



The Institute Of Directors (IOD) & the Institute of Company Secretaries of India (ICSI) jointly organized a one - day Seminar on Board Diversity. The theme of the seminar was: **'Driving a Sustainable Organisation through Board Diversity'.**

It was a largely attended seminar, with around 150 delegates from both private & public sectors in India. The inaugural session included **Ms. Mamta Binani**, President, the Institute of Company Secretaries of India; **Lt. Gen. J. S. Ahluwalia**, President, Institute Of Directors; **Ms. Manasi Kirloskar**, Executive Director, Kirloskar Systems; **Dr. Mrityunjay Athreya**, Independent Management Advisor & former Prof. IIM Calcutta & London Business School; **Ms. Meenakshi Lekhi**, Member of Parliament for New Delhi & **Mr. Adalakh Rao V**, Member of ICSI

The Opening address was by **Ms. Mamta Binani**. At the outset, she congratulated the IOD for the initiative. She added that the board management is still evolving. It used to be a science so far. It has now become an art. She said that such programmes sensitize all of us. The art in these programmes is a soft skill, that can be imbibed with regular training. Ms. Mamta said that retaining and empowering women is not an easy job- it needs years of work. She illustrated it by the example of Norway, which was one country which had made a good beginning in 2003. By 2008, constituted boards had 40% women directors. The success behind it was due to being mandated by law. And now Belgium, Scotland, France, Finland, Italy etc. have taken followed suit. She emphasized that for growth numbers to

move upwards in any economy, women participation is a must. It has been proved that if women participation is increased in boards, work productivity increases by 10.1%. The Companies Act, 2013 had given a big boost to companies to appoint at least one woman director on their boards. But in India, after this law was implemented, many companies appointed Women Directors, from the family that is wives, sisters and known females on their boards.

Lt. Gen. J. S. Ahluwalia – In his welcome address, stressed on Diversity as a heterogeneous composition of groups of people with varied backgrounds, knowledge, culture, lifestyle, experience & different perspectives. Diversity due to gender, origin, colour of skin, language, religion & culture etc. In the boards diversity could be it strengthen social contacts & trust, group dynamics, foster creativity



Distinguished Guests at the Seminar



Ms. Mamta Binani, President
ICSI delivering welcome address



Lt Gen J S Ahluwalia PVSM (retd)
President, IOD delivering Opening Address

rather we should treat both men & women equally and evaluate their skill sets & competencies on merits.

Dr. Athreya - stressed six factors: Benefits of diversity, areas of diversity, creating diversity, leading diversity, management of change & planet by 2030. Benefits of diversity mean that business is no longer run for maximizing shareholder value on its own, but business enterprises should also focus on customers, who are the primary reason for existence of business, as quoted by Mahatma Gandhi, "Respond to the needs of multiple stakeholders & focus on employees who are Internal stakeholders, like trustees of the organisation, as also business partners, supply chain vendors, dealers, distributors, technology providers & joint venture partners are all important stakeholders. "Profitability is not the only motive of business. It is important for business to also benefit society". Apart



Guests at the seminar listen on as the plenary session is in progress

& better decision-making. "Diversity & inclusive culture is fundamental for success of Boards". It ensures that group dynamics, resilience & agility enhance the sensitivity of the Board. The Board needs to be as diverse as the society & the community it serves. A global consensus is emerging for reducing inequality & enhancing the role of women. By 2030, BSE/ NSE listed companies aim to achieve gender equality of women on boards.

Ms. Manasi Kirloskar highlighted the need to have at least one woman director on board. She also highlighted that only deserving men or a women should be appointed on boards. "We don't want to be tokens, we want to be relevant". She stressed that women make better managers as they manage their time more effectively than men. Women are successful in various fields like politics etc. India's first lady PM, Indira Gandhi created a world record. Some of the powerful leaders in the world are women. In fact, in corporate India, specially banking sector, many organisations are led by famous women leaders. The Companies Act, 2013 has given a big boost to companies to appoint at least one woman director on their boards. "It's not an issue of gender equality but also issue of female equality". Board Diversity is not only required for growth & success of an industry, but also in social & economic context. There are several environmental factors that prevent women from growing & continuing their careers within the organisation. Education & change in mindset is a must. We should not have any discrimination related to gender,

from that, Indian business needs to have a purpose, mission, vision, right infrastructure, capital goods etc. to achieve a growth rate of 9 to 10%. Other objectives include growth engine for people for the world at large. Image, reputations & brand value creation are intangible assets for the balance sheet of a company. Areas of diversity, include adequate number of independent directors with relevant skills, gender equality, national mix, regional spread, global coverage etc. Leading diversity includes potential for synergy, risk of entropy, role of existing directors & new directors, empathy, relevance & contribution.

