial results	Motivating the company to do the right things is the main goal of both the philosophies

Source: Ghobadian*et al.*, (2007)

The concepts of CSR and TQM share the same philosophical background wherein notable overlap is visible in the elements

DISCUSSION AND CONCLUSION

Several previous studies have discussed direct or indirect linkages between the two crucial management philosophies. A large number of studies have shown a positive correlation between the two and suggest that both philosophies could support each other if the top management wishes to do so. The previous studies clarify that those organizations which have started their quality journey, CSR may prove to be a logical next step. As clarified in this study, the concepts of CSR and TQM share the same philosophical background wherein notable overlap is visible in the elements but there are differences. It is justifiable that CSR just doesn't happen when an organization practices TQM. Therefore to make it happen, the components of TQM must be modified in a way so that they could address the different aspects of CSR. The study suggests that the concepts of TQM are conceptually consistent with CSR and sufficiently advanced to support it professionally. Since CSR has a significant and strong affinity for TQM the organizations adopted the practices of CSR and TQM grow rapidly and are bound to achieve sustainable growth in the future. MA

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CSR AND ESG

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Abstract

Many a time ESG and CSR are used in the same breath, sometimes contextually and at times wrongly. This article explores certain finer details, including throwing light on the differences as well as the relationship between the two.

Introduction

With every day happenings in the world of ESG, there is also a need to clarify other concepts sometimes associated, mistakenly or otherwise, with ESG. One such thing is the concept of Corporate Social Responsibility (CSR). ESG is a holistic concept of integrating elements of Environment, Society and Governance into the business. Corporate Social Responsibility is a concept whereby businesses, voluntarily or otherwise contribute to a better society and environment.

At times, CSR is used in relation to ESG. It is important to appreciate the similarities and differences between the two.

The concept of ESG

In April 2006, the United Nations Principles for Responsible Investment (UNPRI) was launched. The UNPRI[1]promotes the absorption of environmental, social, and corporate governance factors (ESG) into investment decision-making. The concept of ESG was first coined by the UN PRI to make businesses commit themselves to incorporate ESG issues into investment analysis and decision-making processes. The UNPRI believes that an economically efficient, sustainable global financial system is a necessity for long-term value creation. According to the UNPRI, responsible investment as a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership.

The following graph from the UNPRI delineates some facts that can be factored into investment and ownership decisions:

Environmental	Social	Governance
▪ Climate change	▪ Human rights	▪ Bribery and corruption
▪ Resource depletion	▪ Modern slavery	▪ Executive pay
▪ Waste	▪ Child labour	▪ Board diversity and structure
▪ Pollution	▪ Working conditions	▪ Political lobbying and donations
▪ Deforestation	▪ Employee relations	▪ Tax strategy

***Image source**: UNPRI*

Both the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(*SEBI Listing Regulations) recognize the significance of ESG.

A director of a company shall act in good faith in order to promote the objects of the company for the benefit

[1] *https://www.unpri.org/download?ac=10948*

of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

- Section 166 (2) of the Companies Act, 2013

Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.

- Regulation 4(2)(f)(iii)(3) of the SEBI Listing Regulations

SEBI has integrated ESG into many compliance requirements by listed entities and intermediaries by specifying regulations / stipulations pertaining to

- ***BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR)***
- ***BRSR CORE reporting***
- ***ESG INVESTING – PRINCIPLES***
- ***GREEN BONDS framework including Blue bonds, transition bnds and yellor bonds***
- ***GREENWASHING***
- ***ESG RATINGS***

The Concept of CSR:

Corporate Social Responsibility (CSR) implies a concept, whereby companies decide voluntarily or otherwise to contribute to a better society and a cleaner environment for the betterment of their stakeholders and society in general.

India is perhaps the only country in the world to have mandatory CSR[2]. Section 135 of the Companies Act, 2013 ("Act") provides that certain companies must mandatorily contribute a certain amount towards CSR activities. As per the Companies Act, *'Corporate Social Responsibility'* means and includes but is not limited to:

- *Projects or programs relating to activities specified in Schedule VII to The Act.*
- *Projects or programs relating to those activities which are undertaken by the Board of Directors of a company in ensuring the recommendation of the CSR Committee of the Board as per declared CSR Policy along with the conditions that such policy will cover subjects specified in Schedule VII of the Act.*

Schedule VII to the Companies Act contains a list of activities that qualify as CSR activities and have been formulated on the lines of the UN's Sustainability Development Goals. Some of these are:

- *Eradicating hunger and poverty*
- *Sanitation*
- *Promoting education*
- *Slum area development*
- *Promoting gender equality*
- *Environmental sustainability*
- *Protection of national heritage, art and culture*
- *Promotion of rural sports*
- *Contribution to incubators / research*

CSR Applicability in India – regulatory requirement

The provisions of CSR apply to every company fulfilling any of the following conditions in the preceding financial year:

- Net worth of more than Rs.500 crore
- Turnover of more than Rs.1000 crore
- Net profit of more than Rs.5 crore

The Board of Directors of every company for which the CSR provisions apply must ensure that the company spends in every financial year at least 2% of its average net profits made during the immediately preceding three financial years as per its CSR policy. If the company has not completed three financial years since its incorporation, it must spend 2% of its average net profits made during the immediately preceding financial years as per its CSR policy.

As per the March 2022-23 financial year figures, environmental projects are the priority for CSR fund allocations for almost 23% of India's corporate houses in India. Healthcare was another sector in which CSR funding is being made by companies in India.[3]

SEBI – CSR related disclosures as part of the BRSR:

SEBI has stipulated for the top 100 companies by market capitalization, disclosures through the BRSR. To enable companies to demonstrate the action taken for the welfare of the society, the BRSR also seeks granular disclosures on CSR projects, as follows:

Essential indicators

i. *Social Impact Assessments (SIA) of projects.*

ii. *Information on projects where Rehabilitation and Resettlement is being undertaken including districts, no. of project affected families and amount paid to them.*

Leadership indicators

i. *Corporate Social Responsibility (CSR) projects undertaken in districts designated as 'aspirational districts' along-with amount spent thereof.*

ii. *Beneficiaries of CSR projects including number*

[2] *http://www.csr.gov.in/*

[3] *https://csrbox.org/India_CSR_report_2023-India-CSR-Outlook-Report---10-Years-of-CSR-Compliance-in-India-and-Envisioning-the-Next-10-Years_115*

and percentage belonging to vulnerable and marginalized groups.

iii. *Benefits derived and shared from the intellectual properties owned or acquired, on the basis of traditional knowledge.*

ESG vs CSR – a comparison:

Inevitable is comparison between ESG and CSR - on what are the differences between ESG and CSR– these differences are generally sought by stakeholders. ESG is a much holistic concept than CSR. The following are broad differences between the two:

CSR	ESG
CSR is the contribution of a company, to the uplifting of the society / betterment of the environment	ESG consists of the criteria used to measure acompany's overall sustainability.
CSR is largely voluntary (mandatory in India)	ESG is a concept that leads to sustainability and over a period of time, it is the only way in which business can flourish.
CSR is not a parameter of investor demand	ESG in operations is increasingly demanded by investors and other stakeholders.
CSR is generally outside the operations / business	ESG not a standalone concept, but is part of the operations of the company Businesses, as part of ESG, integrate social and environmental concerns into their business strategy
CSR can contribute to ESG	ESG is a super set to CSR
The objective of CSR is to positively impact society while improving brand reputation	The larger objective of ESG is sustainability of operations
CSR is part of a consciousness that businesses should give back to the society	ESG is part of a broader obligation of a business to be accountable to not just investors but all stakeholders in all its operations and activities.
Measurement of CSR is very broad and largely is measured in qualitative terms	ESG also has broad metrics but has both qualitative and quantitative metrics. In many countries it is measured in quantitative terms. Many bodies like ESG Rating providers assign ratings on the basis of such measurement
CSR is broad – philanthropy, donations to non-profits, adoption of villages etc	ESG is typically focused on areas like environmental conservation, labour practices, diversity, corporate governance and sustainability.

CSR is termed as *"Triple-Bottom-Line-Approach"*[4], - people, planet, and prosperity - which is meant to help the company promote its commercial interests along with the responsibilities it holds towards the society at large. ESG is a sustainability assessment using Environmental, Social, and Governance metrics to evaluate how sustainable and resilient a company is to make it accountable for its sustainability claims.

CSR and ESG:

With the Companies Act and SEBI Listing Regulations recognizing both ESG and CSR parameters through obligations and principles, there is increasing stakeholder (including investor) interest in ESG. While it does assist in laying down bare a company's risks and opportunities, the increasing ESG legislation across the world means that it is be ESG will sine qua non be a part of the business environment in which corporate houses operate. Over a period of time, since ESG is being legislated, it has also become an appendage to business decisions by stakeholders.

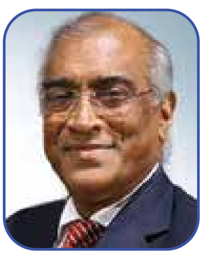
The advantage of CSR is that it helps the altruism of the company's existence. It boosts the image of the company and augments the reputation. It also leaves a positive imprint on the society.

Conclusion:

CSR is thus a largely voluntary strategy employed by businesses to have a positive impact on society. It is mandatory in India, though. ESG, on the other hand, is a much larger and more holistic concept which integrates environmental, social and governance parameters into business and discloses the same through qualitative and quantitative parameters. It is a tool to ensure that businesses are sustainable in the long run and companies attractive destinations to invest and to also built trust in stakeholders, including customers and investors. ESG is increasingly being legislated by countries around the world to ensure businesses contribute to a sustainable planet. MA

[4] *https://online.hbs.edu/blog/post/what-is-the-triple-bottom-line*

TRANSFORMATION FROM TRADITIONAL TO DIGITALISED TO NEO BANKING FOR INCLUSIVE FINANCE



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Synopsis

The Findex 2021, published by the World Bank, revealed that 1.4 billion people were unbanked, and most of them are poor and women living in rural areas. Neo Banks, driven by advanced digital technologies are trying to accelerate the process of banking and rendering related auxiliary services. But the present partnership model between digitalised traditional banks and Neo Banks may not yield the needful result at desired speed without a licence. This paper first aims at demystifying the myth about neo banking and then suggests a set of strategic themes with dual approach for accentuating the progress of neo banking for achieving inclusive finance for inclusive smile.

Introduction - The Axiom

There are several views on the question when electronic media and internet started being used for delivery of banking services. One such view is that the first ever delivery at home was started in 1981 by a few large banks in New York city. Those banks, viz., Citibank, Chase. etc. They used a unique system called 'Videotext. The Standford Federal Credit Union started internet-based banking services for the first time in 1994[1]. In their research paper Sanli and Hobikoglu (2015)[2] mentioned that internet banking processes started since 1990. This almost coincided with

Image Source: *https://www.indiatimes.com/worth/news/what-are-neobanks-and-how-do-they-work-580258.html* commencement of the first world wide web or Web1.0. ICICI Bank is the first bank to provide internet-based banking services in India from 1996.

Thus, it took about two and a half decades, since computerisation of banking transactional records, for internet-based banking to commence. Two major reasons for such a long gap inter alia are delay in development of enabler telecommunication network and software for computing platform based two-way transactional communication and powerful frontend handheld device App for customers. Advent of Web 2.0 in 1999 accentuated proliferation of banking through internet.

Axiomatic Vision

But the axiomatic visionary statement on digital age banking was pronounced even before the dawn of platform economy riding on Web2.0. In 1994 Bill Gates[3] made a groundbreaking statement, **"Banking is necessary, banks are not."** The entire world was taken aback. It took another about two decades to appropriately assimilate and appreciate what he envisioned and realise how it would be possible to achieve the directional guidance embedded in it. The visionary statement of Bill Gates got revalidated during the period of Covid-19 pandemic. During about three years of dreadful experience people across the world felt and appreciated the critical need for delivering/receiving banking services to and by all across all levels and remote locations.

The genesis of pathbreaking changes in the form of mobile banking for all till the lower rank of societal strata lie in the aforesaid visionary statement of Bill Gates. Customers want banking facilities from anywhere at any time. With extensive digitalisation of banking operations, the world witnessed onset of the era of self-banking without any physical intervention by any banker. Continuous reduction in digital divide in countries like India accentuated the process. Citizens are now using the digital platforms and digitalised processes provided by banks. Those are securely accessible by mobile devices from any location in a seamlessly connected network from banking perspectives. The focus has continuously shifted from:

- Traditional customers' delightful experience at the branch
- To the digitalised platform for branchless banking, and then
- To customers' delight right from on-boarding to cashless banking from anywhere at any time

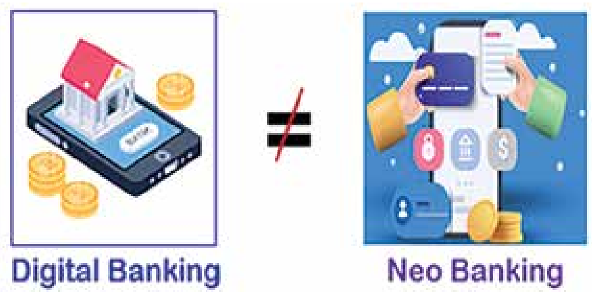
in a regulated environment with due measures for privacy, data safety and security.

Objective

This paper has been written with the assumption that it is essential to further intensify efforts for transforming neo banking into a financial revolution. Otherwise, bringing 17% unbanked global population under banking network will inordinately be delayed. With this in view efforts have been made to first demystify the myth between digitalised banking and neo banking. The present status of neo banking across the world and the pace of progress have also briefly been narrated. Finally, certain strategic themes have been recommended, identified from a research study jointly done by the author and his co-researcher, which should be adopted for proliferation of neo banking.

Demystification of the Myth and Neo Banking

Digitalisation of banking operations, as has been narrated towards the end of the above introductory section, should not be construed as the process of 'Neo Banking'. Therefore, at the outset there is a need for demystification of the myth that Digital Banking is not equal to Neo Banking.



Neo Banks (NBs) challenge legacy banking systems, with or without having any banking licence, on all matters of achieving speed, quality of services and thus customers' delight. They aim at providing unique and innovative banking solutions through digital platforms. NBs are by nature user friendly digital banks without any form of physical touch point with customers right from the very inception. Therefore, they don't need digitalisation by converting existing processes of the past.They provide seamless banking experience at much lesser cost on transactions and higher returns on investment. Thus, NBs are disrupting digitalised legacy banking systems of traditional banks. They have generated astonishing sensation among customers particularly of younger generations.

The following Table provides a comparative analysis of feature of Neo Banks digitalised Banks:

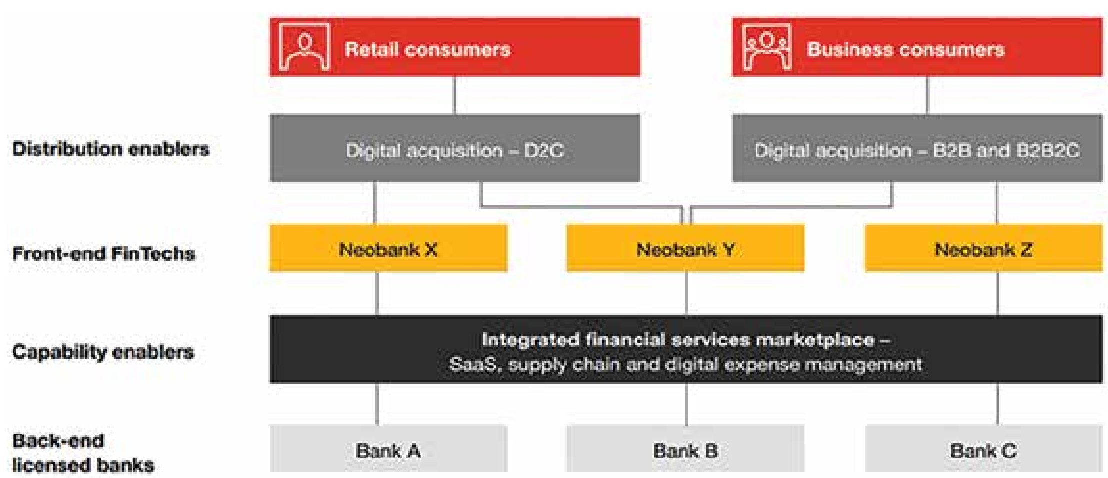
Neo Banks and Neo Banking	Digitalised Banks and Legacy Banking
1. Born in minds of innovators and first- generation entrepreneurs and startups of digital age.	1. Inherited hundreds of years old legacies evolved with dynamics of changes in economic and societal ecosystem.
2. No physical branch and touch points with customers.	2. Cannot wish away branches and physical customer touch points per policies and SOPs.
3. Challenge legacy systems and design innovative ones remaining within the boundaries of regulatory frameworks.	3. Digitally transform traditional services for delivery through digital channels.
4. Front to back end seamless innovative approach for delivery of services to customers	4. Back to front end conversion approach for digitalisation based on traditional banking policies and SOPs.
5. Minimise costs with advanced FinTech applications, RPA and touchless banking for people, documentation	5. Cannot avoid costs due to network of branches, manpower for physical contacts in addition to costs for digitalisation
6. Two types of Neo Banks ▪ Full stack touch less digital banking services with regulator's licence, and ▪ Front end banking services partnering with traditional licensed banks.	6. Continues with old banking licence and follows regulatory guidelines for digitalisation.

Digital Banking Solutions of Neo Banks

NBs, which are not full stack licensed banks, position their digitally designed layer of service platforms in between both retail and business entity customers and the traditional licensed banks. NBs wrap up those traditional banks with their digital service facilities. They follow several channels like NB2C, NB2B and NB2B2C and finally end up with the one or more traditional licensed bankers for those monetary transactions for which regulatory license(s) is required.

NBs deliver all service functions in due compliance with all relevant provisions of all regulators concerned with the transactions, e. g., RBI, IRDAI, SEBI, etc. Frontend compliance of regulatory provisions by NBs are essential, otherwise the finally recoded transactions in actual bankers' books would be considered as non-compliant. The features of Neo Banks and their structural set up for wrapping up traditional licenced banks with whom they partner can be explained through the following graphic:

Operational Architecture of Neo Banks Without License



Source: https://www.pwc.in/assets/pdfs/consulting/financial-services/fintech/publications/the-evolution-of-neobanks-in-india.pdf

The above graphic indicates that NBs position their digitally crafted service platforms in between both individual/retail and business customers, and their Traditional Licensed Bank Partners **(TLBPs)**, whom they wrap up with digital service facilities. NBs follow several channels like NB2C, NB2B and NB2B2C and finally end up with the one or more TLBPs for those monetary transactions which require regulatory license(s). They perform the following functions in due compliance with all provisions of all concerned regulators, e. g., RBI, IRDAI, SEBI, etc. Like any other digitally driven startups NBs adopt the following approach for designing neo banking platforms:

- Identify latent demands of customer segments they intent to serve and TLBPs,
- Critically evaluate with pervasive analyses of feedback from target customers about their pain points in banking even after using digitalised platforms provided by TLBPs,
- Ideate digital solutions, build the frontend App, and backend platform with customer-centric strategies by cerebral applications of technologies, including OCR, NLP tools, etc.,
- Predominantly focus on providing delightful experience to customers in mobile banking and smooth flow of transactions by seamlessly integrating their platforms with the digitalised banking systems of TLBPs,
- Total regulatory compliance at all steps and in all aspects of solution designing and service delivery to both customers and the TLBPs.

