CONVERSATION WITH COMPANY SECRETARIES

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What encouraged you to become a CS?

When I was undergoing my studies for becoming a CS, I observed that the role of a CS is very important in an Organization. It's the CS who not only has to advise the top management of an organization, but also guide the various functional groups in the organization on good practices as well as compliance of law. While the businesses are created for earning profit, it is very important to ensure that the top management is aware and conscious of the fact that the environment around which the business is built is taken care, not only in letter, but also in spirit.

While I liked the role of CS, at the same time, I found it challenging too to strike a balance between the organization goals within the framework of regulatory compliances as well as good governance practices, which motivated me to take up the role of CS.

Over the years my belief got further strengthened with regulatory bodies framing regulations, which made CS as "Key Managerial Personnel", Compliance Officer etc. The regulatory changes have bestowed lot of responsibility and onus on the CS to help the organization develop an ecosystem to ensure Good Governance Practices.

How do you deal with shareholders grievances at the AGM (including those that could not be responded to during the AGM)?

The grievance, if any, raised by shareholder is handled by the official of the CS Department dealing with Investor Relations. Generally, the shareholders attending the AGM raise queries related to business / prospects of the Company etc., which are responded at the AGM itself to the extent possible. However, in case any of the queries remain unanswered at the AGM, a response thereto is provided through email to such shareholder.

In case any advance queries are received from a shareholder prior to AGM, the same are responded promptly, to enable the shareholder to go through the same and ask further queries, if any.

The CS team at IndianOil has developed a Quick Response System to the shareholder queries / Grievances.

Considering the increasing demands made on a CS, how do you manage your time?

Well, quite interesting and of course a valid question too. With so many regulatory changes happening around us and a new notification being issued either by MCA or SEBI every now and then, it is very important for a CS to keep himself abreast of the changes. As a CS, lot of time is spent in preparing for the Board / Committee meetings and post meeting related work (specially in a Public Sector Enterprise, where we have a Board Meeting almost every month, besides Committee meetings). However, I try to keep myself up-to-date with the amendments / changes by sparing at least some time every day for reading. I also like to spare some time over the weekend to attend any important webinar or seminar to enhance my knowledge.

The only positive which has emerged out of the Pandemic during 2020-21 is the online conduct of seminars, which has saved lot of travelling time for me, providing some respite and time available.

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What good practices, not prescribed by law, have you put in place?

Introduction of Paperless Board Meetings:
Since in my organization, Board Meeting is held almost every month, lot of paper was used in preparation of agenda items for circulation to the Board members. The concept of paperless Board Meetings was introduced during 2016-17 The transition from paper agenda items to paperless meetings on electronic device was smooth with the support of all the Board Members (to whom adequate training was provided to navigate through the system). The result was so positive that within few days request was received from executive management to shift the meetings of internal committees to the paperless mode.

Adoption Integrated Reporting System
An integrated report aims to provide a concise communication about an organization's strategy, governance, performance and prospects, that create value over time. The concept of Integrated Reporting has been gaining prominence over the years across the globe. The purpose of Integrated Reporting is to provide shareholders and interested stakeholders with relevant information that is useful for making investment decisions.

SEBI had in 2017 urged the top 500 companies to adopt the Integrated Reporting on Voluntary basis. IndianOil was amongst the few corporates in India, and one the first amongst PSUs, to adopt the Integrated Reporting concept. The report provides elaborate information on Six capitals i.e. Financial, Manufactured, Natural, Intellectual, Human and Social Capital.
As a part of the core team, I was involved in development of a model to collate and provide the desired information for compilation of the Integrated Report for the first year and lay down the processes for adoption in future years.

Is it important to connect with IDs between meetings? If so, how do you do it?

Independent Directors have an important role to play in the decision-making process of the Board. In my view, the CS is an important link between the executive management as well as the Independent Directors.

I always strive to remain in contact with the Independent Directors on regular basis. Important regulatory updates are shared with the Independent Directors from time to time to enable them to perform their role effectively. I believe that the role of CS is to maintain the balance between the executive management as well as the Independent Directors, who bring their own perspective to the decision-making process.

Whenever Independent Directors require any specific information or discussion on any specific issue, they generally call me and discuss the matter. In case I am not able to provide the specific details to them, I guide them to the right official within the organization. I have developed such rapport with them, that even if they face any issue other than related to my organization, they do not hesitate to call and discuss with me.

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