Ms. Meenakshi Lekhi, Managing Director delivered the chief guest



Ms. Manasi Kirloskar, Executive Director, Kirloskar Systems
delivering her Special Address during the Inaugural session



Guest of Honour, Mrs Meenakshi Lekhi, Hon'ble Member of Parliament for New Delhi, Govt. of India enthused the audience with her address.

address. She said that board & management should be neutral on gender. There should be no difference between men & women. It is one's merit that qualifies the chair for success. She also derided the biases, which are holding certain people back, whether it is in politics or board room. She had to fight men to reach the place where she is today. Being a woman should not mean any special treatment, only to be treated without bias. We must look at her capacity, capability & merit and only then we can change the board room situations. Certain qualities are needed on the board, so that decision-making process is better. Firm decision making, complimented with listening capacity should prevail on board. Nobody treats a woman tenderly in role of leadership. In fact, it will treat you viciously and you become what you are not simply because you are a woman but because you learn to



Release of Souvenir on Board Diversity. From L to R: Dr. M. B. Athreya, Independent Management Advisor and Former Prof. IIM, Kolkata and London Business School, Ms. Mamta Binani, President, ICSI Mrs. Meenakshi Lekhi Hon'ble MP, New Delhi, Govt. of India, Lt Gen J S Ahluwalia, President, IOD, Ms. Manasi Kirloskar, ED, Kirloskar Systems and Mr. Adalakh Rao, Member ICSI.

ignore, learn to become firm, subjugate and control equal merit with respect to men on board. She also quoted that Taliban would never have happened, if women were its leaders.

Ms. Adalakh Rao V. emphasized on creating a value system. It is one good solution in spite of rules and regulations. Creating this value system through knowledge & skills is like 'old is gold'. With modern corporate governance, Board Diversity has come into focus.

The second Session had **Justice (Dr.) Arijit Pasayat**, Co-Chairman, Institute Of Directors & former Judge, Supreme Court of India; **Dr. Vasudha Mishra IAS**, Chairperson, National Cooperative

Development Corporation; **Ms. Mamta Binani**, President, the Institute of Company Secretaries of India

Hon'ble Justice (Dr.) Arijit Pasayat explained that past is experience, the present is experiment & the future is expectation. According to him, stress is now on adaptability, compatibility & responsibility which are inevitable. He focused on corporate governance of the company, which is conscious of stakeholders & ultimately creates a value system based on rules & regulations. He emphasized that "old is gold". Corporate governance, as a buzz word, has come into picture. With corporate vision & mission, the organisation can strengthen its board. He complimented that IOD should actually change its name to Institute of Visionaries, as it provides a vision to the boards.

Dr. Vasudha Mishra, IAS focused on promoting Board Diversity, as India is a diverse country of varied demographic groups, economic background, social norms, racial and gender diversity etc. High economic growth rate in our country can be achieved through our economic policies, within the ambit of diversity in people, looking to sell products & services in open market. Thus, for diverse boards, it strongly requires a mix of young & old people, 'out of the box thinkers'.

The next Session was on the sub-theme The Diversity Differentiator: Managing Board Dynamics & Achieving Effectiveness. It was chaired by **Ms. Veena Swarup**, Director HR., Engineers India Ltd.; **Ms. Jayashree Satagopan**, CFO, PI Industries Ltd.; **Ms. Shukla Wassan**, Executive Director- Legal & Company Secretary, Hindustan Coca-

Cola Beverages & **Dr. Aquil Busrai**, CEO, Aquil Busrai Consulting

Ms. Veena Swarup – described that diversity is the art of thinking together, strength as a whole, and a broad canvas consisting of regional, ethnic, gender groups etc. She appreciated that IOD had created a diverse panel to focus on diversity, which is broad canvas focusing on all kinds of diversity, including gender, functional, regional, ethnic & geographical diversity.