The above approach indicates that NBs adopts a 'Front to Back' approach in their solution designing because the uniqueness of their customer focussed mode and process of service delivery determines their competitive advantages:

Banking and Auxiliary Services by Neo Banks

As is evident by now NBs provide services to both retail and business customers and TLBPs as an intermediary and solution enablers for the later. They provide one or more of the following major banking and transactional services:

KYC, Onboarding and Account Management

NBs serve TLBPs by onboarding new customer post completion of KYC formalities, including renewal of KYCs, in due compliance with regulatory provisions. The required soft copies of documents are instantly uploaded by the prospective customers. Those are read using OCR tools and fed into digital forms using NLP based cognitive tools. Such digitally documented and signed forms with customers' consents are passed on to TLBPs for adoption and storage.

Multiple and Forex Account Management

NBs provide facilities for multiple bank account management, including accounts in foreign currency in countries where the same is permitted irrespective of being full stack licensed NBs or in collaboration with their TLBPs.

Payment Banking

One of the major services of most of the NBs is rendering payment banking services. They connect the payers from both retail and corporate customer groups, with the payees'/recipients' banks for transfer of funds followed by a confirmation sent to each payee through mails and/or messages. A word of caution here is that Unified Payment Interface or UPI of India is just a platform for connecting all parties and not any banking facilities.

SaaS for Business Operations

NBs also render non-banking services to MSMEs. Their platforms function as a marketplace for 'Software as a Service' (SaaS) and are seamlessly connected with the recipient clients' respective computing systems through APIs. The pass on all transactional records through wallets for each customer. For this NBs maintain 'Digital Library for Business Rules' of each customer. The end lag of such SaaS based transaction is payment or collection as appropriate. Various operating transactions which are covered through such SAAS:

- Supply chain management, including raising of invoices, financing, etc.,
- Authorisation of transactions for payment banking,
- Preparation of payrolls and disbursement of salaries and wages to employees,
- Expense management,
- Management of working capital, insurance policies, investments in financial securities and cryptocurrencies, etc.
- Promotion of products and business transaction management by providing an additional virtual marketplace and eCommerce for MSME and other business customers,

- Issuance and management of freebies, credit/ discount cards, etc.

ICICI Bank's DigitalLite services in India is one such platform for supply chain financing. One can know more about the services from a blog in dashdevs[4] Neo Banks have the following two distinct yet inter-linked layers in their digital platform:

I. The Fist Layer has two distinct yet integrated digital solution-based facilities for:
   1. Ensuring regulatory compliances at each step of rendering digital banking services, and
   2. Wrapping up TLBPs with seamlessly integrated digitalised facilities for delivering banking services related functions outsourced to them.

II. The second layer contains digital tools for:
   3. Payment Gateways with facilities for omni -channel payment processing,
   4. Providing access to other digitally operated platforms of various financial service providers, insurance companies, global forex brokers' solutions, etc.
   5. Facilitating investment management transactions by or on behalf of customers, etc.

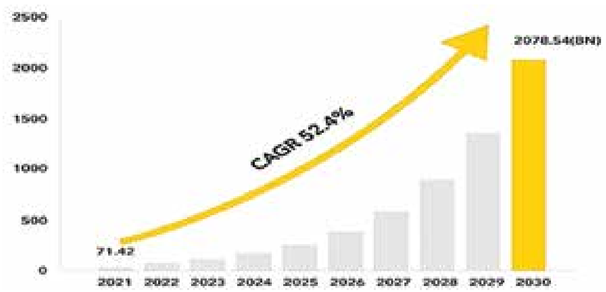
Proliferation of Neo Banks and Customers

According to a report on FINDEX 2021of World Bank[4] out of about 8.0 billion global population about 1.4 billion (17.3%) adults were lying unbanked. Most of such people are residing in rural areas and hard to reach. However, digital divide between urban and rural areas is on a reducing trend due to establishment of extensive telecommunication network. Therefore, NBs are in a better position than traditional banks to bring rural and unbanked citizens under banking network. Efforts of NBs for this are being seen around the world, including India.

In India NBs are increasingly becoming a popular group of financial service providers across all societal strata. They are also being preferred by eCommerce and online business platforms. As per StartupHRtoollkit[5] efforts of twenty-one major Neo Banks to be watched. Names of a few of those NBs are Fi Money, Frayo, RazorPay, Jupiter, Kotak811, Mahila Money, OcareNeo. None of them are full stack licensed banks but are integrated with the traditional bankers. Enough information about Neo Banks is available in cyberspace. One such webpage is of SDK Finance[5] which readers may consider visiting to get similar information about developed countries.

Tamas Kadar, CEO of SEON[6] has quoted in his recent article from the prediction by Statista Market Insights, a globally reputed organisation stating that *".... Total transaction value of neobanking will reach \$2,6 trillion by 2027. It also predicts that 2023 will see a user adoption rate of 15.5% rising to 22.8% over the next five years."*

According to Igor Tomych, CEO at DashDevs, Fintech Garden[7], *".... in 2022, the global neo banking market boasted a valuation of \$79.1 billion, and within just one year, it soared to a staggering \$118.51 billion. .... By 2030, experts predict that the global neo banking market will reach an astonishing \$2078.54 billion, maintaining an impressive CAGR of 52.4%."* This has been iconically presented in the trailing graphic with numbers in USD billion:



Source: https://dashdevs.com/blog/how-to-build-a-neobank-using-vendors-platforms-or-apis/

The following two graphics are indicators of the present volume of customers of NBs and the speed at which they are multiplying. The numbers provided in the second row of the following graphic are number of neo banking accounts in millions. The graphics reveals that:

- India is the second country with most neo banking accounts if expressed as a percentage of total population. As of September 2023, 26% of Indian population is having Accounts with NBs. Brazil is the first and Ireland is third country with 43% and 22% respectively,
- Annual rate of growth of number of citizens being covered by accounts with NBs is the highest in Philippines with 161% till September 2023 compared to the same period in 2022, followed by Mexico and Portugal with 148% and 133% growth respectively.

<table>
<tr><td colspan="3">Top Three Countries
with Most Neo Banking Accounts</td><td colspan="3">Top Three Countries
Fast Adopting Neo Banking Accounts</td></tr>
<tr><td colspan="3">
</td><td colspan="3">
</td></tr>
<tr><td>93.05</td><td>371.80</td><td>1.11</td><td>39.78</td><td>54.14</td><td>3.35</td></tr>
</table>

Source: https://seon.io/resources/neobanking-index/

Actual magnitude of NB Accounts of Indians is about four times of that in Brazil at 371.80 million, but the percentage is lesser than Brazil because total population as denominator is higher at around 1.40 billion. Thus, India has the highest number neo banking accounts. Similarly, Mexico's number of NB accounts at 54.14 million is higher than that of Philippines at 39.78, albeit rate of growth of the later is higher. Readers may study the report published by SEON[6] for getting similar statistics of top ten such countries under both the groups of statistics from across the world.

Journey of Digitalised Banks to Neo Banks - Strategic Plans and Actions

Many of the large, digitalised banks around the world have adopted neo-banking specific strategies for further digital transformation to gain sustainable competitive advantages in their journey towards prosperity. The major objectives are enlarging customer base, minimising / zeroing down physical touch points with customers, enhancement of speed in service delivery and optimisation of operating costs. For this Many of them are partnering with NBs, while the balance are either engaging/acquiring Startups and/or using their own in-house ICT and digital technology teams for development of innovative software and platforms to attain the features of Neo Banks.

Roy and Basu, the latter being the present author, (2021)[8] through their extensive research study of forty-eight digitalised banks across the five continents had finally selected eight banks who have adopted such strategies. They have traced out the following major strategic themes of those eight large banks in their journey from a digitalised bank to a full stack Neo Bank with banking license being already available to them:

- To be the market leader in digital transformation for understanding customers better, make more informed decisions, and strengthen control functions,
- Work for financial and digital empowerment for millions of individuals and business entities by innovative applications of advanced digital technologies (DTs) for service deliveries,
- Expand and enhance data capabilities to help risk-enabled performance management (REPM) for achieving more customers' delight and be a proactive member of global digitalized business ecosystem,
- Create platforms to support entrepreneurial community by setting up national networks of digital technology labs, incubation of highly potential, startups with co-working spaces, mentoring and providing access to cutting-edge technologies to rapidly prototype new product ideas,
- Focus on risk-enabled operational efficiency (REOE) by forming enterprise resiliency units as a part of core enterprise resiliency strategy,
- Modify organisational structure and drive change management efforts for persuading staff members and other stakeholders that the **Bank is a new Digital Company** with a digital client base, and
- Measuring ROI from digital transformation in qualitative returns_such as hackathons, agile project management and collaborations to bring about a cultural shift in the organization.

Readers may agree with the author's point that digitalised banks around the world shall soon be able to remove the financial divide and achieve inclusive finance by bringing those 1.4 billion unbanked people under banking network across all countries. But in this mission, they must adopt the aforesaid strategic themes in varying degrees depending upon internal realities of individual banks. The option for implementation may vary between partnering with Neo Banks or transforming themselves into Neo Bank through internal efforts for advanced digital transformation. The later seems to be the option if Neo Banks are not given licence of full stack banking.

Conclusion

In the immediately preceding paragraph, the author has written with conviction that specific strategy driven proliferation of neo banking is essential for attaining success in inclusive banking and inclusive finance for inclusive smile. The clarion call is to never ever leave behind rural poor people and women. Digital technologies by themselves cannot achieve all these unless human efforts are directed towards transforming traditional banks through objective oriented change management with the mindset of applying digital technologies powered by a set of well-defined strategies. MA

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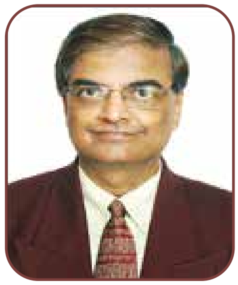
HOW DO WE FURTHER ACTIVATE & EXTEND THE STOCK MARKETS FOR INCLUSIVE GROWTH OF THE SMALL & INNOCENT INVESTORS?

Abstract

Small Indian investors need appropriate investment avenues to gain a reasonable rate of return. On the other hand, Indian SMEs need cheaper funds to sustain their profitability. Unfortunately, there is disequilibrium between these two groups in the local semi - urban economies. A district - level Capital Market Cluster can establish the required equilibrium. Local small farmers and consumers too can benefit from this design.



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DISEQUILIBRIUM BETWEEN SMALL INVESTORS & SMALL BORROWERS

By international standards, Indian stock markets are performing well today on the typical capital market parameters. The markets are full of enthusiasm which is very evident through the initial public offerings and the corresponding responses. Some of the midcap stocks are looking attractive with their intrinsic value. Valuation of a few star shares are defining the performance of Indian bourses and making it pretty visible to the international investment institutions. Of course, the foreign confidence in Indian stocks has been steadily working and supporting the Indian capital markets' euphoria actively for more than two decades. Yet we do not convincingly find a scope of 'inclusive growth' for the small and innocent Indian investors in this crowded scenario of the glittering capital market. Middle class investors on the one hand find it difficult to search an investment avenue that would offer them a reasonable 'risk free rate of return' and on the other hand the SMEs are finding the cost of serving their borrowed capital unaffordable. Thus there is a clear disequilibrium between the small investors and the small borrowers. This is happening despite a sizable population of around 400 million middle class investors.

INDIA'S COMPARISON WITH THE US & CHINA

Let us briefly make a quick comparison between our stock markets and those of the US and China, to understand this puzzle. Chinese stocks are down in terms of both, valuation and activism. In a serious deflationary condition, with a declining Communist trust in the corporate capitalism and the fast-eroding global goodwill, the Chinese stocks cannot do better. An 18 trillion-dollar Chinese economy has a big advantage of size against India. Yet a few differences add an interesting complexity to our understanding of the Chinese and Indian stock markets. We also need to refer to the American capital market leadership while judging the efficacy and activism of these markets. Around 60 per cent of Americans invest in the stock markets. This percentage is 13 in China and only 3 in India. Yet the supply of stocks in India being inadequate, the average Indian price / earning (P/E) ratio i.e. "Market price of a share/ earning or PAT per share" is around 22, much higher than the Chinese ratio of 12 and closer to 24 of America. This is because the number of listed Indian companies is 60 per cent of American and only 40 per cent of Chinese. One important reason for the "22" P/E in India is, its GDP today is growing at a rate higher than that of the US and China. India's total market cap is around 110 per cent of its GDP. The same is 170 per cent in the US and 60 percent in China. The market price of any share is normally indicative of the 'intrinsic earning power of the company in near future'. Obviously, this intrinsic power also depends on the health of an economy. (Here the term 'near future' can be debatable, yet we may describe it as around ten years.) The intrinsic power varies during the various milestones of the life cycle of a company and its percentage rate would slow down when the company reaches closer to the point of saturation. Therefore, we observe that the small shares are more attractive than the big shares, in terms of their 'price growth potentials'. On a macro level, this theory is also applicable when we compare the economies of the US and India.

WHAT THE SMALL INVESTORS & SMALL BORROWERS NEED?

But where are the small shares of the small companies or even of the SMEs? Can the innocent small Indian investors have an access to them easily and studiously? How should the P/E of '22' be interpreted? Does it indicate that most of the popular Indian stocks are overvalued and hence out of the reach of small investors? This issue becomes obvious especially when we compare the P/E ratios of the US and India on certain pertinent parameters. For example, average market cap of an American company is seven times that of an Indian company. Market cap per American investor is six times that of an Indian investor. Total American market cap is around twelve times of the total Indian market cap. The average number of investors per listed company is around 44000 in the US and the same in India is around 38000. Now compare the sizes of respective economies - 27 trillion dollar and 4 trillion dollars. Of course, we cannot neglect that potentially the Indian economy is more attractive than the American one, in terms of the possibility of good intrinsic corporate growth. Yet the issue of confidence and convenience of more than 400 million small Indian investors remains as a big systemic, structural and strategic challenge. How do we safeguard their savings against the impact of inflation, global geopolitical uncertainties, growing risk of environmental decay, alarming level of crony capitalism etc.? How do we ensure the sustainability of our growing GDP when a pathetic condition of the small farmers and farm lands continues to worsen? It is these farm lands which offer 50 percent of Indian employment and generate 40 per cent of our GDP directly and indirectly. Ninety per cent of Indian consumers are increasingly spending a major portion of their income on basic necessities, causing a sharp fall in their savings. The SMEs which offer jobs to six crore Indians, too are finding it difficult to sustain their business growth and profit savings. All of these small Indian investors need a secure investment avenue with a reasonable ROI and the SMEs need cheaper capital. Today's Indian stock markets are to be innovatively activated and extended further for the inclusive economic growth of innocent Indian masses who are the backbone of our economy.

WHY SHOULD SMALL INVESTORS INVEST IN 'OWNERSHIP SHARES'?

Basically, average Indians lack financial literacy related to the corporate stocks and their intrinsic valuation. Most of them are unaware of a genuine average rate of return on their overall investment portfolio. If we combine the three variables viz. basic risk-free rate of return on a security, real or consumable income and a conservative rate of growth in the value of the portfolio, then the resulting ROI in India today should be around 13 per cent . This rate of return is achievable only from the 'ownership stocks'. Indian small investors would expect this rate with a manageable risk. But they should understand that a long-term investment in a good stock alone would offer this rate. For such an appreciation, they should know the 'determinants of the intrinsic value of a stock in the long run'. These determinants are - 1. The risk of ownership 2. Growing advantage of economy of scale of the company 3. Perpetuity of return 4. Increasing advantage of intangible assets 5. Strength of human assets 6. Brand Power and 7. Advantage of the 'profits reinvested' i.e. reserves. These 'growth factors' constantly keep on increasing the valuation of a stock. A 'fixed rated return and risk free' bond cannot appreciate because it doesn't possess any share of the 'ownership prosperity' of the company. Therefore the Public Provident Fund (PPF) offers only 7 per cent rate of return which cannot obviously match the 13 per cent average ROI expected, for the portfolio to sustain and grow.

THE LOCAL SCENARIO AND NEED

As mentioned above, the local disequilibrium between the ROI expected by the small investors and the rate of interest on borrowed fund paid by the small entrepreneurs has seriously restricted the growth of local economy. Small entrepreneurs cannot afford to have an access to the IPOs at the big stock market. Small investors cannot easily study the intrinsic value of a star share listed on the same stock market. Quite a few 'initially glittering' listed enterprises didn't deliver later to the innocent investors. Most importantly, the big stock markets do not really support the small, local activity of 'capital exchange' between the small investors and the small borrowers. To solve this puzzle, we need an inclusive extension of the stock markets to the small towns, with a different organizational structure, ethos and transactional mechanism.

INDIAN CULTURAL LEGACIES OF THE ECONOMIC ACTIVISM

If we intend to build up a sustainable capital exchange model for the local economies, we should consider a few important cultural, operational and economic legacies of the sons of soil. Indian entrepreneurs and farmers do not easily digest the concept of 'sharing the ownership'. They do not also tolerate the dominance of a single powerful capitalist. They possess the ancient legacy of true democratic equity cultivated by the "Ganas", in an agrarian environment. The local economy is mostly activated by the small entrepreneurs, small farmers, tiny farms & nonfarm workers and household cottage industry. It has a considerable influence of the active economic role of the women. The entire economic structure is based on cooperation and trust. Therefore, these sons of soil tend to ignore the financial legislation and transactional shrewdness. Considering all these soft and hard aspects, the following inclusive and sustainable capital exchange model is suggested for the local economies.

The local capital exchange

1. There should be a 'District Cluster' comprising of a district stock and bond market and a monitoring & rating district committee. Outsiders and big sharks should not be allowed to interfere.
2. The small entrepreneurs should be allowed to issue 'non - voting shares' through the stock market. They may issue 'loan bonds' at an interest rate higher than the bank rate.
3. The small farmers can come together through a structure called 'cooperative corporate'. This hybrid structure should offer them the advantage of 'corporate limited liability' and the cooperative principle of ' 'equity through one head - one vote mechanism'. Farmers, small entrepreneurs and small investors should exchange their finances preferably through the stock and bond market.
4. Local consumers should come together through a cooperative structure to procure food grains from the farmers' corporate cooperatives & goods from the small entrepreneurs and invest collectively in the stocks and bonds if they wish to do so.
5. The district cluster should arrange the 'financial literacy programme' and feedback about the stock and bond performance regularly for all the stakeholders.
6. There should be a lock in period of five years for both, primary bonds and stocks at a higher rate of return offered to the local investors.
7. The local cooperative banks should be allowed to facilitate 'special fixed deposit schemes' which are to be used by the banks to finance the local entrepreneurs and farmer groups through the stock & bond market. Such 'directed' fixed deposit schemes should offer both the rates of return, fixed and fluctuating. The investors may choose the rate based on their appetite for 'risk & return'.

BENEFITS TO ALL THE SMALL STAKEHOLDERS

The above model needs an elaborate discussion and detailing, which cannot be presented through this concise article. Yet we may conclude about the following important and sustainable advantages of this design as follows:

1. The prime advantage would be a productive channelization of the local capital. (i.e. small savings) Local economics can be strengthened for all the stakeholders, creating equilibrium between the needs of small investors and small borrowers.
2. Local banking intermediation can be corrected and improved, in favour of small depositors and small borrowers.
3. SMEs can gain immensely from the local capital, at reasonable cost and without diluting their ownership stakes if they wish so.
4. Small local investors would benefit a lot from the sharing of business prosperity through owning the ownership shares. They will have a choice between stock and bond.
5. Farmers can tackle all of their issues by coming together and participating in the local economy through a well - structured design.
6. Consumers can avail the price advantage through collective procurement of goods and a reasonable ROI through their collective or individual investment in the local stocks & bonds.
7. If the local economies are strengthened through such a localised cluster, it would ultimately benefit the nation's economy in terms of inclusive, sustainable and equitable prosperity.

CONNECTING THE LOCAL CAPITAL EXCHANGE WITH THE NATIONAL ECONOMIC ACTIVISM

We know that there are not enough stocks at the Indian bourses and hence too many customers chase too few commodities. On the other hand, the semi urban and rural folks do not have appropriate avenues to invest. The 'district clusters' should offer an integrated solution to this problem. A well - developed local investment culture shall ultimately expose the small investors and SMEs to the big capital markets. Most important advantage would be a future synergy of 'capital utilisation' among various stakeholders. About 80 percent of Indians need good investment avenues which can protect their hard-earned savings against all odds. 60% of Indian borrowers are SMEs who too can benefit a lot from this design. They can be the tomorrow's big tycoons who will list their companies at NSE and BSE and justify a P/E ratio of 30 or 40! MA

Note –*For more conceptual discussion on this subject, readers may refer to author's book "Economics of Survival", published by Manipal Universal Press. It is available on Amazon.*

EXPLORING THE POTENTIAL OF REVERSE MENTORING: AN AVENUE FOR PROMOTING INNOVATION AND INCLUSIVITY

Abstract

Reverse mentoring, an innovative way to conventional mentorship, is increasingly being adopted by organisations around. This novel approach challenges the traditional mentorship model by having junior or less-experienced employees assume the role of guiding their more senior colleagues. This article delves into the notion of reverse mentorship, examining its advantages, approaches to implementation, and its capacity to cultivate innovation and inclusivity inside organisations. Organisations can enhance their ability to navigate the dynamic business landscape by leveraging the varied viewpoints and knowledge of individuals across different generations. This study examines real-world instances of reverse mentorship programmes, emphasising their beneficial effects on individuals' personal and professional growth. In addition,it analyses the difficulties and optimal strategies linked to the effective implementation of reverse mentoring programmes. In the pursuit of maintaining competitiveness and creating inclusivity, organisations are increasingly seeing the value of reverse mentoring as an effective mechanism for bridging generational divides, facilitating knowledge transfer, and cultivating a culture of ongoing development.

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INTRODUCTION

In a contemporary period characterised by perpetual transformation and growing commercial dynamics, enterprises are progressively resorting to inventive methodologies in order to maintain competitiveness and adjust to novel obstacles. Reverse mentorship, an innovative practise, has emerged as a significant accelerator in the process of transformation. This article explores the concept of reverse mentorship, providing insights into its origins, principles and the reasons for its widespread popularity in the contemporary business environment. The practise of traditional mentorship has historically served as a fundamental aspect of professional growth, when seasoned individuals provide guidance and support to emerging professionals. Nevertheless, the current corporate environment has experienced a significant transformation, marked by the emergence of digital disruption, swift technical progress, and a progressively heterogeneous workforce. As a result of these alterations, the notion of reverse mentorship has garnered significant attention.

WHAT IS REVERSE MENTORING?

Reverse mentoring refers to a practise in which individuals of a younger or less experienced generation provide guidance, knowledge, and insights to individuals of an older or more experienced generation. This approach challenges traditional hierarchy of knowledge transfer.

Reverse mentoring challenges traditional mentoring dynamics by reversing the roles and power dynamics often associated with mentoring relationships. Rather than adhering to the traditional model of senior employees transmitting knowledge to their junior counterparts, this method advocates for the recognition of younger or less-experienced employees as potential sources of useful insights, views and assistance for their more seasoned colleagues. The relationship is characterised by symbiosis, wherein knowledge is exchanged reciprocally.

ORIGINS AND EVOLUTION OF REVERSE MENTORING

The concept of reverse mentorship gained prominence in the late 20th century, largely due to the efforts of Jack Welch, the former CEO of General Electric. The individual acknowledged the fact that younger employees hold distinct perspectives on developing technology and trends, rendering them highly useful as sources of knowledge for senior leaders. Subsequently, the notion has undergone development and broadened its scope across other sectors and cohorts.

FACTORS CONTRIBUTING TO ITS ASCENDANCY

The increasing prevalence of reverse mentorship can be attributed to multiple contributing reasons. Primarily, the advent of the digital age has introduced an unparalleled period characterised by innovation and progress in technology. Younger employees, commonly known as digital natives, have been raised in an environment where technology has become an essential component of their daily existence. The innate familiarity that younger individuals possess with digital tools and platforms puts them as organic mentors for their elder counterparts who may encounter difficulties in keeping pace with technological advancements.

Furthermore, reverse mentorship serves as a catalyst for promoting inclusivity and diversity inside the organisational setting. The platform facilitates intergenerational collaboration and the exchange of distinct ideas. In contemporary times, there is a growing recognition of the value of varied thinking as a means to gain a competitive edge. Consequently, reverse mentoring has emerged as a potent mechanism for cultivating an inclusive organisational culture.

In the context of dynamic business environments, organisations face the imperative of pursuing ongoing learning and adaptation. Reverse mentorship provides a well-organized framework for the exchange of knowledge, facilitating continuous development in both personal and professional capacities. The acquisition of knowledge about the use of contemporary applications is not the sole objective; rather, it pertains to the cultivation of adaptability and ingenuity within a milieu characterised by perpetual transformation.

In the subsequent paragraphs we will undertake a more comprehensive exploration of the principles, advantages, and approaches of implementing reverse mentoring. The revolutionary potential of this unique method will be illustrated through real-world examples, while simultaneously addressing the accompanying problems and best practises. Reverse mentoring is more than just a passing fad; rather, it signifies a profound transformation in our approach to mentorship and knowledge acquisition inside the contemporary workplace of the 21st century.

DEFINITION

Reverse mentoring signifies a fundamental change in the conventional mentorship framework, wherein the direction of information and guidance is reversed. This section aims to present a concise definition of reverse mentoring and explore its fundamental ideas, emphasising the significant differences that distinguish it from traditional mentoring.

Reverse mentoring, sometimes known as "mentoring in reverse" or "cross-generational mentoring," is a form of mentoring in which younger or less-experienced employees take on the role of mentors, providing guidance and knowledge to their more senior or experienced colleagues. This approach challenges the conventional mentorship hierarchy by acknowledging the bidirectional exchange of valuable knowledge and insights, irrespective of age or experience.

FUNDAMENTAL PRINCIPLES

- Reverse mentorship aims to address the generational disparities that may arise within the professional setting. The statement recognises that individuals belonging to different age cohorts possess unique viewpoints, abilities, and life encounters that contribute to the overall discourse or decision-making process. Through the cultivation of intergenerational collaboration, organisations have the opportunity to access a more extensive reservoir of knowledge and creativity.
- *Two-way learning is a distinguishing feature of reverse mentoring, in contrast to the conventional mentoring approach that predominantly involves the transfer of knowledge from the senior to the junior participant.* The exchange between the mentor and mentee is mutually beneficial. The mentor shares his specialised knowledge in areas such as technology, social media and new trends, while the mentee acquires valuable insights into the mentor's extensive experience, wisdom, and institutional knowledge.
- *The establishment of successful reverse mentoring relationships is contingent upon the presence*

of mutual respect and empathy between the individuals involved. It is imperative for all parties involved to place significant importance on valuing and acknowledging each other's contributions and viewpoints. It is imperative for younger mentors to demonstrate reverence for the extensive experience and sagacity possessed by their elder mentees, while concurrently fostering an appreciation for the distinctive perspectives and proficiencies that their younger mentors bring forth.

- *The concept of reverse mentoring disrupts conventional workplace hierarchies by fostering a culture of open communication and collaboration among individuals occupying varying levels of organisational authority.* The use of this approach cultivates a climate that promotes inclusivity, ensuring that all individuals, irrespective of their hierarchical standing within the organisation, have the opportunity to express their perspectives and opinions, which are duly acknowledged and appreciated.
- *The promotion of inclusivity and diversity* can be achieved through the encouragement of cross-generational mentorship within organisations. Implementing this approach seems to be efficacious in dismantling prejudices associated with age and fostering an organisational environment that appreciates the diverse contributions made by employees across various age cohorts.
- *In the contemporary business landscape, the ability to acclimatise to swift transformations is crucial.* The rapid pace at which technology advances and trends emerge necessitates an agile approach. Reverse mentoring is a strategy employed by organisations to enhance their agility by providing senior employees with the necessary knowledge and abilities to effectively navigate and respond to dynamic changes. It cultivates an environment that promotes ongoing learning and creativity.

In essence, reverse mentoring entails a redefinition of the traditional concept of mentorship, wherein information and experiences are exchanged in a dynamic manner, without regard to age. The statement recognises the multidirectional nature of learning and emphasises the potential for important contributions from employees, irrespective of their age or level of expertise. The current methodology of mentoring is revolutionising the manner in which institutions address the enhancement of professional growth and dissemination of knowledge, particularly in a time characterised by swift transformations and a growing heterogeneity within work environments.

ADVANTAGES OF REVERSE MENTORING

Reverse mentoring is not simply an innovative kind of mentorship but rather a potent instrument that presents a diverse range of advantages for both individuals and organisations. This section will explore the advantages of reverse mentoring and demonstrate how it may have a transformative impact in the workplace.

- **Facilitating Intergenerational Knowledge Transfer:** One of the key advantages of reverse mentoring is its capacity to encourage intergenerational knowledge exchange. The platform facilitates knowledge and experience sharing among employees belonging to diverse age groups. Mentors of a younger age demographic possess the ability to transmit their specialised knowledge in domains such as technology, digital trends, and modern culture. Conversely, senior mentees are able to provide valuable perspectives derived from their vast reservoir of experience. The reciprocal sharing of knowledge enhances the educational process for all participants, resulting in a more comprehensive and knowledgeable labour force.
- **Promoting and Fostering Diversity and Inclusion:** Reverse mentorship serves as a potent catalyst for augmenting diversity and inclusion within organisational settings. By promoting intergenerational collaboration among employees, the organisation effectively dismantles generational biases and cultivates a more inclusive work environment. The presence of diverse thoughts and perspectives fosters enhanced decision-making processes and cultivates a workplace environment that appreciates and respects differences. Consequently, this dynamic contributes to the overall vibrancy and innovation of the organisation.
- **Promoting Innovation:** The promotion of innovation is a crucial aspect of driving progress and development. Innovation flourishes in surroundings that embrace novel ideas and diverse perspectives. Reverse mentoring introduces a measure of ingenuity and future-oriented thinking into organisations by affording younger mentors the opportunity to introduce state-of-the-art technologies and emerging trends. The integration of innovative ideas has the potential to foster the creation of novel products, services, and business strategies, enabling organisations to maintain

a competitive edge in the dynamic and ever-changing contemporary market.

- **Facilitating Leadership Development:** The facilitation of leadership development is a crucial aspect of organisational growth and success. Reverse mentoring is a highly effective mechanism for fostering leadership development within organisations. Reverse mentorship provides senior employees with the opportunity to be exposed to novel ideas and alternative leadership styles. Leaders in the contemporary business environment can enhance their proficiency in various domains, including adaptability, effective communication and embracing change. These abilities are considered necessary for individuals occupying leadership positions. Furthermore, younger mentors are afforded the chance to cultivate their leadership abilities through the act of mentoring and exerting influence over more experienced peers.
- **Bridging the Digital Divide:** In a contemporary society, when proficiency in digital skills is of utmost importance, the practice of reverse mentoring is a viable approach to addressing the potential disparity in digital literacy that may arise within organisations comprising individuals from different generations. Younger mentors have the ability to aid older mentees in developing a greater level of proficiency and ease with digital tools, social media platforms, and emerging technology. This not only improves the effectiveness of senior personnel but also guarantees that the organisation as a whole maintains technological competitiveness.
- **Enhancing Employee Engagement and Retention:** Reverse mentoring has the potential to enhance employee engagement and improve retention rates. There is a positive correlation between employees who perceive themselves as respected and empowered to contribute their knowledge and their level of work engagement. Furthermore, the prospect of participating in intergenerational mentorship programmes can serve as a strong incentive for attracting and retaining talented individuals, particularly among younger employees who prioritise organisations that prioritise continuous learning and professional growth.

To summarise, the advantages of reverse mentoring extend beyond the mere transfer of knowledge. They involve the promotion of an inclusive organisational culture, the stimulation of innovation, and the improvement of leadership skills. By adopting this forward-thinking methodology towards mentorship, organisations may strategically position themselves to succeed in a dynamic business environment while also fostering the personal and professional development of employees across different age groups.

ACHIEVING SUCCESSFUL IMPLEMENTATION OF REVERSE MENTORING

The successful implementation of reverse mentoring necessitates a well-planned method, despite the significant potential inherent in the concept. This section aims to offer practical insights and a systematic approach to efficiently conducting reverse mentoring programmes inside an organisation.

Identify Participants

- ***Assess Organizational Needs*:** To commence the assessment of organisational needs, it is imperative to determine the precise domains in which reverse mentoring might contribute value. The determination of the primary area of concentration should be made between technology, leadership development, diversity and inclusion, or other significant objectives.
- ***Select Mentors and Mentees:*** When selecting mentors and mentees, it is important to carefully evaluate the abilities, expertise and aspirations of the individuals involved. The individuals should be paired together in accordance with their mutually beneficial knowledge and shared goals. It is imperative to ascertain the mutual willingness and enthusiasm of all involved parties.

ESTABLISHING CLEARLY DEFINED OBJECTIVES

- **Define Program Goals:** Please provide a clear delineation of the objectives and anticipated outcomes of your reverse mentoring programme in order to define its programme goals**.** What are your anticipated goals and objectives? The establishment of clear objectives will serve as a framework for structuring and evaluating the programme, encompassing various aspects such as the enhancement of digital literacy, the cultivation of an innovative culture, and the development of leadership capabilities.
- **Establish Learning Outcomes:** Establishing learning outcomes involves the identification of the specific knowledge, skills, and abilities that participants should acquire during the learning process. Additionally, it entails the formulation

of criteria and indicators to assess the success of the learning outcomes. The task at hand involves the establishment of key performance indicators (KPIs) that may be utilised to monitor the advancement and evaluate the effectiveness of the programme.

- **Create a Structured Program:** One should develop a structured programme.
  - ***Construct a curriculum:*** Formulate a comprehensive curriculum or educational blueprint that delineates the subject matter and competencies to be addressed during the duration of the mentorship alliance. The proposed strategy needs to be in accordance with the objectives of the programme and possess the capacity to accommodate the distinct requirements of every mentor-mentee duo.
  - ***Determine meeting frequency*:** Establish a predetermined timetable for mentor-mentee sessions. Regular and consistent encounters have a crucial role in facilitating effective knowledge exchange. The objective is to ascertain the format of the meetings, which may include in-person, virtual, or a hybrid combination of both.
- **Provide Training and Resources:** One essential aspect to consider is the provision of comprehensive training programmes and resources.
  - ***Training for Mentors:*** It is imperative to provide mentors with comprehensive training encompassing successful mentoring approaches, active listening skills, and intergenerational communication strategies. Provide mentees with the necessary abilities to effectively mentor their protégés.
  - ***Provision of Assistance to Mentees:*** Provide a range of materials and training opportunities aimed at enhancing mentees' ability to maximise the benefits derived from their participation in mentorship programmes. This may encompass workshops pertaining to technology, leadership development, or other pertinent subject matters.
- **Establish a Supportive Organizational Culture:** One crucial aspect to consider in fostering a conducive work environment is the establishment of a supportive organisational culture.
  - ***Advocate for Inclusivity:*** Foster an inclusive organisational environment that prioritises the cultivation of a workplace culture where employees of all age groups and levels of experience are esteemed and provided with opportunities for meaningful participation and expression. Examine and discuss potential generational biases or preconceptions that may be present.
  - ***Leadership Buy-in:*** Obtain the endorsement and dedication of upper-level management for the programme. The active engagement of leaders in reverse mentoring relationships serves as a compelling demonstration and strengthens the significance of the programme.
  - ***Continuous Feedback*:** Continuous feedback entails establishing a feedback loop wherein participants have the opportunity to offer input and suggestions aimed at enhancing programme effectiveness. The aforementioned iterative procedure facilitates the gradual improvement of the programme.

MONITOR AND EVALUATE

- **Measure Progress:** In the process of monitoring and evaluating to ensure effective monitoring of the programme's advancement in relation to predetermined key performance indicators (KPIs) and learning objectives, it is imperative to consistently evaluate its progress. Gather input from participants in order to assess their level of satisfaction and pinpoint areas that require enhancement.
- **Promote Success:** Acknowledge and commemorate the accomplishments and valuable contributions made by the individuals involved. Provide examples of successful reverse mentoring initiatives to motivate individuals to participate in this practice.
- **Adapt and Evolve:** The process of adaptation and evolution is a fundamental aspect of biological systems.
  - ***Flexibility:*** Flexibility is a crucial attribute to possess since it allows for the ability to adapt and modify the programme as necessary. The dynamic nature of the business environment and the evolving requirements of organisations may require modifications to the programme's emphasis or framework.
  - ***Scaling Up:*** It is advisable to contemplate the expansion of the programme as it acquires pace and substantiates its worth. The process of scaling up may entail the incorporation of

additional personnel or the expansion of the range of subjects addressed.

The achievement of effective execution of reverse mentoring programmes is contingent upon meticulous preparation, well-defined objectives, continuous support and a dedication to the pursuit of knowledge and development. Organisations can effectively leverage the benefits of reverse mentoring to stimulate creativity and facilitate personal growth by implementing a series of strategic measures and cultivating an environment that promotes collaboration across different generations.

EXAMPLES IN THE REAL WORLD

In order to elucidate the concrete advantages and profound impact of reverse mentoring, we shall examine two empirical case studies of enterprises that have effectively implemented reverse mentoring initiatives.

Case Study 1: General Electric (GE)

This case study examines the business operations and strategies of General Electric (GE).

The concept of reverse mentorship in the business world is commonly attributed to General Electric during the tenure of its former CEO, Jack Welch. General Electric (GE) acknowledged the necessity of addressing the knowledge disparity between its senior leaders and younger employees, who possessed extensive understanding of emerging technologies.

- ***Overview of the Programme***
  - During the latter part of the 1990s, General Electric (GE) implemented a reverse mentorship initiative referred to as "Digital Learning Sessions." Junior employees, frequently hailing from the IT department, assumed the role of mentors for senior executives, including the esteemed Jack Welch.
  - The primary emphasis was placed on digital literacy, with the objective of assisting senior executives in comprehending and effectively utilising the internet and developing technologies.

Impact

- The impact of a particular phenomenon or event refers to the effect or influence it has on various the programme facilitated a significant shift in GE's corporate culture, cultivating a heightened recognition and valuation of technology and innovation.
- Senior executives have acquired digital skills and developed a more profound comprehension of the possibilities of the internet for fostering corporate expansion.
- The implementation of reverse mentoring has been found to have a positive impact on the organisation, leading to enhanced levels of innovation, efficiency, and competitiveness.

Case Study 2: An Analysis of the American Red Cross

A humanitarian organisation with a focus on disaster assistance and blood donation, ARC has introduced a reverse mentorship initiative aimed at fostering leadership development and promoting diversity.

- ***Overview of the Programme***
  - The "Cross Generational Connections" campaign was implemented by the American Red Cross with the aim of fostering reverse mentorship.
  - Junior employees, frequently individuals who have recently completed their undergraduate studies, were matched with senior executives in order to promote the transfer of knowledge.
  - The programme aimed to enhance participants' leadership skills, foster digital literacy, and advocate for diversity and inclusion.
- ***Impact***
  - The impact of a particular event or phenomenon refers to the effect it has on various aspects.
  - The programme facilitated the development of an organisational culture that was more inclusive, effectively dismantling intergenerational barriers and advancing the cause of diversity.
  - The acquisition of insights into the viewpoints and requirements of younger employees by senior executives resulted in enhanced leadership capabilities and improved decision-making processes.
  - The younger mentors exhibited the acquisition of leadership abilities and experienced a heightened level of engagement within the organisation.