Dr. Aquil Busrai - stated that "Age should be respected & young people with great ideas should be invited". He advocated infusion of persons, who are technically savvy on boards & also said that board



Dignitaries during the Inaugural Session. From L to R : Ms Mamta Binani, Justice (Dr.) Arijit Pasayat, Lt Gen J S Ahluwalia and Ms. Vasudha Mishra IAS

functioning is a serious business & all members are like trustees. He also emphasized on fear that comes out of ignorance, due to which board members just leave the board.

Ms. Shukla Wassan - highlighted that people from divergent backgrounds should be introduced on board, as it helps its smooth functioning. The Board needs to look at evaluation, as what is good today may not be the same tomorrow. A board can't survive if it is not innovative at every stage.

Ms. Jayashree Satagopan - said that different perspectives on board due to diverse background will add tremendous value to decision making, and will be able to provide foresight to take business to different levels. "Diversity brings out strength". She also highlighted that board members must get familiarized with business practices. She also emphasized that board must look 'deep, far & wide'.

The next plenary session was on sub theme: Is boosting Gender Diversity in Boardrooms, a tough call?

It had **Ms. Fatima Mahdi Karan**, Consulting Editor, Bloomberg TV India; **Mr. Prithvi Haldea**, Founder-Chairman, PRIME Database; **Ms. Nirupa Bhatt**, MD, India & Middle-East, GIA India Laboratory Pvt., **Ms. Mohini Daljeet Singh**, Chief Executive, MAX India Foundation; **Ms. Ruchi Agarwal**, Director Partner, Marketing & Strategy, Microsoft India; **Dr. Rekha Shetty**, MD, Farstar Distribution Network.



Mrs. Meenakshi Lekhi, MP with the participants

Ms. Fatima Karan emphasized on Leadership Development & Empowerment and played her role as a moderator with great ability.

Ms. Nirupa Bhatt - Introduced the challenges faced by women on board. Women need to change their mindset and stereotypes of society by thinking out of the box, focusing clearly on goals. She advised them to do "what you want to do, be very stubborn, know your deliverance & remain very focused so that once you start delivering, people step back". Female directors don't need to shy over gender or other issues, but focus on delivering and performance, as key to success.

Dr. Rekha Shetty - emphasized on inclusion, which is what we experience in a family and there are no barriers between groups of people. True inclusion means there are no differences between members on board & everyone is encouraged to participate, express their views on board & be receptive to the diverse views. Women were now invited to Rotary International after a US court case which said that one can't have a Rotary Club without women. A woman on board has to show broad mindedness, use her mind as a computer, consciously work for development of her capacity & thinking 'out of the box' & provide value to diverse boards.

Ms. Ruchi Agarwal - outlined that divergence is a number & inclusion is doing things that count. She said that "everything that



Ms. Vasudha Mishra, Managing Director National Cooperative Development Cooperation delivering a Special Address



Plenary Session' The Diversity Differentiator :Managing Board Dynamics & Achieving Effectiveness' in progress. From L to R: Ms. Jayashree Satagopan , Chief Financial Officer, PI Industries Ltd., Ms. Veena Swarup, Director (HR), Engineers India Ltd., Ms. Shukla Wassan, Executive Director - Legal & Company Secretary, Hindustan Coca-Cola Beverages Pvt. Ltd and Dr. Aquil Busrai, CEO, Aquil Busrai Consulting



Distinguished Panelists. From L to R Nirupa Bhatt, MD, India & Middle East, GIA India Laboratory Pvt. Ltd., Prithvi Haldea , Founder-Chairman, PRIME Database Fatima Mahdi Karan, Consulting Editor, Bloomberg TV India ,Mohini Daljeet Singh, Chief Executive , MAX India Foundation, Ruchi Agarwal, Director Partner Marketing & Strategy, Microsoft India, Dr. Rekha Shetty, Managing Director, Farstar Distribution Network

can be counted may not count always and that everything that lets you count, can't always be counted". Development of leadership is still a journey that the corporates are going through. It's very interesting that the inclusion debate is not specific to India ,but also pervasive across nationalities. Development of talent, focusing on dearth of talent, senior leadership among women is very vital for effectiveness of boards. A board has a 360-degree function of viewing. Hence the need of diversity. "Different gender, different thinking & values together make the whole board effective".