The aforementioned case studies provide illustrations of how reverse mentoring programmes can be customised to align with the unique requirements and objectives of various organisations. Reverse mentoring has proven to be a versatile and effective approach in a range of circumstances, including boosting innovation, enhancing leadership development, and promoting inclusivity. The aforementioned instances from reality provide persuasive substantiation of the profound influence that reverse mentoring may exert on the growth of employees and the culture within an organisation**.**

CHALLENGES AND BEST PRACTICES

While reverse mentoring can yield numerous benefits, it's essential to acknowledge and address potential challenges to ensure the programme's success. In this section, we'll explore common challenges associated with reverse mentoring and provide best practices to mitigate them effectively.

- ***Addressing Generational Biases***
  - ***Challenge:*** Generational biases and stereotypes can hinder effective communication and collaboration between mentors and mentees. Preconceived notions about different age groups may lead to misunderstandings and hinder the exchange of knowledge.

- ***Best Practices***
  - *Training and Awareness:* Provide training to all participants to raise awareness of generational biases and stereotypes. Encourage open discussions about these issues.
  - *Promote Inclusivity:* Emphasise the value of diverse perspectives and experiences. Highlight that everyone, regardless of age, has unique insights to offer.
  - ***Lead by Example*****:** Senior leaders should set the tone by actively participating in reverse mentoring relationships, demonstrating a commitment to inclusivity and open-mindedness.

- **Managing Expectations**
  - ***Challenge:*** Unmet expectations can lead to dissatisfaction among mentors and mentees. Misaligned goals or unclear roles can result in frustration and undermine the programme's effectiveness.

- ***Best Practices***
  - *Define Clear Objectives****:*** Ensure that both mentors and mentees have a clear understanding of the programme's objectives and their specific roles within the mentorship relationship.
  - *Regular Check-Ins:* Encourage regular check-ins between mentors, mentees, and programme coordinators to assess progress, address concerns, and realign expectations as needed.
  - *Flexibility:* Recognise that the mentorship dynamics may evolve over time. Be open to adjusting goals and objectives to meet changing needs.

- **Fostering Open Communication**

The difficulty is that effective communication is essential for successful reverse mentoring, but generational differences in communication styles and preferences can make it difficult.

- ***Best Practices***
  - *Communication Training:* Offer communication training to participants to improve their interpersonal skills, active listening, and constructive feedback techniques.
  - *Establish Clear Channels:* Create clear and accessible communication channels for mentors and mentees to connect, such as regular meetings, digital platforms, or collaboration tools.
  - *Encourage Feedback:* Foster a culture of feedback where both mentors and mentees feel comfortable providing and receiving constructive input.

- **Balancing Hierarchies**
  - ***Challenge:*** Reverse mentoring challenges traditional workplace hierarchies. It can be challenging for both mentors and mentees to navigate this shift in power dynamics effectively.

- ***Best Practices***
  - *Set Expectations:* Clearly define the boundaries of the mentorship relationship to ensure that it remains professional and respectful.
  - *Emphasise Mutual Learning:* Remind participants that the mentorship is a two-way exchange, emphasising that both parties can

benefit from the relationship.

- *Senior Leadership Support:* Ensure that senior leaders actively endorse and participate in the programme, reinforcing the idea that reverse mentoring is an organisational priority.

- **Sustaining Momentum**
  - ***Challenge:*** Over time, the enthusiasm for reverse mentoring may wane if not adequately sustained. Keeping participants engaged and committed can be a challenge.

- ***Best Practices***
  - *Recognition and Rewards:* Recognise and celebrate the achievements of mentors and mentees. Consider awards or public acknowledgment to motivate participants.
  - *Programme Evolution:* Continuously evaluate and evolve the programme to meet changing organisational needs and employee expectations.
  - *Regular Assessments:* Conduct periodic assessments to gather feedback from participants and make adjustments accordingly.

Addressing challenges and implementing best practices are essential for the long-term success of reverse mentoring programs**.** By fostering a culture of inclusivity, open communication, and continuous improvement, organisations can navigate potential pitfalls and harness the full potential of reverse mentoring for personal and professional development.

CONCLUSION

In conclusion, it can be inferred that the evidence presented supports the stated hypothesis. Reverse mentoring is an innovative method of exchanging knowledge and fostering professional growth that has the potential to revolutionise organisations in the contemporary world. This article has examined the notion of reverse mentoring, encompassing its underlying concepts, associated advantages, tactics for execution, and instances of its application in practical settings. In conclusion, it is important to summarise the main points and emphasise their significance within the ever-changing corporate environment of the present era.

- **Exploring the Phenomenon of Bridging Generational Divides:** Reverse mentoring functions as a mechanism that facilitates the connection between individuals belonging to diverse age cohorts within an organisational context. It acknowledges the fact that each successive cohort brings distinct viewpoints, life encounters, and proficiencies to the discussion. By promoting collaboration among different generations, organisations can effectively leverage a wide array of perspectives, thereby stimulating creativity and encouraging inclusivity.

Reverse mentoring challenges traditional mentoring dynamics by reversing the roles and power dynamics

- **Promotion of Technological Advancement through Driving:** In contemporary enterprises, innovation serves as a vital component for sustained growth and success. Reverse mentorship brings about the infusion of novel concepts, proficiency in digital technologies, and a progressive mind set within organisational settings. Younger mentors play a vital role in providing guidance pertaining to developing technologies and trends, hence fostering creativity and facilitating organisations' ability to effectively navigate and respond to the dynamic nature of the marketplace.
- **Promoting a Culture of Inclusivity:** Reverse mentoring is a practice that fosters diversity by dismantling preconceived notions and stereotypes associated with different generations. The organisation fosters a culture of open communication, which promotes inclusivity and respect for all employees, irrespective of their age or level of expertise, ensuring that they feel appreciated and their voices are acknowledged. The promotion of inclusivity within an organisation fosters a dynamic and cohesive organisational culture.
- **Continuous Learning:** Continuous learning refers to the ongoing process of acquiring knowledge, skills, and competencies throughout one's lifetime. In the contemporary era characterised by rapid societal and technological advancements, the capacity to adapt and engage in perpetual learning assumes utmost significance. Reverse mentoring is a practice that enables individuals to continuously develop and enhance their personal and professional capabilities. This practice guarantees that employees maintain flexibility

and are adequately equipped to negotiate the intricacies of the corporate environment.

- **A valuable resource:** Reverse mentorship is not simply a passing fad but rather a significant resource for organisations that are committed to maintaining competitiveness and fostering inclusivity. This phenomenon presents a departure from conventional mentorship hierarchies, fostering a climate of intergenerational cooperation that yields advantages for both individuals and the collective entity.

In brief reverse mentoring represents a paradigm shift in organisational mentorship, learning, and creativity, with the potential to bring about significant transformation. By adopting this methodology, organisations have the potential to access untapped reserves of innovation, flexibility, and diversity, thereby guaranteeing their ongoing prosperity in an ever-changing corporate landscape. As the trajectory of time progresses, the significance of reverse mentorship in fostering brilliance and propelling advancement will inevitably amplify. MA

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UNEMPLOYMENT SCENARIO IN INDIA IN THE BACKDROP OF COVID-19 PANDEMIC

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Abstract

In this article, an attempt has been made to analyse the trend of unemployment in India before and after the outbreak of Covid-19 pandemic, considering secondary data collected from the CMIE website, journals and various reports. Though the Government has taken a few measures to solve the issue of unemployment by creating job opportunities through PM Mudra Yojana and other schemes in Atmanirbhar Bharat Abhiyaan, it has to go a long way by resorting to certain stronger economic measures to cure the serious issues of unemployment.

INTRODUCTION

In India, unemployment is considered as the most serious macro-economic issue since independence. Over the past few years unemployment rate in India has risen rapidly despite the boost in economic growth. Thus, India is experiencing jobless growth over a long period of time. Covid-19 outbreak has trembled the problem of unemployment in India manifold. Unorganised sectors are worse affected and many of such sectors are closed down even after the withdrawal of complete lockdown. According to a survey carried out by the Centre for Monitoring Indian Economy (CMIE), during the lockdown period only 98 lakh employees in the manufacturing sector, 18 lakhs employees in the service sector, 50 lakh employees in the hotel and tourism sectors, and 40 lakh employees in the education sector have lost their jobs. India's micro, small and medium enterprises (MSMEs) are greatly affected since the onset of Covid-19 pandemic. Many such enterprises are either closed down or have reduced their operation to a great extent. New jobs are not created even by the formal sectors including the government organisations. The economy is put under a severe threat and the recovery is in a very slow pace. Though Indian economy has recovered from a major setback in unemployment during May and June 2020 (23.52 percent and 21.73 percent respectively) to 7.14 percent in January 2023, still it is much higher than the unemployment rate of 4.74 percent in December 2017.

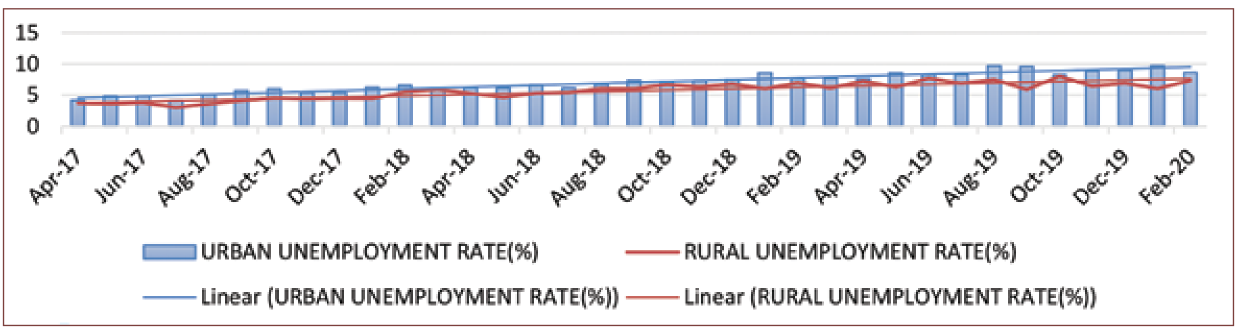
In the first month of lockdown in India in March 2020, males who had lost their jobs were quite higher than the absolute number of females because of the pre-existing gender gap in the labour force participation rate (*Deshpande, 2020*). Using 5779 sample households *Bertrand et al*. (2020) have tried to determine how household income has changed during pandemic in the context of 27 Indian States. They found that nearly 84 percent of the household income has dropped down with a sharp rise in unemployment and a sharp fall in labour force participation due to the nation-wide lockdown. While Covid-19 pandemic adversely affects the employment scenario of both rural and urban informal workers, the migrant workers are observed to be the greatest sufferer (*Srivastava, 2020).* Millions of migrant workers have lost their jobs temporarily or permanently (*Khanna, 2020).Ram and Yadav*'s (2021) study reveals that the sectors with high dependence on domestic consumptions and exports have faced more unemployment crisis during the economic slowdown phase. *Forsytheet al*. (2020), in their study, has found that job vacancies are almost collapsed across all the states in U.S. Occupational and industrial sectors are experiencing a dramatic reduction. Only the front-line service sectors, essential retail sectors and some other sectors where work from home facility is available are found to be exceptions. *Adams Prasslet al*. (2020) has observed an unequal labour market impact of Covid-19 crisis within and across countries. Evidence from real time surveys carried out in UK, US and Germany shows that people with less educational qualifications are facing more job loss. States with higher employment rate in information technology related jobs have been going through a fewer financial crisis (*Brynjolfsson et al*., 2020). The lower wage rate workers are likely to be three times less able to continue their work from home than that of higher wage rate workers. The long duration of lockdown has increased the level of unemployment (*Dingel and Neiman*, 2020).

The current study seeks to look into the trend of unemployment rate in India (urban and rural separately) and the effect of change of labour force participation on unemployment during the pre- and post-Covid period. It also discusses different measures adopted by the central government to combat the unemployment crisis arising out of the Covid effect in particular. Secondary data for the period from April 2017 to January 2023, of which April 2017 to February 2020 is considered to be the pre-pandemic period, have been collected from the CMIE website for the purpose.

FINDINGS

The unemployment rate (urban and rural separately) in India during the pre-pandemic period is depicted by means of a trend line fitted to the data as shown in Diagram-1. It appears from the diagram that urban unemployment rate is highest (9.71 percent) in August 2019 followed by 9.70 per cent in January 2020, 9.58 per cent in September 2019 and 9.02 per cent in December 2019. The lowest urban unemployment rate during the said period is found in April 2017(4.19 per cent). The diagram also shows that during pre-pandemic period the highest rural unemployment rate is found in October 2019 (8.02 percent) followed by 7.69 percent in June 2019, 7.48 percent in August 2019 and 7.25 percent in April 2019 and the lowest unemployment rate is found in July 2017 (3.01 per cent). It also appears that urban unemployment rate is higher than rural unemployment rate for all the months of the pre-pandemic period.

DIAGRAM 1: TREND OF URBAN AND RURAL UNEMPLOYMENT RATE (PRE-PANDEMIC PERIOD)



Source:CMIE

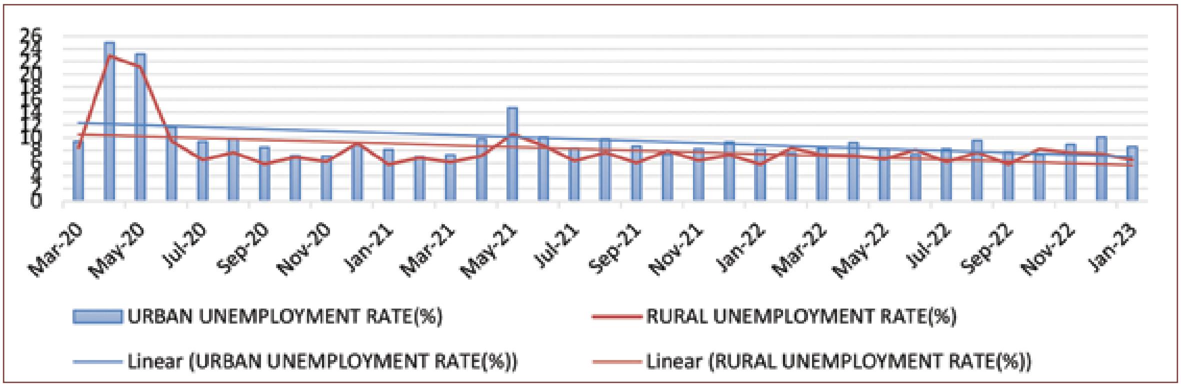
Mean urban and rural unemployment rate during the pre-pandemic period are tested statistically with the help of F- test and t- test. The result shows that mean urban unemployment rate is higher than mean rural unemployment rate during pre-pandemic period and is statistically significant at 1 percent level of significance.

TABLE-1: F-TEST AND T-TEST - MEAN URBAN AND RURAL UNEMPLOYMENT RATE (PRE-PANDEMIC PERIOD)

		MEAN	SD	n	F-test H0: σ1 = σ2 H1: σ1 ≠ σ2	t-test H0: µ1 = µ2 H1: µ1 ≠ µ2
PRE COVID-19	UUR(PRE)	7.03	2.47	35	1.3	3.85
PRE COVID-19	RUR(PRE)	5.69	1.77	35		

It appears fromDiagram-2 that the highest urban unemployment rate is in April 2020 (24.95 per cent) followed by 23.4 per cent in May 2020 and 11.68 per cent in June 2020. The lowest urban rural unemployment rate during such period is found in October 2020 (7.18 per cent). During this period the highest rural unemployment rate is found in April 2020 (22.89 per cent) followed by 21.11 per cent in May 2020 while the lowest rural unemployment rate is found in January 2021 (5.81 per cent). The diagram also indicates that urban unemployment rate is higher than rural unemployment rate throughout the post-pandemic period. It is further observed that the urban unemployment rate has drastically reduced from 24.9 per cent in April 2020 to 11.68 per cent in June 2020 and rural unemployment rate from 22.89 per cent to 9.49 per cent. The unemployment rate (both urban and rural) has started falling from June 2020 till April 2021. After the withdrawal of nationwide lockdown on 31 May, 2020 certain State Governments had announced statewide lockdown which caused an increase the urban unemployment rate in May 2021 (14.72 per cent) and also in June 2021 (10.08 per cent). Similar situations are also found in rural unemployment rates.

DIAGRAM 2: TREND OF URBAN AND RURAL UNEMPLOYMENT RATE (POST-PANDEMIC PERIOD)



Source:CMIE

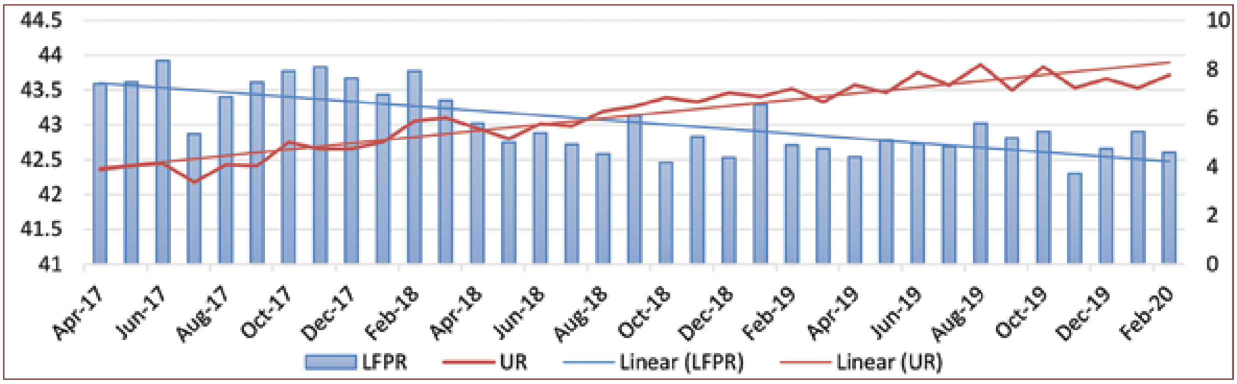
Mean urban and rural unemployment rate during the post-pandemic period are tested statistically with the help of F- test and t- test. The result shows that mean urban unemployment rate is higher than mean rural unemployment rate during the post-pandemic period and is statistically significant at 1 per cent level of significance.

TABLE-2:F-TEST AND T-TEST - MEAN URBAN AND RURAL UNEMPLOYMENT RATE (POST-PANDEMIC PERIOD)

		MEAN	SD	n	F-test H0: σ1 = σ2 H1: σ1 ≠ σ2	t-test H0: µ1 = µ2 H1: µ1 ≠ µ2
POST COVID-19	UUR(POST)	9.65	15.17	35	1.3	3.85
POST COVID-19	RUR(POST)	8.11	13.35	35		

Labour force participation rate (LFPR) and unemployment rate during the pre-pandemic period is presented in Diagram 3. It appears from this diagram that LFPR rate is maximum in June 2017 (43.92 per cent) while the unemployment rate is minimum in August 2017 (3.37per cent). It is also seen that LFPR is minimum in November 2019 (42.3 per cent) while the unemployment rate is maximum in August 2019 (8.19 per cent).

DIAGRAM 3: LFPR AND UNEMPLOYMENT RATE (PRE-PANDEMIC PERIOD)



Source: CMIE

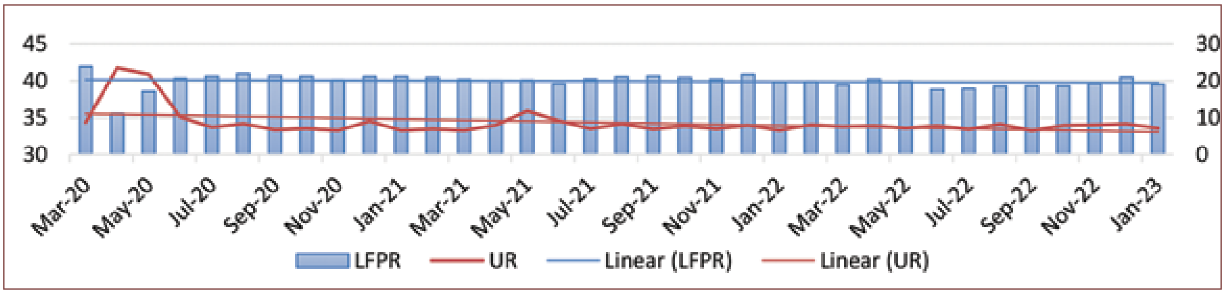
TABLE 3: F-TEST AND T-TEST - MEAN URBAN AND RURAL LFPR (PRE-PANDEMIC PERIOD)

		MEAN	SD	n	F-test H0: σ1 = σ2 H1: σ1 ≠ σ2	t-test H0: μ1 = μ2 H1: μ1 ≠ μ2
PRE COVID-19	ULFPR(PRE)	41.06	0.29	35	1.15	23.81
PRE COVID-19	RLFPR(PRE)	44.06	0.25	35		

From Table 3 it appears that mean LFPR in rural area is higher than that in urban area during pre-pandemic period. This is statistically significant at 1per cent level of significance.

LFPR and unemployment rate during the post-pandemic period is depicted in Diagram 4. This diagram shows that LFPR is maximum in March 2020 (41.9 per cent) while unemployment rate is minimum in September 2022 (6.43per cent). It is also revealed that during the first phase of nationwide lockdown LFPR is decreased from 41.9 per cent in March 2020 to 35.57per cent in April 2020 while the unemployment rate increased from 8.75 per cent in March 2020 to 23.52 per cent in April 2020. Thus, it appears that the percentage increase in unemployment rate (14.77 per cent) from March 2020 to April 2020 is much higher than the percentage decrease in LFPR (6.33 per cent) for the same period.

DIAGRAM 4: LFPR AND UNEMPLOYMENT RATE (POST- PANDEMIC PERIOD)



Source: CMIE

TABLE 4: F-TEST AND T-TEST - MEAN OF URBAN AND RURAL LFPR (POST-PANDEMIC PERIOD)

		MEAN	SD	n	F-test H0: σ1 = σ2 H1: σ1 ≠ σ2	t-test H0: μ1 = μ2 H1: μ1 ≠ μ2
POST COVID-19	ULFPR(POST)	3.29	1.25	35	1.2	15.66
POST COVID-19	RLFPR(POST)	41.30	1.04	35		

Table 4 reveals that mean LFPR in rural area is higher than that in urban area during the post-pandemic period. It is statistically significant at 1per cent level of significance.

It appears from our study that urban unemployment rate is higher than rural unemployment rate during both pre- and post-pandemic period. This result is supported by the LFPR when it is seen that mean rural LFPR is higher than mean urban LFPR, also being statistically significant, as can be found from Tables 3 and 4.

MEASURES ADOPTED TO CHECK UNEMPLOYMENT RATE

Pre-Covid Period

1. *Mahatma Gandhi National Rural Employment Guarantee Scheme:* Indian Government launched the national anti-poverty programme in 2005. This programme was later renamed as Mahatma Gandhi Rural Employment Guarantee Scheme. It is mainly directed towards poor adult who are unskilled workers and who do not have any job.

2. *Prime Minister's Employment Generation Programme*: This scheme has been launched in September 2008 for providing financial assistance in the form of subsidy given in respect of bank loan taken by non-farm sector for setting up new micro enterprises with an ultimate aim to generate sustainable employment opportunities.

3. Pradhan Mantri Mudra Yojana: The scheme has been announced on April 8, 2015 to enable would-be entrepreneurs with a highest credit facility up to ₹10 lack in the non-farm sectors without collaterals and without any processing charge. But there are other categories of loans ranging from₹50 thousand to ₹5 lakh, specially the lower one of the two being more in contention by the lending banks for a probability of lower default.

Post-Covid Period

1. *Atmanirbhar Bharat Abhiyaan*: It is a special economic package announced on May 12,

2020 to make India self-reliant by providing financial support mainly to labourers, poor and migrant labourers who have been harshly hit by the Covid-19 pandemic.

2. *Prime Minister Street Vendor's Atmanirbhar Nidhi*: This scheme was introduced by the Indian Government on June 01, 2020 for providing collateral free working capital loan up to ₹10,000 to street vendors for one-year tenure.

3. *Garib Kalyan Rojgar Abhiyaan:* This is a rural public works scheme announced on June 20, 2020 with an aim to give employment to 6,70,000 migrant workers for 125 days who have lost their jobs during the Covid-19 pandemic and have gone back to their original rural home.

4. *Aatmanirbhar Bharat Rozgar Yojana*: This is a scheme announced by the Government of India on November 12, 2020 to incentivise those employees who are registered with EPFO for creating new employment and re-employment of those, who were in the low wage bracket and facing job loss in the Covid-19 pandemic.

Besides these there are some incentives provided under the Income Tax Act,1961 vide sections 10 (12C), 80CCH, 80-IAC, 80JJAA and 43B which aim to improve the employment scenario in India.

CONCLUSION

The problem of unemployment in India is an age-old issue. Our study reveals that Covid-19 pandemic has aggravated this problem tremendously. It is found that during the first phase of lockdown the unemployment rate in India jumped to 24.95 in April, 2020, the highest ever rate since independence. Our study also shows that urban unemployment rate is higher than the rural rate, both during pre- and post-pandemic period. It is supported by the fact that labour force participation rate in the rural area is higher than that in urban area both during the pre- and post- pandemic period. India has thus failed to keep pace with the growing workforce mainly because of lack of vocational skills, low educational level, more use of capital-intensive technologies and also due to low labour productivity and inadequate modern infrastructure in the agricultural sector. The Government should take certain strong economic measures along with implementation of skill development programmes through reforms in the education system. The Government has high hope with the newly declared National Education Policy, 2020. MA

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6R COST REDUCTION STRATEGY – A SUCCESS STORY OF BHEL (HYDERABAD)

Abstract

Embark on a captivating exploration of the challenges encountered by BHEL—a case study of it's one of the major unit - Heavy Power Equipment Plant in Hyderabad that unfolds the narrative of overcoming a historic downturn in order book and revenues. This journey showcases the successful implementation of the robust "Strategy-6R" cost reduction approach, with the Finance function playing a pivotal role, achieving an impressive 46% reduction in expenses over five years through meticulous analysis and collaborative efforts across departments. The article underscores the crucial support from top management and illuminates the profound impact of sustainable practices, strategically positioning BHEL for enduring long-term success.

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INTRODUCTION OF THE ORGANIZATION

Bharat Heavy Electricals Limited (BHEL) is a listed Maharatna Public Sector Undertaking of the Government of India. It is the largest engineering enterprise of its kind in India catering to the needs of core sectors like power, transmission, transportation (including railways), defence, telecommunications and various industries like petrochemicals, refineries, steel, cement, fertilizers etc. It has17 manufacturing plants, 8 service centres and 4 power sector Regional Centres besides a large number of Regional Offices and project sites spread over India. BHEL's operations are spread along three business sectors namely, power, industry and international operations.

Over the past 7 years, the company has maintained average revenue of approximately Rs 24,440 crores, boasting a workforce of around 30,000 dedicated direct employees. This case study, however, delves into the specifics of one of the company's major units—the Heavy Power Equipment Plant (HPEP Unit) situated in RC Puram, Hyderabad. This profit-centric unit has contributed significantly, generating average revenue of Rs 1925 Crores over the same period, while employing approximately 2,875 direct employees. The HPEP unit specializes in the design, manufacture, and supply of an extensive range of power equipment, including steam turbines, gas turbines, generators, heat exchangers, pulverisers, pumps, oil rigs, and various other auxiliaries tailored for power plants and diverse industry segments.

THE PROBLEM AND ITS GENESIS

BHEL is one of the organization in the forefront of Nation Building widely contributing to the power and other infrastructure development of India with proven track record of operations more than 67 Years and profit for more than 65 Years. The journey has been very challenging, it faced many challenges including recessions, wars, financial sanctions, technical sanctions, liberalisation, globalisation, privatisation and cut-throat competition from collaborators. However, the company relied on prudent managerial practices like revenue budgeting, broad objectives, strategic plans and contingent action plans to emerge successful.

BHEL experienced its prime years during FY 2009-10, 2010-11, and 2011-12, witnessing remarkable milestones with revenues surpassing Rs. 50,000 Crores and a market capitalization exceeding Rs. 1,50,000 Crores. This prosperous period coincided with a positive market sentiment, particularly in the power sector, which was anticipated to sustain double-digit growth for an extended duration. In response to these optimistic market expectations, the company strategically increased its installed capacity from 7500 MW to 20000 MW through substantial capital expenditure, augmented manpower, and the integration of advanced technologies.

However, the trajectory shifted due to specific Government policies and the country's environmental commitments, leading to an abrupt downturn in the company's order book and revenues. The revenues contracted to approximately Rs. 25,500 Crores by FY 2015-16, marking a historic first-ever loss of about Rs. 700 Crores.

The present case study is one such event where the company could revive itself from becoming sick and obsolete, by adopting cost reduction strategies in a systematic and scientific way, exhibiting its resilience.

UNDERSTANDING THE PROBLEM AND ITS SOLUTION

As the anticipated market conditions indicated a worsening trajectory in the future, the company found itself with no alternative but to devise an urgent and revolutionary comeback strategy.

In response, a comprehensive company-wide approach, aptly named R-S-T (Revive Strive, and Thrive), was formulated.

As the sole benchmark of a business's performance is profitability, it became imperative to swiftly return to a profitable trajectory. The initial strategy in achieving this centered around cost reduction. A meticulous examination of the cost structure pertaining to the company's products revealed key areas demanding prioritized efforts including cost reduction

- Sale price margins
- Material cost
- Employee cost and
- Expenses of manufacturing, administrative, selling and distribution

DIVIDING THE PROBLEM AND FIXING RESPONSIBILITY

Brainstorming sessions were systematically conducted through top-down, bottom-up, inter-departmental, and inter-unit approaches, engaging all stakeholders. Subsequently, a comprehensive responsibility matrix was established to delineate roles and accountabilities.

Sl. No.	Element of Cost	Primary Responsibility	Secondary Responsibility
1	Sale price	Marketing groups	Engineering Departments
2	Material cost	Engineering Departments	Purchases, Productions and Finance
3	Employee cost	Human Resource	User Departments and Finance
4	Expenses of manufacturing, administrative, selling & distribution	Finance Department	User Departments

The Finance Department was entrusted with the crucial responsibility of trimming expenses across manufacturing, administrative, selling, and distribution domains, all the while upholding unwavering standards in operations and quality.

ROLE OF FINANCE MANAGERS IN COST REDUCTION

The Finance Manger being the custodian of total financial information and revenue budgets was well suited to exercise control over costs and make prudent cost reduction strategies. In shouldering the crucial responsibility of cost reduction, the Finance Department played a pivotal role in identifying areas of expenditure, analysing financial data, and formulating strategies to optimize resource allocation. With meticulous budgetary control, the financial managers adeptly identified cost-saving opportunities, streamlined processes, and ensured the efficient utilization of resources.

Upon investigation, it became apparent that these 'Other Expenses' were influenced by underlying assets, facilities, and social infrastructure. Collaborating with top management and other departments, a comprehensive cost reduction strategy, termed Strategy-6R, was meticulously devised and finalized.

Sl. No.	Strategy	Action Plan involved in this strategy
1	Retirement	Expense elimination through asset/facility retirement
2	Retrenchment	Downsizing unnecessary expenses associated with unproductive assets/ facilities

3	Replication	Review of contracts, negotiations
4	Renewal	New alternatives
5	Redeployment	Optimization of the use of existing resources, Streamlined processes, technology utilization
6	Recombination	Consolidation of facilities, centralized facility

IDENTIFICATION OF COST ELEMENTS AND APPLICABLE STRATEGY

The primary categories of expenses and implemented cost-cutting strategies are as follows.

Head	Strategy adopted	Steps taken
Selling expenses (freight expenses)	Retrenchment, recombination	1. Explored shipping consolidation Opportunities. 2. More competitive transport supplier 3. Entered with All India Rate Contracts
Expenditure on sub-contracts (Outsourcing of labour activities)	Retirement, retrenchment, recombination	1. Combination of activities to get competitive rates. 2. Reduction of 200 contract workers. 3. Reduced number of days of operation from 302 to bare minimum level of operations for ESI benefits
Repairs & Maintenance (P&M, buildings, electricals)	Retirement retrenchment redeployment	1. Condemnation of unviable machines 2. Minimum maintenance 3. Strict budgetary control 4. Deployment of regular employees in Maintenance Department in-place of outsourcing 5. Skill development in maintaining equipment like sewerage treatment plants, ACs, electrical motors etc..
Payment to Security Agencies (CISF and Homewards)	Retirement, retrenchment	1. Taken up with Ministry through Corporate HR for reduction of CISF staff /removal of CISF in the unit and replacing the same with DGR. 2. Closing of unwanted entry/exit gates 3. Construction of compound wall 4. Fixing of CCTV systems
Travelling &conveyance expenses	Replication, renewal	1. Centralised facility for tour arrangements 2. Alternatives modes of communication like emails, VCs etc
Insurance	Recombination	1. Centralised insurance contracts. 2. More competitive Insurance cost
Rent	Retirement	1. Shut down Delhi guest House
Legal, Audit & Certifications	Recombination	1. All India level empanelment of Professionals for various services.
Office Expenses	Retrenchment, Redeployment	1. Paperless office
EDP, Software & Lease Line Etc.	Retrenchment	1. Explored consolidation opportunities in IT contracts. 2. More competitive Supplier
Bank Charges	Replication	1. Working capital management 2. Reduction in LCs & BGs
Skill Development Exp (Stipend)	Retrenchment	1. Reduced number trainees to bare minimum level of statutory requirement 2. Put-up claims from Government agencies for subsidy as per schemes.
Publicity & public relations	Renewal, recombination	1. 100 per cent procurement through online modes

Training & Seminars	Renewal, recombination	1. In-house training 2. Online training programmes
Other Operational/ Sundry Expenses	Retrenchment, redeployment	1. Strict budgetary control 2. Fixing of sanctioning powers 3. Reduction in meetings and celebrations 4. Reduction of Subsidies
Water Charges	Replication	1. Review of contracts and re-negotiation of Rates with Municipal authorities 2. Reduction in minimum contracted quantities 3. Development of Alternate Water Resources
Power &fuel	Renewal	1. Solar plant, 2. LED lights to reduce energy consumption 3. Automation of street lighting

In addition to the aforementioned initiatives, rigorous budgetary control, continuous evaluation of production processes, and meticulous expense monitoring were implemented throughout the year to optimize costs across manufacturing, administrative, selling, and distribution expenses.

CONSEQUENCE OF THE STRATEGY

As a result of implementing the cost reduction strategy, several notable consequences have emerged. Primarily, there has been a marked improvement in the overall financial health, with reduced expenditures contributing to increased profitability. Additionally, operational efficiency has been enhanced as streamlined processes and resource optimization have become integral to day-to-day activities. While cost reduction measures have necessitated careful scrutiny of expenses, the organization has successfully maintained, if not improved, the quality of products/services and customer satisfaction. The long-term consequence is a more resilient and agile financial framework, positioning the company for sustained success in a dynamic market environment.

The influence of cost reduction strategy on expenditures is evident in the historical expense trends, as illustrated in the table below.

(Figures are in Lakhs)

Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Selling expenses	2196	899	955	1649	1532	2087
Expenditure on sub-contracts	5071	5368	4682	4498	3788	2890
Repairs and maintenance	2515	2440	2515	1885	1283	1416
Payment to security agencies	2736	2649	3126	3301	2848	1825
Travelling and conveyance exp.	1371	1191	1056	865	332	466
Insurance	729	681	164	78	145	150
Exp. on collaborations and royalty	384	430	906	686	321	159
Rent	53	46	46	43	0	0
Legal, audit and certifications	3833	218	237	213	231	131
Office expenses	567	331	452	419	310	249
EDP, software & lease line etc.	974	1000	1122	911	1045	1034
Bank charges	458	480	371	66	150	71
Skill development exp (stipend)	615	464	428	240	-2	76

Publicity andpublic relations	120	108	73	13	4	8
Expenditure on physical export	110	12	65	35	37	19
Environmental protection	77	22	66	59	72	71
Training andseminars	40	31	36	22	2	9
Other operational expenses	121	94	58	167	137	52
Water charges	3082	2918	2863	1481	163	827
Total	**25052**	**19382**	**19219**	**16630**	**12396**	**11541**
Percentage of Decrease - Year on Year		**-23**	**-1**	**-13**	**-25**	**-7**

As illustrated above, expenditures have steadily decreased from 250 Crs. to 115 Crs. and have been consistently maintained at this level over the recent years. This signifies a lasting reduction in costs, ultimately supporting increased profitability.

TOP MANAGEMENT SUPPORT AND CO-OPERATION OF DEPARTMENTS

In this comprehensive undertaking, the steady support from top management was truly remarkable. They implanted a culture of accountability, empowering employees at every level to actively participate in cost-saving initiatives. Prioritizing resource allocation, embracing technological investments, and encouraging open communication, top management seamlessly integrated cost reduction measures. With strategic vision and decisive leadership, they played a pivotal role in guiding the organization toward financial resilience and sustained success.

The cost reduction strategies were communicated clearly with the intended purpose for top management and all the Departments supported the initiative.

SUSTAINABILITY

Implementing cost reduction strategies not only impacts immediate financial health but also holds profound implications for sustainability. By scrutinizing and optimizing processes, an organization inherently lessens its environmental footprint. Reduced resource consumption and waste contribute to ecological preservation. Moreover, cost-effective practices often align with sustainable alternatives, fostering environmental responsibility. Financial stability resulting from cost reduction positions the organization for long-term success, ensuring ongoing contributions to societal and environmental well-being. In essence, the consequences of a well-executed cost reduction strategy extend beyond financial gains, actively promoting sustainability and corporate responsibility.

Implementing cost reduction strategies not only impacts immediate financial health but also holds profound implications for sustainability

In view of the constrains in the improvement of top line and operating margins the only way forward was reduction in the middle line to revive the organization.

CONCLUSION

In conclusion, this comprehensive case study on BHEL sheds light on the organization's journey through challenges and triumphs, focusing on the Heavy Power Equipment Plant (HPEP Unit) in Hyderabad. Facing a downturn in orders and revenues, the company strategically implemented the **R-S-T (Revive, Strive, and Thrive)** approach, emphasizing cost reduction as a pivotal element. The Finance department played a crucial role in this endeavour, implementing Strategy-6R to cut costs systematically. The consequence of these efforts is evident in the significant reduction of expenses up to 46 percent in a period of 5 Years, showcasing a resilient financial framework. Top management's unwavering support and the integration of sustainable practices further enhance the organization's prospects for long-term success. MA

A STUDY ON THE FACTORS INFLUENCING ELECTRIC VEHICLE (EV) ADOPTION: A CASE STUDY OF CONSUMER BEHAVIOR IN LUCKNOW CITY

Abstract

This research delves into the factors that influence the adoption of electric vehicles (EVs) by consumers in Lucknow, India, against the backdrop of pressing environmental concerns and the need for sustainable mobility. India's burgeoning automotive industry contributes significantly to greenhouse gas emissions, making the transition to eco-friendly transportation essential. Electric vehicles, especially battery-powered EVs (BEVs), present a promising alternative.

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INTRODUCTION

This introduction explores the myriad factors influencing electric vehicle adoption in India, providing a comprehensive overview of the dynamic landscape in which the transformation is taking place. From Government incentives and infrastructure development to consumer perceptions and economic considerations, a multitude of factors interplay to steer the trajectory of EVs in India, making it a compelling subject of study and discussion.

Electric vehicles (EVs) are a viable alternative to conventional vehicles due to the growing demand for sustainable transportation. EVs are divided into three kinds by energy source and driving mechanism. Plug-in hybrid EVs (PHEVs) feature a bigger battery and a smaller engine than battery-powered EVs (BEVs).

Since they emit no pollutants, battery electric vehicles (BEVs) are the most ecologically beneficial electric transportation choice. On the other hand, hybrid electric vehicles (HEVs) are practical since they can easily switch between fuel and electric motors. Multiple studies have shown that electric vehicles (EVs) perform better environmentally than conventional cars *(Dhar et al., 2015; Jansson, 2017; Shalender and Yadav, 2018).*

Governments and experts worldwide are promoting EVs. India gives capital subsidies, road tax exemptions, and registration cost reductions to promote EVs. Extra state-specific regulations promote EV utilization. To promote EVs, Indian Finance Minister Nirmala Sitharaman included tax incentives and excise charges in her February 2023 budget. Green economies need EVs. They are crucial to fighting climate change and air pollution globally and improving the environment.

Review of literature

The study conducted by *Trivedi and Kishore (2020)* revealed that purchase intentions are influenced by brand attributes and brand enthusiasm. This suggests that the choices of customers to embrace electric automobiles might be influenced by social factors and brand image.

The provision of after-sales services: There is a dearth of academic study on the significance of after-sales services in the adoption of electric vehicles (EVs), with some studies suggesting that it may not have statistical significance *(Javanmardi et al.*, 2023). Additional research is warranted to comprehensively comprehend the influence of after-sales services on adoption, particularly with regard to their quality and accessibility.

The economic advantages: The introduction of electric vehicles (EVs) has continuously been associated with substantial economic advantages. The promotion of electric cars is expected to persistently rely on economic advantages as a primary motivator.

The topic of discussion pertains to the physical attributes or characteristics of an individual. Research conducted by *Zhengwei Xia et al. (2022)* has shed light on the potential impact of elements such as the visual aesthetics of electric vehicles (EVs) on their adoption rates.

RESEARCH METHODOLOGY

Research Approach: Employing a quantitative research methodology, this study aims to analyze data obtained from a survey conducted among a sample of 200 clients residing in Lucknow.

Research Type: The present study adopts an exploratory and descriptive research approach with the objective of elucidating the many elements that exert effect on the adoption of electric vehicles (EVs). The research objectives of this study are as follows: The primary aim of this study is to ascertain the primary determinants that have an impact on the adoption of electric vehicles among customers in Lucknow, India. The process of gathering and recording information for research purposes.

Selection: A purposive selection strategy was used to pick a random sample of 200 consumers in Lucknow who had knowledge about electric cars and its technology. The main data was collected from this sample. Data has been gathered via the use of structured questionnaires, whereby the questions have been organized into sets of five. Each set has three distinct questions. The consumers' responses have been measured using a Likert scale ranging from 1 to 5, where 1 indicates full disagreement and 2 indicates disagreement. The rating scale used in this study ranges from 3 to 5, with 3 indicating a neutral response, 4 indicating agreement, and 5 indicating perfect agreement.

Pilot Testing: Conduct a preliminary assessment of the questionnaire by administering it to a limited sample size in order to ascertain its clarity and validity. Approximately 30 questionnaires were issued, and their analysis was conducted to identify any necessary modifications to the final questionnaire. The factors that exert influence on electric vehicles may be categorized as follows: Environmental Concern (EC), Social Influence (SI), Performance (P), After Sales Service (AFS), Economic Benefit (EB), and Physical Appearance (PA). on the basis of that this study proposed a mathematical model which is based on multiple regression

$$\text{Perceived Adoption} = \beta_0 + \beta_1 \cdot X_1 + \beta_2 \cdot X_2 + \beta_3 \cdot X_3 + \beta_4 \cdot X_4 + \beta_5 \cdot X_5 + \beta_6 \cdot X_6 + \varepsilon (2)$$

Where: Perceived Adoption is your dependent variable.

$\beta_0, \beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$ are the regression coefficients for each independent variable. $X_1, X_2, X_3, X_4, X_5, X_6$ represent your independent variables,

where:

X_1 corresponds to "Environmental Concern"

X_2 corresponds to "Social Influence"

X_3 corresponds to "Performance"

X_4 corresponds to "After – Sales Services"

X_5 corresponds to "Economic Benefits"

X_6 corresponds to "Physical Appearance"

RESULT AND DISCUSSION

TABLE 1:

MULTIPLE REGRESSION OUTPUT USING R STUDIO AS A RESEARCH TOOL

	Estimate	Std. Error	t value	Pr(> |t|)
(Intercept)	27.1338	14.2062	1.910	0.05754

Table 1: Regression output using R Studio as a research tool

	Estimate	Std. Error	t value	Pr(> |t|)
(Intercept)	27.1338	14.2062	1.910	0.05754
EC	12.8424	3.3242	3.863	0.00015
SI	-7.6682	3.9458	-1.943	0.05335
P	8.1359	4.0255	2.021	0.04458
AFS	2.9140	3.9548	0.737	0.46208
EB	11.0571	4.1647	2.655	0.00856
PA	0.6205	3.7534	0.165	0.86886

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 53.02 on 203 degrees of freedom
Multiple R-squared: 0.2605, Adjusted R-squared: 0.2386
F-statistic: 11.92 on 6 and 203 DF, p-value: 1.9e-11

Source: R Studio output

Null Hypothesis

(H0): Factors such as physical appearance (PA), economic benefit (EB), social influence (SI), after-sales service (AFS), performance (P), and environmental concern (EC) do not appear to have a significant impact on the adoption of electric vehicles (EVs). However, economic benefit (EB) has a positive influence on EV adoption. Social influence (SI) does have a statistically significant but relatively minor adverse effect on the adoption of EVs. Performance (P) has a noteworthy and favourable impact on the rate of EV adoption.

The influence of after-sales service (AFS) on the adoption of EVs is not statistically significant. Economic benefit (EB) significantly affects the adoption of EVs, favourably.

Physical appearance (PA) does not demonstrate a statistically significant influence on the adoption of EVs. Additionally, the multiple regression analysis provided the following statistical results: The coefficient of determination, represented as multiple R-squared, is 0.2605, indicating that the model explains approximately 26.05 percent of the variance. The Adjusted R-squared value, which takes into account the number of predictors in the model, is 0.2386.

The F-statistic has a value of 11.92 and a remarkably low p-value (1.9e-11), indicating the overall statistical significance of the regression model. The subsequent examination of the gathered data can be used to interpret the results in the context of the initial hypothesis. Specifically, the coefficient for economic benefit (EB) displays a statistically significant positive association ($p < 0.01$), implying that the adoption of electric vehicles is positively influenced by economic benefits. This finding challenges the null hypothesis and underscores the substantial impact of economic benefits on electric vehicle (EV) adoption.

Regarding social influence (SI), the coefficient is slightly and marginally negative ($p = 0.05335$), suggesting a negative relationship. However, the statistical significance is not very strong, indicating that social influence may have a negative impact on EV adoption, but the evidence is not highly significant.

In the case of performance (P), the coefficient is significantly positive ($p < 0.05$), indicating a positive impact on electric vehicle adoption. This result also contradicts the null hypothesis and underscores the influential role of performance in the adoption of EVs.

When it comes to after-sales service (AFS), the coefficient is not statistically significant ($p = 0.46208$), implying that after-sales service does not have a significant impact on electric vehicle adoption.

Likewise, for physical appearance (PA), the coefficient is not statistically significant ($p = 0.86886$), indicating that physical appearance does not significantly affect electric vehicle adoption.

In summary, the regression analysis provides evidence against the null hypothesis. It suggests that economic benefit and performance are significant factors positively influencing the adoption of electric vehicles, while social influence has a slightly significant negative influence. After-sales service, physical appearance, and environmental concern did not show significant impacts in this analysis.

CHALLENGES IN ADOPTING EV IN INDIA

1. **Government Policies and Incentives:** The success of EV adoption depends on supportive Government policies, including tax incentives, subsidies, and regulations. These need to be stable and consistent to encourage investment and consumer adoption.
2. **Charging Standards:** The absence of uniform charging standards can be confusing for consumers and slow down infrastructure development. Establishing a nationwide standard is essential for interoperability and convenience.
3. **Environmental Impact:** While EVs themselves produce zero emissions, the environmental impact of battery production and disposal needs to be addressed. Recycling and sustainable battery manufacturing are critical.
4. **Vehicle Options:** The availability of a variety of EV models in different segments is essential to cater to diverse consumer preferences and needs. Expanding the range of EV options will encourage adoption.
5. **Resale Value:** Concerns about the resale value of EVs, given the potential for battery replacement costs, can deter buyers. Clear policies and incentives for battery recycling and replacement are needed.

GOVERNMENT INITIATIVES AND POLICY SUPPORT

Environmental Concerns

India faces severe environmental challenges due to air pollution and increasing greenhouse gas emissions. Shifting to EVs can significantly reduce pollution and dependence on fossil fuels, leading to cleaner air and a healthier environment. This environmental imperative is driving the adoption of electric vehicles.

Falling Battery Costs

The trend is expected to continue, making EVs more cost-competitive with traditional internal combustion engine (ICE) vehicles. As battery prices decrease, the upfront cost of EVs will come down, making them more accessible to a wider range of consumers.

Improving Infrastructure

Private and public entities are investing in building charging stations across cities and highways. This infrastructure expansion is addressing concerns about range anxiety, making EVs more convenient for consumers.

Local Manufacturing

Several global automakers are setting up manufacturing facilities in India to produce electric vehicles. This not only helps in reducing the cost of EVs but also promotes "Make in India" and creates employment opportunities.

Consumer Awareness and Acceptance

The convenience and lower operating costs of EVs, including lower maintenance expenses and reduced fuel costs, are appealing to cost-conscious consumers.

SUMMARY

The study shows that several variables influence EV adoption. Some factors are more influential than others.

Economic advantages promote EV adoption, emphasizing the relevance of financial incentives and cost savings for purchasers. Efficiency and reliability are crucial to EV adoption, since vehicle performance affects acceptance. Social impact adversely affects adoption, although it is not statistically significant.

Consumers' EV adoption decisions are unaffected by after-sales services, appearance, and environmental concerns. These results contradict the null hypothesis by showing that certain variables strongly impact adoption while others hardly do.

These findings are crucial for Indian authorities and manufacturers seeking sustainable transportation and emission reduction. To boost EV adoption, efforts should focus on economic advantage and performance. MA

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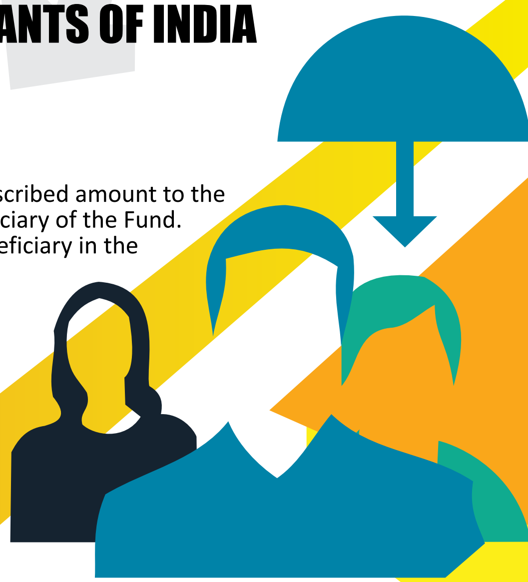
Benevolent Fund

FOR THE MEMBERS OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

CMA Bhawan, 12 Sudder Street, Kolkata - 700016



OBJECTIVE

The Fund has been created to provide outright grant of prescribed amount to the member in the event of critical illness of a member / beneficiary of the Fund. It is also for outright grant of prescribed amount to the beneficiary in the event of death of a member of the Fund.

LIFE MEMBERSHIP FEE

Onetime payment of ₹7500/-

BENEFITS

- ***Income Tax Benefit under section 80G***
- ***Outright grant not exceeding ₹3,00,000.00/- in each case to the beneficiary in the event of death of the member.***
- ***Outright grant not exceeding ₹1,50,000.00/- in each case to the member and beneficiary for critical illness duly certified by the doctor under whom the treatment is continuing.***

Coverage of Critical Illness, leading to hospitalization, may cover the following -

- Cancer / Malignancy
- Coronary Artery Bypass Graft Surgery
- Stroke / Cerebral Attack / Paralysis
- Heart Valve Replacement Surgery
- Myocardial Infarction (heart attack) / Heart Failure / Pace Maker Surgery / Kidney Dialysis(CKD)/ Renal Failure
- Major Organ Transplant
- Hemophilia
- Thalassaemia
- Neurological Diseases
- Flue Blown acquired Immune Deficiency Syndrome
- Multiple sclerosis
- Tuberculosis / Bronchopneumonia/ Pleurisy
- Permanent disablement
- Any other disease that may be considered by the Board of Trustees to be critical in nature.

To apply for life membership or for further details please visit
https://eicmai.in/External/Home.aspx#

Down The Memory Lane

December, 2013

Release of the Knowledge Study Series by joint collaboration of the Institute and Assocham at SMEs Excellence Award 2013 held on December 06, 2013 in New Delhi. Among the dignitaries on the dais present were Shri K.H. Muniyappa, Hon'ble Minister of State (I/C) for MSME, Govt. of India; CMA S.C. Mohanty, President of Institute; Shri P.K. Jain, Chairman, National Council for SMEs, Assocham; Shri N.K. Maini, Deputy Managing Director, Small Industries Development Bank of India; Shri Manguirish Pai Raiker, Co-Chairman, National Council for SMEs, Assocham and other eminent dignitaries.

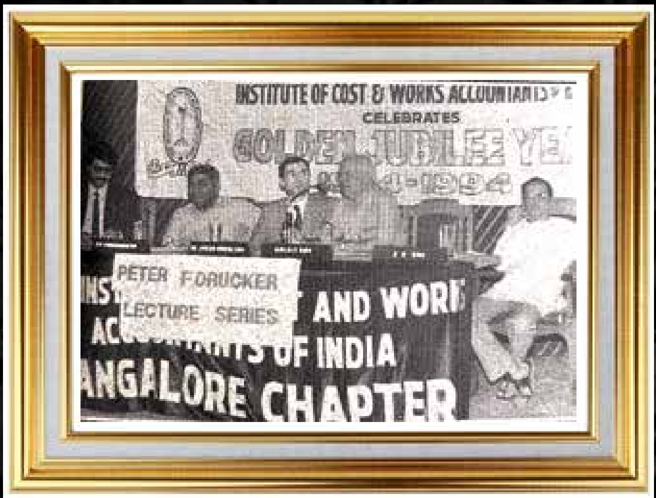
CMA Kaushik Banerjee, Secretary (Acting) and CMA R.N. Pal, Sr. Director (Studies) of the Institute welcoming Prof. E. Balagurusamy, former Vice Chancellor, Anna University, Chennai and former member, Union Public Service Commission, New Delhi and of Planning Commission, Tamil Nadu during his visit to the Institute.

December, 2003

Bhaskar Shelke, Director, Sugar (Finance), Maharashtra State inaugurates the Seminar on Cost Audit in Cooperative Sugar Factories in Pune. Also seen from Left: Dr. K.L. Jaisingh, President; Dhananjay Joshi, CCM; P.V. Bhattad, Vice Chairman, WIRC; N.M. Wechalekar, Chairman, Pune Chapter.

Down The Memory Lane

December, 1993



Peter Drucker Lecture Series: Sitting from left to right on the dais are S. Ramesh, Secretary; H. R. Subramanya, Chairman, PDC, Joerg Nuebling, Chief Guest, Balaji Rao, Chairman; S.R. Rao, Past Chairman.

December, 1983

Practising Cost Accountants' Meet at Tirupathi: Shri S. Ramanathan, Member, Central Council; Shri P.A.P. Murthy, Vice-Chairman, S.I.R.C.; Shri M. Gajarajan, Chairman, S.I.R.C., addressing the meeting; Shri A.V.S. Rao, Member, Central Council; Shri V. Kalyanaraman, Member, Central Council.

The Madurai Chapter conducted a one-day Seminar on "Profit Improvement Plan for Small Scale Sector" on 11-12-83, Shri M. Kalyanasundaram, Chief Regional Manager, State Bank of India delivering Valedictory address.

December, 1973

Shri S.V. Rajan inaugurates the Seminar. Sitting (from left): Shri R. S. Shah and Shri B.L. Tholiya, Central Council Members, Shri V. Srinivasan, Chairman and Shri V.V. Subrahmanyam, Secretary of the Chapter respectively.

Source:
Extracted from the various issues of The Management Accountant Journal

EASTERN INDIA REGIONAL COUNCIL

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA SERAMPORE HOOGHLY CHAPTER

A programme titled "Roadmap to Success in Career During Challenging Times" was organized by the Chapter at Serampore on 14th October, 2023. The guest speakers on this occasion were CMA Madhura Dasgupta (Asst. Manager, Deloitte India) and Mrs. Mousumi Dasgupta, LLB.

CMA Chittaranjan Chattopadhyay, Council Member of the Institute delivered a motivational lecture on the above wherein he requested the students for seriousness in studying CMA course. He highlighted the need for attending oral coaching classes regularly and advised students to interact with the faculties in the classroom. CMA Madhura Dasgupta had a live session with the students during her one hour long deliberation. She discussed in detail the obstacles that might arise during the studies and elaborated the methods to overcome those barriers. Mrs. Mousumi Dasgupta advised the students to have courage and self reliance for coming out successful on any programme like the CMA course. CMA Bibhas Saha, Chairman, CMA Samar Kanti Ghosh, Vice-Chairman and CMA Ashis Banerjee, Past Chairman also spoke on this occasion.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA BHUBANESWAR CHAPTER

Pre-Placement Orientation Programme: On Day-9 of the 12 day Pre-Placement Orientation Programme "Mock Interview" was conducted. The panelists were CMA Ramaballav Misra, Former Director (Finance), GRIDCO Ltd & Former CMD , Heavy Engineering Corporation Ltd. CMA Netra Mohan Swain, Former G.M. (Fin) and Eastern Region Head , NTPC Ltd. and Shri Rajanikanta Panda, Former DGM (HR), GRIDCO Ltd. On day 10, CMA Shiba Prasad Padhi, Practicing Cost Accountant, Bhubaneswar guided the participants on " Indirect Tax Overview & e-filings" CMA Thomas Mathew, Managing Director & CEO, Odisha Capital Market &Enterprises Ltd. (Erstwhile Bhubaneswar Stock Exchange Ltd.) spoke on "Capital Market : An Overview". On the 11th Day CMA Avinash Kotni, Chairman, Career Counseling & Students Facilitation Committee of the Chapter and Dy. Manager (Finance), OPTCL delivered a detail lecture on "ESG". CMA Nihar Ranjan Parida , Member of ICMAI-Bhubaneswar Chapter and Manager (Credit), HDFC Bank Ltd. guided the participants on "Advanced MS Excel". On Day-12 (29.10.2023) the first Session-I was devoted to Cost Audit, Financial Audit, Internal Audit, Forensic Audit and System Audit, where at CMA Pramod Kumar Mohapatra, Practicing Cost Accountant, Bhubaneswar acted as the resource person. The second session was a Valedictory cum Certificate Distribution ceremony. CMA (CS) (Dr.) Suresh Chandra Mohanty, Past President, ICMAI, CMA Bibhuti Bhusan Nayak, Vice-President, ICMAI, CMA Uttam Kumar Nayak, Chairman, ICMAI-EIRC, CMA Damodar Mishra, Treasurer, ICMAI-EIRC, CMA Surya Narayan Tripathy, Chairman, ICMAI-Bhubaneswar Chapter and CMA Soumya Ranjan Jena, Treasurer , ICMAI-Bhubaneswar Chapter graced, addressed and blessed the young CMAs who qualified in June, 2023 examinations.

An Interview was conducted by NALCO at the Chapter on 04.11.2023 for engagement of CMA Intermediate qualified candidates as trainees under Internship for a period of one year. On behalf of the Chapter, CMA Umaballava Mohapatra, and Past Chairman and on behalf of NALCO, CMA Purnachandra Sekher Gummadi and CMA Madan Mohan Mishra, Finance Executives conducted the interview. Ten candidates attended the interview from which six were shortlisted for engagement as accounts trainees.

The Chapter conducted a condolence meeting on virtual mode on 07.11.2023 to pay last homage to the departed soul of CMA Kunal Banerjee, Past President, ICMAI, as a token of respect, honour, memory, in recognition of his contribution to the CMA Profession.

To commemorate the birth anniversary of Shri Jawaharlal Nehru First Prime Minister of India and cherish the innocence and joy of children, ICMAI-Bhubaneswar Chapter for the first time celebrated the Children's day at CMA Bhawan on 14. 11.23 in a grand way. This is the real time for reflecting on the importance of nurturing the younger generation and for engaging in activities to contribute to the holistic development of the nation. On the occasion CMA Surya Narayan Tripathy, Chairman of the Chapter and Career Counseling and Students Facilitation Committee and CMA Avinash Kotni and Treasurer, ICMAI-EIRC CMA Damodar Mishra addressed, blessed and inspired the students for their bright professional career.

The Chapter organized a workshop on "Endeavouring High Performance of Self & Others – The Steps" at CMA Bhawan on 19.11.2023 where at CMA Ajay Agarwal, an acclaimed HR Interventionist & Corporate Trainer, Kolkata was the resource person. CMA Damodar Mishra, Treasurer, ICMAI-EIRC was the guest of honour. CMA Surya Narayan Tripathy, Chairman of the Chapter delivered the welcome address while CMA Barada Prasan Nayak, Chairman, PD Committee delivered the keynote address and facilitated entire program. CMA Sarat Kumar Behera, Vice Chairman proposed a Vote of Thanks.

In deference to the instructions of the Ministry of Corporate Affairs and the instructions of, the head office of the Institute, employees working in Bhubaneswar Chapter celebrated the Constitution Day on 24th November, 2023 (Friday), as 26th November,2023 was Sunday. On the occasion, employees read out the preamble to the Constitution of India.

NORTHERN INDIA REGIONAL COUNCIL

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA JAIPUR CHAPTER

The Chapter organised Pre-Placement Orientation Program from 10th October, 2023 to 21st October, 2023 for students who qualified in CMA Final examination held in July 2023, in order to train them for ensuing campus placement. The program was inaugurated by chief guest, CMA Arun Garg, IAS, Executive Director, RIICO Ltd. The Guest of Honour was CMA Karan Singh Kumawat, Head (F&A), GA Infra Pvt. Ltd. In the inaugural address, Chief Guest and Guest of Honour shared their experiences of long professional life and observed that sincerity, discipline, hard work and dedication were the key to success in life. Chairman of the Chapter, CMA Harendra Kumar Pareek who earlier welcomed the guests and the gathering also motivated the budding CMAs to take full advantage of the opportunity provided to them. In the 12 days program, experienced faculties and dignitaries from various organisations delivered lectures on Interview Skill, Group Discussion, CV Writing, Communication & Presentation Skill & technical subjects like GST, Income Tax, Cost Audit, Insolvency & Bankruptcy Code, Valuation etc. More than 70 candidates participated in the training program which was attended by Secretary of the Chapter CMA (Dr.) Deepak Kumar Khandelwal, Treasurer CMA Deeptanshu Pareek, Executive Member CMA VertikaTadi and Director of Coaching CMA P.D. Agrawal. After completion of the 12 days programme, the valedictory session was held on 21st October, 2023. The chief guest was CMA S.P. Khandelwal, Vice - President, Triveni Engineering Industry Ltd. CMA Akshay Kabra, IRS, Asstt. Commissioner, Income Tax and CMA Rakesh Yadav, Vice-Chairman, NIRC were guests of honour. On this occasion, a Convocation Ceremony was also organised in which Certificates were distributed to 69 budding CMAs. The program was attended by Vice-Chairperson of the Chapter CMA Purnima Goyal, Secretary CMA (Dr.) Deepak Kumar Khandelwal, Treasurer CMA Deeptanshu Pareek, Executive Member CMA Vertika Tadi and Director of Coaching CMA P.D. Agrawal.

Valedictory session of the Pre-Placement Orientation Program was organised at Jaipur Chapter on 21 st October, 2023. Chief Guest of the Program was CMA S.P. Khandelwal, Vice - President, Triveni Engineering Industry Ltd. CMA Akshay Kabra, IRS, Asstt. Commissioner, Income Tax and CMA Rakesh Yadav, Vice-Chairman, NIRC were Guests of Honour.

The Chapter organised a 7 Days Industry Oriented Training program from 25th October, 2023 to 31st October, 2023 for students appearing in CMA Final examination to be held in December 2023. The program was inaugurated on 25th October, 2023. The chief guest was CMA (Dr.)

Ashok Kumar Jain, Past Chairman of Jaipur Chapter and the guest of honour was CMA Vimal Kumar Mishra, General Manager (Corporate Affairs), Mahindra World City. At the outset Chairman of the Chapter CMA Harendra Kumar Pareek welcomed the guests and participants. In their inaugural address the chief guest and guest of honour shared their experience and gave valuable tips for success in life. The program was attended by Secretary, CMA (Dr.) Deepak Kumar Khandelwal, Treasurer CMA Deeptanshu Pareek, Executive Member CMA VertikaTadi and Director of Coaching CMA P.D. Agrawal.

The Chapter organised a Seminar on 5th November, 2023 on the topic "GST Annual Return, GST Audit and Recent Changes in GST". Chief Guest of the seminar was Shri V.K. Jolly, President, Rajasthan Tax Consultants Association. Shri Ratan Goyal, Secretary, Rajasthan Tax Consultants Association was the guest of honour. Chairman of the Chapter CMA Harendra Kumar Pareek at the outset welcomed all the guests and participants. Key speaker, CMA Ayush Gupta explained in detail GST annual return, audit and recent changes in GST. He stated that annual return and audit report should be filed with accurate calculations well in time to avoid notice from the Department. The program was attended by Vice-Chairperson of the Chapter, CMA Purnima Goyal, Treasurer, CMA Deeptanshu Pareek, Executive Member CMA Sandeep Chouhan, CMA Govind Sharma and CMA VertikaTadi.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA REWARI CHAPTER

The Chapter organised a career awareness programme on November 3, 2023, at Jain Public School Rewari & Delhi Public School Rewari. CMA Harendra Kumar Pareek, Chairman Jaipur Chapter (Guest Speaker), CMA Mukesh Jain, Chairman Rewari Chapter, and CMA Pradeep Kumar, Secretary, Rewari Chapter, explained the career opportunities in different types of organizations. They also discussed the details of the dynamic CMA course and solved the different queries raised by students.

SOUTHERN INDIA REGIONAL COUNCIL

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA VISAKHAPATNAM CHAPTER

The Chapter organized a professional development meet on "Traits in General and Commercial Insurance Businesses" on 18.11.2023 at CMA Bhawan. Sri Jagatjavee Panigrahi, Deputy General Manager, Vizag Region, The New India Assurance Co. Ltd. was the key speaker. Chairman Visakhapatnam Chapter CMA P. B. Krishmachary, Vice Chairman CMA U. Lakshmana Rao, Secretary CMA Ramalinga Reddy G. Treasurer CMA M. Himabindu were also present. Members graced the occasion with their presence.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA COCHIN CHAPTER

Various career guidance programmes were organized on different colleges of Cochin on different dates of October and November 2023.

The Chapter, conducted an evening professional development propgramme under Profession Enrichment Series (PES) on the subject Insolvency and Bankruptcy Code on 20th October 2023 at the Chapter premises. CMA Sankar P Panicker, Past Chairman was the speaker. CMA Thomas T V, Chairman welcomed the gathering and CMA Arunkumar S, Chairman, PD Committee Cochin Chapter proposed Vote of Thanks.

The Chapter, conducted an evening professional development propgramme on the topic "ESG - BRSR- What to know, role and scope for CMAs" on 24th November 2023 at its premises. CMA Venkateswaran Ramakrishnan, DGM, SEBI handled the session. CMA Arunkumar S, Chairman, PD Committee welcomed the gathering and CMA Thomas T V, Chairman of the Chapter proposed vote of thanks.

Students Committee of Cochin Chapter on the world Students day organised an All India CMA Students webinar on AI & data Analytics on 15th October 2023 CMA Anish Shankar, Associate Manager, FSO Americas, Markets & BD at EY was the speaker. Around 200 students from across india participated.

The Chapter Celebrated the Constitution Day on 24th November, 2023. Chapter Staff, Faculty members and students, read out the Preamble to the Constitution of India.

The Chapter organised an Industry Oriented Training for final students (both Oral and Postal) from 6th October to 8th October, 2023.

In association with Securities and Exchange Board of India (SEBI) & Central Depository Services (I) Ltd (CDS) the Chapter organised an awarenss programme on the 'Role of Regulator and an overview of Securities Market' on 31st October 2023. Shri. Suraj Mohan, General Manager & Recovery Officer, SEBI Southern Regional Officer, Shri Shibunath T A, Asst. Vice President, CDSL Kerala Region, handled the sessions. CMA Rameshkumar M N, Faculty member welcomed the speaker and the gathering while CMA Nishanth Regunath, Faculty member proposed the Vote of Thanks at the conclusion.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA BENGALURU CHAPTER

A professional development programme on "Sensitization of companies regarding provision of Sec 90 of the Companies Act 2013, read with Companies (Significant Beneficial Owners), Rules 2018" was organized on 02.11.2023 at the Chapter premises. CMA Sanjay Sood, ICLS - Registrar of Companies Karnataka, CMA Devarajulu B, Chairman BCCA, CMA Abhijeet S Jain, Secretary BCCA, CMA Rajesh Devi Reddy, Treasurer & PD Chairman BCCA, CMA Girish K,

Treasurer SIRC, CMA Suresh R Gunjalli, CCM were the speakers at the programme.

A condolence meet on the demise of CMA Kunal Banerjee, former President of ICMAI followed by CMA Practitioners Meet "Discussion on issues and challenges under GST" was held at the Chapter premises on 09.11.2023.

A talk on "Insolvency and Bankruptcy Code, Milestone Achieved and Way Forward" was organised at the Chapter premises on 04.11.2023.While the guest of honour was Mr. G N Venkataraman, Former President of the Institute, Mr. G S Narasimha Prasad, Managing Director, IPA ICMAI, Mr. Manish Kr. Chaudhari, Chief General Manager, IBBI, Mr. Arjun Perikal Moderator, CA CMA (CS) Ravishankar Devarakonda were the speakers. CMA M V Sudarshan, CS Pooja Ojha and CA Ravindranath N were the panellists at the programme.

Kannada Rajyothsava Celebration was held at the Chapter premises on 01.11.2023.

The Cost Symposium 2023 "A Unique Residential Workshop on GST, Income Tax, and Costing & Impact of Emerging Technology on Management Accountancy" was organised at the Chapter premises on 13.10.2023. While Mr.K S Basavaraju, Adl.Com, GST, GOK was the Chief Guest Mr. M.Manikandan, Dy.Com of Income Tax, Salem was the Guest of Honour. The Presidential address was by CMA Ashwin G Dalwadi, President ICMAI. Others who spoke at the programme were: Sri V K Pandey, Executive Director, SAIL and CMA Mallikarjuna Gupta, CMA T C A Srinivasa Prasad, Council Member, ICMAI, Ms. Keerthi, Mission Catalyst, Mr. M Nagesh Babu, Confederation of Indian Industries, CMA M Gopalakrishnan, Former President, ICMAI, Mr. Sankarnarayanan Rangarajan, CMA (CA) B A Shankar, CMA Gopala Ramanan, CMA Devarajulu B, Chairman BCCA, CMA Abhijeet S Jain, Secretary BCCA, CMA Girish K, Treasurer SIRC, CMA Suresh R Gunjalli, Council Member, CMA Rajesh Devi Reddy, Treasurer, BCCA etc were the speakers of the programme.

Various Career Counselling programmes were organized by the Chapter at different colleges in Bengaluru during November 2023. CMA (Dr.) A. S. Gurudath, Vice Chairman of the chapter and CMA Abhijeet S Jain, Secretary and Chairman Coaching of the chapter were the speakers at these programmes.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA DINDIGUL CHAPTER

On 23/11/2023, an Awareness Programme about CMA Course was conducted by the Chapter for Plus Two students at Government Girls Higher Secondary School, Dindigul.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA COIMBATORE CHAPTER

The Chapter conducted a regional level conference for the CMA students on 7th October 2023 at Hindusthan College of Arts & Science, Coimbatore. Students from Bengaluru Cochin Trichy Chapters and many other Arts & Science colleges in and around Coimbatore participated in the event. CMA (Dr.) R. Maheswaran, Chairman, Coimbatore Chapter welcomed the gathering and introduced the theme of conference. Chief guest CMA Divya Abishek, Chairperson, SIRC and the guest of honour Dr.Ponnuswamy, Principal, Hindusthan College of Arts & Science, Coimbatore inaugurated the program by lighting the lamp, followed by a special address to the students. Eminent professionals across different disciplines took part as Judges to select the best participant of all the eight events like Paper presentation, Best Manager, Business Quiz etc. The Chapter created a platform through this event to showcase their capabilities and skill sets by leveraging their cross functional collaboration. CA K. Ravi, CFO, Roots Group of Companies distributed the prizes and mementos to the winners and also to the best performers

in CMA exams held during June & December, 2022.

The Chapter organised a professional development program on 18th October 2023, to give an update to the members about the new amendments to the Income Tax Act relating to inventory valuation in cost accounting practice. CA (Dr.) Gopal Krishna Raju, Practicing Chartered Accountant, Chennai was the chief guest and main speaker. Council Member CMA TCA Srinivasa Prasad was the guest of honour. Earlier Chapter Chairman CMA Dr. R. Maheswaran gave a warm welcome to the gathering. CMA Surendar Kumar. S, MC Member introduced the Speaker and guest of honour. CA (Dr.) Gopal Krishna Raju delivered an elaborate talk on the topic. The speaker highlighted aspects about inventory valuation report under clause (ii) of section142 (2A) of IT Act, 1961 and also the provisions of new Form 6C, which shall be certified by a Cost Accountant. The speaker reiterated the new rule and Form No. 6C effective from 16th of August 2023 with is going to bring great opportunity for Cost Accountants in practice. Members interacted with the speaker to exchange professional knowledge. Management Committee members, Fellow members and students numbering around 40 people participated. The program ended with vote of thanks by Chapter Secretary, CMA U. Surya Prakash followed by National Anthem.

For the benefit of CMA students, the Chapter organized a knowledge camp at Kothagiri, Nilgiris on 14th and 15th October, 2023. This two-day camp gave better opportunity for students to interact with each other on various aspects of socio-economic activities. Management Committee members, few other members and Office In charge of the Chapter accompanied the students and participated in the knowledge camp. Chairman of the Chapter, CMA (Dr.) R. Maheswaran delivered the welcome address and explained different methods of management models behind the conduct of a mega event like Cosma Fest 2023 conference organized on 07th October, 2023. Dr. T. S. Mohanraj, fitness trainer and health consultant was the special invitee to give a physical fitness coaching to the students on simple yoga, breathing exercises, laughter therapy and much more on life style management. About eighty students from Foundation, Inter &Final course participated in the camp and enjoyed the beauty of Nilgiris Mountain along with various interactive and practical sessions which would help in improving their health.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA HYDERABAD CHAPTER

The Chapter conducted an Industry-Oriented Training program for students preparing for the December 2023 examination, held from 6th to 12th October 2023, with sessions from 6.30 am to 9.30 am.

The Hyderabad Chapter organized a Pre-placement Orientation Programme from 11th to 21st October 2023 to assist recently qualified students from the June 2023 batch in preparing for their future careers. This program aims to enhance their knowledge and skills, aligning them with industry expectations in terms of systems, practices, and soft skills.

The chapter organized a practitioners' meet on "New Avenues in Practice and Challenges" on 15th October, 2023 and featured the presence of respected industry experts, including CMA (Dr.) K. Ch. A. V. S. N. Murthy, CMA TCA Srinivasa Prasad, M. Gopalakrishnan, CMA Vijay Kiran Agastya, and CMA KVN Lavanya.

The Chapter conducted a joint program in association with the Karimnagar Chapter on "Forensic Audit," on 21-10-2023 with CMA Guru Prasad as the distinguished speaker. He detailed the meaning of fraud & misappropriation of assets, reasons for committing occupational frauds across the continents, various types of flags giving clues or indicators, and fraud deterrence, among other topics.

The Hyderabad Chapter successfully conducted an online Professional Development program on "Provisions of Section 90 of the Companies Act, 2013, read with Companies (Significant Beneficial Owners) Rules, 2018" on October 28, 2023. Council Members, CMA (Dr.) K. Ch. A. V. S. N. Murthy and CMA Harshad Shamkant Deshpande, attended this program. CMA (CS) K. Chandrasekhar covered various topics, including the background for SBO compliances, global evolution and the Indian scenario, beneficial owner vs. SBO, SBO coverage & definitions, direct & indirect determination of SBO, declaration, registers and return, application to tribunal, illustrations, obligations of companies, penal provisions, exemptions, amendments dated October 27, 2023, and October 28, 2023, as well as professional opportunities.

WESTERN INDIA REGIONAL COUNCIL

The Western India Regional Council in association with ICMAI Bhilai Chapter organised the First Regional Tax Conclave on 26th November 2023 at the splendid auditorium at the Bhilai Niwas. Shri Anirban Dasgupta, Director In-Charge, Bhilai Steel Plant graced the occasion as the chief guest along with Dr. A.K. Panda, ED (F &A), Bhilai Steel Plant as guest of honour. CMA Chaitanya Mohrir, Chairman WIRC, CMA Arindam Goswami, Vice Chairman, WIRC & Convener, Tax Conclave, CMA Mihir Vyas, Hon. Secretary, WIRC, CMA D.N. Karan, Chairman, ICMAI Bhilai Chapter & Co-convener, Tax Conclave, CMA Neeraj D. Joshi, Council Member-ICMAI, CMA Prakash Kolkondi, Secretary ICMAI-Bhilai Chapter were on the dais for the Inaugural session. CMA Harshad S. Deshpande, Council Member-ICMAI, CMA Mahendra Bhombe, RCM-WIRC & CMA Vivek Bhalerao, RCM-WIRC, CMA Dibyendu Sarkhel, Jt. Secretary, ICMAI Bhilai Chapter, Managing Committee Members of the Bhilai Chapter was also present on the occasion. The plenary session was graced by CMA Amit Sarker, Director - Indirect Taxes, Deloitte Haskins & Sells along with CMA Neeraj D. Joshi, Council Member-ICMAI. The First Technical session was on "Litigation under GST for Input Tax Credit" where CMA Satish Tawania, Practising Cost Accountant, Shri M Rajeev, Superintendent, Customs, Central Excise, and Central GST Department, Raipur & CMA Rahul Chincholkar were the speakers. CMA Amit A. Apte, Past President ICMAI was the Chairman for the session. The second Technical session was on "Annual returns of GST" which was handled by CMA Deepak Joshi, Past Chairman, Nashik Chapter and CMA Vandit Trivedi, Consultant. The last session was on "Foreign Trade Policy and Inventory Valuation" and the speakers were CMA Amit Sarker, Director - Indirect Taxes, Deloitte Haskins & Sells, CMA Neeraj D. Joshi, Council Member-ICMAI and CMA Chaitanya Mohrir, Chairman WIRC. The Conclave was attended by more than 150 members, students and various representatives from Bhilai Steel Plant, NMDC, NECCO Group, Sarda Energy & Minerals Limited and from other companies of Chhattisgarh. The programme was also attended by media persons and the Seminar delved deep into various intricacies of taxation which was informative and interesting.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA AURANGABAD CHAPTER

The Chapter organized a CEP on 'GST on Real Estate Sector', on 18th November, 2023 at the Chapter premises. Practicing CMA Salman L. Pathan was the key speaker. CMA Babasaheb Shinde Secretary of the Aurangabad Chapter welcomed the members and introduced the speaker. CMA Suresh Pimple felicitated the speaker. CMA Salman Pathan explained in detail about the various important concepts of GST on real estate. During the session the speaker enlighted on the applicability of GST on real estate projects, residence real estate sector, leasing or renting of land and building, joint development agreement, co-operative housing society etc. CMA Babasaheb Shinde co-ordinated the programme and proposed the Vote of Thanks. Managing Committee Member CMA Kiran Kulkarni, Senior Member CMA Jayant Galande and CMA Adil Shaikh were among others who were present.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA NAGPUR CHAPTER

The Chapter held a workshop on "Forensic Audit" on 18th November, 2023 at its premises.The program commenced with traditional lighting of lamp and welcome address by the Chapter Chairman CMA P S Patil. CMA V V S Murty, the main speaker for the workshop elaborated how forensic audit is to be conducted keeping in view that the report along with the documents in evidence to be adduced shall be useful in court of law along with the Auditor who shall be the witness in evidencing to prove the crime. The speaker demonstrated his deliberations with various examples that he had come across earlier as he was part of investigation for two years. The workshop was attended by CMA Narendra Peshne, CMA G R Paliwal, CMA Jayant Pimpalgaonkar, CMA Manik Kulkarni Paunikar, CMA Jyotsna Rajpal, CMA Manish Pandey,

CMA Wasudeo Umalkar, CMA (Dr.) Kailash Kalyani, CMA Pushparaj Kulkarni, CMA Arvinder Singh, CMA B Pandurangan, CMA Siram Revanth and other Members. CMA Renu Kulkarni moderated the program and also proposed the Vote of Thanks.

Insolvency Professional Agency of The Institute in association with Insolvency and Bankruptcy Board of India (IBBI) and Nagpur Chapter of the Institute organized a workshop on "Insolvency and Bankruptcy Code" on 21st October, 2023 at the Chapter premises. The program started with traditional lighting of lamp and welcome address by the Chairman of the Chapter P S Patil. He stated that the Insolvency and Bankruptcy Code came into effect in the year 2016 but in a short time it has become favourite forum of lenders and other stakeholders. Shri G S Narsimha Prasad, Managing Director of Insolvency Professional Agency (IPA) of ICMAI welcomed the gathering and spoke at length on the theme. He stated that IPA of ICMAI is one of the regulators for Insolvency Professionals (IP) under IBC and it is the pivot through which whole IBC revolves around. The Chief Guest at the workshop was Shri Manish Chaudhary, CGM IBBI and he thanked ICMAI for organizing the workshop. CMA S Rajat Naidu, an Insolvency Professional & Vice Chairman of Nagpur Chapter, informed that other than IBC, all other recovery tools available in the country are there to kill the company while IBC is intended to revive the ailing company and, hence for debtors and the stakeholders it is a "live & let the company live" proposition. The other speaker, CMA Manisha Agarwal spoke about the practical challenges before the Resolution Professional (RP) operating within the IBC space to maximize the value of the assets of the debtor and resolve the case in a timely and effective manner. Manager of IPA-ICMAI Ms. Karishma Rastogi, spoke on the role of IPA and opportunities for the CMAs. CMA Aditi Sontakke , CMA K M Rao, CMA Kiran Badwe, CMA G R Paliwal, CMA D P Sarda, CMA Suresh Saluja IP, other CMA Members and Students participated in the program. CMA V V S

Murty, Secretary proposed a vote of thanks. CMA Renu Kulkarni, CMA K M Rao, CMA Kiran Badwe, CMA G R Paliwal, CMA D P Sarda, CMA Suresh Saluja IP, other CMA Members and Students participated in the program. CMA Aditi Sontakey and CMA Renu Kulkarni moderated the proceedings and CMA V V S Murty, Secretary proposed Vote of Thanks.

The Chapter organized a programme to celebrate the Constitution Day on 26th November, 2023.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA PUNE CHAPTER

The Chapter organized a CEP on the subject "Cooperative Audit: Empanelment and other Procedures" on 26th October 2023 at its premises. The speaker for the program was Mr. Rajesh Jadhavar, Joint Registrar, Audit, Office of the Commissioner for Cooperation, Pune. CMA Himanshu Dave, Managing Committee Member of the Chapter welcomed the speaker and the participants. CMA Rahul Chincholkar, Treasurer of the Chapter felicitated and introduced the speaker Mr. Rajesh Jadhavar, Joint Registrar Audit, Office of the Commissioner for Cooperation, Pune. The Vote of Thanks was proposed by CMA Rahul Chincholkar, Treasurer of the Chapter.

To enhance the importance of sports and fitness in one's life the Chapter organized a "Cricket Tournament – 2023" on 28th October & 29th October, 2023 at Pune. The Chapter arranged for the first time a Live Telecast of the cricket tournament on YouTube. More than 2500 viewers watched the matches. CMA Shrikant Ippalpalli, Secretary of the Chapter coordinated this cricket tournament with the help of an organising committee.

The Chapter arranged a webinar on "Online process of empanelment of auditor under cooperative sector" on 4th November 2023 through Google Meet video conferencing. The speaker for the program was CMA Rahul K. Dawkhar. CMA Rahul Chincholkar, Treasurer of the Chapter welcomed the speaker and the participants. CMA Tanuja Mantarwadi, Managing Committee Member of the Chapter introduced the speaker to the participants. The vote of thanks was proposed by CMA Rahul Chincholkar,

The Chapter organized an online condolence meeting on the demise of CMA Kunal Banerjee, former President of the Institute. The meeting was held through Google Meet on 6th November to offer deepest condolences to the bereaved family members. CMA Amit A. Apte, Past President of the Institute remembered his moments spent with Late CMA Kunal Banerjee. All the members prayed to the Almighty to give the departed soul eternal peace and his family the much-needed strength.

PCCA Art Circle of Pune Chapter arranged a 'Diwali Pahat' program on 12th November 2023 at the Chapter Auditorium. The program started with lighting of lamp at the hands of CMA (Dr.) Dhananjay V. Joshi, Past President, ICMAI, CMA (Dr.) Shivaji U. Gawade, and Past Chairman of the Chapter, CMA Nagesh Bhagane, and Chairman, of the Chapter, CMA Milind Datey and CMA Amit Shahane, organiser for the programme. CMA Chaitanya Mohrir, Chairman, WIRC was also present.

The Chapter celebrated Constitution Day by reading of Preamble to the Constitution of India by the members on 24th November itself, since 26th Nov. happened to be a Sunday. CMA Kiran Sonawane Member of the Chapter, Staff members and students of the Chapter were present at the program.

The Inauguration of CAT Course for JCOs/OR under the Directorate General Resettlement (DGR) Department of Ex-Servicemen Welfare (Ministry of Defence, Govt. of India) was held on 28th November 2023, at the Chapter premises. CMA Rahul Chincholkar, Treasurer of the Chapter welcomed the dignitaries and participants of the CAT course. The inauguration program started with Institute's Anthem and lighting of the lamp by of the chief guest Brig Rohit Mehta- ADG Directorate of Resettlement Zone (South), Ministry of Defence, GOI, CMA Neeraj D. Joshi-CCM, CMA Harshad S.

Deshpande, Council Member, CMA Chaitanya Mohrir, Chairman of WIRC- CMA Saurabh Singh Raghav-Co-Opted Member-Committee for Accounting Technicians, ICMAI, Shri Varun Joshi Senior Officer, CAT, ICMAI, CMA Nagesh Bhagane Chairman, Pune Chapter, and Senior and Juniors of Army, Navy, and Air Forces Personnel. The welcome address was delivered by CMA Chaitanya Mohrir, Chairman of WIRC. He mentioned that it is the proud moment for the Pune Chapter as a helping hand for conducting the CAT Course for the Retired / Retiring Armed Forces personnel. He also described the details of the course structure. CMA Neeraj D. Joshi-Council Member expressed his heartfelt gratitude for giving opportunity to conduct this course in Pune, knowledge capital of India, and Pune Chapter. He also thanked CMA Ashwin G. Dalwadi-President of ICMAI for his initiative for this course, Brig Rohit Mehta, other dignitaries and CMA Rajendra Singh Bhati Chairman, Committee for Accounting Technician, ICMAI who joined through Video Conferencing. CMA Harshad S. Deshpande, Council Member stated that wars are not fought only on the borders of nation but also against financial scams, crypto currency, terror funding etc. He also described the importance of accounts related jobs and online trainings, e.g., e-return, e-filing, SAP etc. He thanked all members who took the initiative for CAT course. CMA Saurabh Singh Raghav-Co-Opted Member, Committee for Accounting Technicians, ICMAI conveyed his appreciation for serving the soldiers through this CAT course. He also gave information about the dates of admission and other details regarding the course. CMA Nilesh Kekan, Vice-Chairman of the Chapter introduced the chief guest Brig Rohit Mehta), CMA Neeraj D. Joshi-Council Member, presented the chief guest with 'Puneri Pagadi' and Shawl. Brig Rohit Mehta met all the participants of CAT course personally who introduced themselves and congratulated them for nomination for this CAT course. He also told that there is no other service than Army which told them to spare their life, there is only winner not runner-up. He advised them to believe in work and not in words and 'Guru' of this course. CMA Rajendra Singh Bhati, Chairman-Committee for Accounting Technicians, ICMAI who joined the program through video conferencing advised the participants to take more benefits of training in accountancy and costing as ICMAI is the second largest body in Cost Accountancy. He expressed importance of costing for future post retirement plan. He conveyed his best wishes to the participants and spoke the importance of Cost Accounting in business. CMA Nagesh Bhagane Chairman of the Chapter felicitated CMA Saurabh Singh Raghav-Co-Opted Member-Committee for Accounting Technicians, ICMAI. Shri Varun Joshi Senior Officer, CAT, ICMAI, gave a presentation on CAT Course. CMA Nagesh Bhagane, Chairman of the Chapter proposed a Vote of Thanks to the Chief Guest for his inspiring speech and thanked all other participants.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA SURAT-SOUTH GUJARAT CHAPTER

The Chapter organized a special session for foundation students-"How to Face Upcoming Examination?" at the Chapter premises on 9th November 2023. Well known Educationalist & Member of the Institute CMA Ravi Chhawchhaira was invited for the session. Around 80 Students attended the session and took the benefit from the faculty for their upcoming examination. Also there was a very interactive session when the students raised queries regarding foundation syllabus.

The Chapter felicitated the faculty through CMA Nanty N. Shah-(WIRC Treasurer), CMA Bharat Savani (Chairman). On the occasion of Diwali & New Year greetings and felicitations were offered by the Chapter to Shri C R Patil MP, Mrs. Darshanaben Jardosh, MP, & Dr. Ashish Pandya (In-Charge Principal SPB English Medium College of Commerce, Surat). CMA Nanty N. Shah (WIRC, Treasurer), CMA Kishor Vaghela (Hon. Secretary), CMA Mahesh Bhalala (MC Member) & CMA Ashvinkumar Amabaliya (MC Member) offered the felicitations and thanked the Chapter for better branding of CMA Institute and for the initiative taken by the chapter for the first time.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA AHMEDABAD CHAPTER

The Chapter organized an Industry Orientation Program for final students during 2nd Nov'23 to 8th Nov'23. Large number of final students participated in the program. Eminent faculties delivered lectures on various topics i.e. Kishan Vaidya on Book Keeping including Bank Reconciliation Statement, Parag Soni on Direct Taxation, Dhaval Kataria on Career Planning, Business etiquette and Business Ethics, Communication and Drafting skills, Presentation skills, GD Skills and Interview skills, and Indirect Taxation & Valuation.

The Chapter organized Dhanteras Pooja at the Chapter office on the auspicious festival of Diwali on 10th November'2023. Members and staff members participated in the pooja. The Chapter organized diwali get-together at the Amphi theatre, Vastrapur on 25/11/2023. CMA Uttam Bhandari, Chairman of the Chapter welcomed the members, faculties, students office staff and other invitees. Various games were organized for the members and students. Large number of members and students participated in the program. The winner was felicitated by the office bearers by offering gifts. The program was followed by a dinner.

Direct & Indirect Tax Updates - November 2023

DIRECT TAXES

- **Notification No. 95/2023 dated 1st November 2023:** In exercise of the powers conferred by sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Act), the Central Government hereby specifies the pension fund, namely, BPC Penco XVII Corporation (PAN: AALCB4169R), (hereinafter referred to as the assessee) as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as the said investments) subject to the fulfillment of certain conditions.
- **Notification No. 96/2023 dated 1st November 2023:** An Agreement between the Government of the Republic of India and the Government of Saint Vincent and the Grenadines for the Exchange of Information and Assistance in collection with respect to taxes, was signed at Kingstown, Saint Vincent and the Grenadines on the 19th day of May of 2022, as set out in the Annexure to this notification. The said Agreement entered into force on the 14th day of February, 2023, being the date of the later of the notifications of the completion of the procedures required by the respective laws of the contracting states for entry into force of the said agreement, in accordance with paragraphs 1 and 2 of Article 12 of the Agreement.
- **Notification No. 97/2023 dated 6th November 2023:** In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Punjab Infrastructure Regulatory Authority' (PAN: AAAGT0931J), an authority constituted by the Government of Punjab, in respect of the following specified income arising to that body:

  a) Grants received by or arising to the Authority from State Government b) Sum received by the Authority from any sources including arbitration fees fixed by the Authority under the regulations for the proceedings before the Authority and c) Interest from banks.

  This notification shall be effective subject to the conditions that Punjab Infrastructure Regulatory Authority: (a) shall not engage in any commercial activity (b) activities and the nature of the specified income shall remain unchanged throughout the financial years and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.
- **Notification No. 98/2023 dated 6th November 2023:** In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Press Council of India' (PAN AAABP0351P), a body established under Para 1 of Chapter II of the Press Council of India Act, 1978 (Central Act), in respect of the following specified income arising to that body:

  (a) Levy of fees on publishers and news papers and (b) Interest earned on FDRs and Savings bank accounts of Press Council of India.

  This notification shall be effective subject to the conditions that Press Council of India, (a) shall not engage in any commercial activity (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.
- **Notification No. 99/2023 dated 20th November 2023:** In pursuance of sub-clause (ii) of clause (a) of sub-section (1) of section 138 of the Income tax Act, 1961, the Central Government hereby specifies Deputy Director General (Tech Development Division), Unique Identification Authority of India (UIDAI), Government of India for the purposes of the said clause.
- **Notification No. 100/2023 dated 24th November 2023:** In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, Chhattisgarh Rajya Beej Pramanikaran Sanstha (PAN AADAC3163E), a body constituted by the State Government of Chhattisgarh, in respect of the following specified income arising to that body:

  (a) Grants received from Central and State Governments (b) Money received by the way of application, Certification fees and other service charges (c) Interest earned on Term/Fixed Deposits in the banks and on (a) to (b) above.

  This notification shall be effective subject to the conditions that Chhattisgarh Rajya Beej Pramanikaran Sanstha (a) shall not engage in any commercial activity (b) activities and the nature of the specified income shall remain unchanged throughout the financial years and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.
- **Notification No. 101/2023 dated 24th November 2023:** In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Maharashtra Council of Homoeopathy' (PAN AAATM8895K), a Body established under clause No 14 of the Maharashtra Homoeopathy Practitioners' Act, 1960 by the Government of Maharashtra, in respect of the following specified income arising to the said Authority:

  (a) Fees received from members/doctors (b) Fees received from professional seminars/conferences and (c) Interest earned on bank deposits.

  This notification shall be effective subject to the conditions that Maharashtra Council of Homoeopathy (a) shall not engage in any commercial activity (b) activities and the nature of the specified income shall remain unchanged throughout the financial years and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

INDIRECT TAXES

GST

- **Notification No. 53/2023– CENTRAL TAX dated 2nd November 2023:** In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies taxable persons who could not file an appeal against the order passed by the proper officer on or before the 31st day of March, 2023 under section 73 or 74 of the said Act (hereinafter referred to as the said order), within the time period specified in sub-section (1) of section 107 read with sub-section (4) of section 107 of the said Act, and the taxable persons whose appeal against the said order was rejected solely on the grounds that the said appeal was not filed within the time period specified in section 107, as the class of persons (hereinafter referred to as the said person) who shall follow the following special procedure for filing appeals in such cases:

  (1) said person shall file an appeal against the said order in FORM GST APL-01 in accordance with sub-section (1) of Section 107 of the said Act, on or before 31st day of January 2024

  (2) appeal shall be filed under this notification, unless the appellant has paid- (a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him; and (b) a sum equal to twelve and a half per cent. of the remaining amount of tax in dispute arising from the said order, subject to a maximum of twenty-five crore rupees, in relation to which the appeal has been filed, out of which at least twenty percent should have been paid by debiting from the Electronic Cash Ledger.

- **Notification No. 54/2023– CENTRAL TAX dated 17th November 2023:** In pursuance of the powers conferred by sub-rule (4B) of rule 8 of the Central Goods and Services Tax Rules, 2017, the Central Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, the Ministry of Finance (Department of Revenue) No. 27/2022-Central Tax, dated the 26th December, 2022 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 903(E), dated the 26th December, 2022, namely: In the said notification, for the words, "State of Gujarat and the State of Puducherry", the words "States of Andhra Pradesh, Gujarat and Puducherry" shall be substituted.

CENTRAL EXCISE

- **Notification No. 38/2023-Central Excise Dated 15th November 2023:** In exercise of the powers conferred by section 5A of the Central Excise Act, 1944 (1 of 1944) read with section 147 of the Finance Act, 2002 (20 of 2002), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 18/2022-Central Excise, dated the 19thJuly, 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 584 (E), dated the 19th July, 2022, namely: against S. No. 1, for the entry in column (4), the entry "Rs. 6300 per tonne" shall be substituted.
- **Notification No. 39/2023-Central Excise Dated 15th November 2023:** In exercise of the powers conferred by section 5A of the Central Excise Act, 1944 (1 of 1944) read with section 147 of Finance Act, 2002 (20 of 2002), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 04/2022-Central Excise, dated the 30th June, 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 492 (E), dated the 30th June, 2022, namely: In the said notification, in the Table, against S. No. 2, for the entry in column (4), the entry "Rs.1 per litre" shall be substituted.
- **Notification No. 40/2023-Central Excise Dated 30th November 2023:** In exercise of the powers conferred by section 5A of the Central Excise Act,1944 (1of1944) read with section147 of the Finance Act, 2002 (20of2002), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue),No.18/2022-Central Excise, dated the 19thJuly, 2022, published in the Gazette of India, Extraordinary, Part II, Section3,Sub-section(i), vide number G.S.R.584 (E),dated the 19th July, 2022,namely:-In the said notification, in the Table, againstS.No.1, for the entry in column(4), the entry"Rs.5000 per tonne" shall be substituted.

CUSTOMS

- **Notification No. 63/2023-Customs dated 30th November 2023**: Seeks to amend notification No. 22/2022-Customs, dated the 30th April, 2022, in order to align it with changes introduced vide notification No. 72/2023-Customs (N.T.), dated 30.09.2023.

Sources: *incometax.gov.in, cbic.gov.in*

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