Mr. Prithvi Haldea - was against the mandatory inclusion of gender diversity. He also mocked the law of one woman director and for which only half of the companies were working seriously, despite SEBI extending the deadline. He also quoted that 47% of women who came on board, were related to promoters. He also believed that no board likes to have a stranger, therefore it needed to get family members, relatives, classmates & others known to boards.

Ms. Mohini Daljeet Singh - Stressed on involvement, passion, energy, passion for work & self-involvement, that comes from being part of the system. We are looking at perspectives of the society, industry at large and how they accept women willingly because they are capable, bring more value & are more ethical. She quoted "Man loves little & often, Woman loves much & rarely". According to her, gender diversity will be a tough call till ,we realize that we should give up our insecurity & go for diversity.

The next Session was on the sub theme: 'From Policy to Practice: Strategizing a Board of the Future'. It had **Sri Nesar Ahmed**, Past President, ICSI & CSIA, Geneva, Switzerland; **Ilam Kamboj**, Managing Partner, Kamboj Law Chambers; **Pooja Aggarwal**, CFO, Birlasoft; **NK Jain**, Corporate Adviser & Power Secretary & CEO, ICSI; **Narayani Mahil**, Director, Corporate Communications, BP plc; **Reena Dayal**, Senior Director Engineering, Microsoft India, Director, Storage Networking Industry Association, India

Mr. Nesar Ahmed highlighted the danger of cyber attacks as a crime and also said that boards should be qualified enough and ready to take up the challenge. He gave an example of Satyam to highlight how Independent Directors suddenly lost their reputation. Good board diversity focuses on real world managing risk & healthy debates. Better decision making includes wide variety of groups from divergent backgrounds, and resolution of conflict & friction amongst board members.

Mr. N. K. Jain emphasized on having at least one woman director on board and also said that very robust & dynamic policy framework of the board should be available. Board diversity is an amalgam of thoughts, experience, age, gender, nationality & knowledge. Boards have to be ready to take over risks, with help of Board Diversity. He quoted "Great ideas come from disruption in status quo". He outlined the challenges faced by diverse boards & preparation for future.



Plenary Session from Policy to Practice Strategizing a Board of the Future in Progress. From L to R: Ilam Kamboj, Managing Partner, Kamboj Law Chambers, Pooja Aggarwal, CFO, Birlasoft, Nesar Ahmad, Past President, ICSI & Corporate Secretaries International Association (CSIA), Geneva, Switzerland, Narayani Mahil, Director Corporate Communications, BP plc, N. K. Jain, Corporate Advisor & Past Secretary & CEO, ICSI and Reena Dayal, Sr. Director- Engineering ,Microsoft India

Ms. Reena Dayal - pointed out that leadership perspective on board should bring in viability in organisation, right people on board & getting the right directors appointed to the organisation. To establish a vision for storage industry in future, it is important to look at perspective of cloud internet technology & innovative culture. She also supported these statements by quoting example of famous business smartphone giant BlackBerry which lost it's market share, acquired over 20 years ,in less than 2 years to Apple Inc. She also emphasized that boards should work as custodians for a bright future of the organisation.

Mr. Ilam Kamboj stated that we should formulate operational strategies to serve & protect interest of all stakeholders. We all know that we live in a dynamic environment, where strategies are rapidly changing. If business is also changing from domestic to international, then conventional directors need to change. Need of diverse skills, expertise, experience & qualifications are all required to formulate strategies for a dynamic environment.

Ms. Narayani Mahil gave an example of ABP, which has already achieved succession planning in the company through a mentoring process at executive level. It is now focusing on including ethnic minorities, religions minorities, LGBT community to make a diverse board. She was grateful to a body like IOD , that took the lead for providing a platform for realizing the needs of diverse boards. She quoted that GE has in place the list of diverse boards for the last 50 years. Its high time we realized the need of diverse boards & the right call for action by including ethics & corporate guidelines to sustain that model.

Ms. Pooja Aggarwal - Outlined that management have huge financial stakes. They are investors, who invest huge amounts of money when share prices go high. The stakes of board members are very low. The role is not to drive high aggressive growth, but to get a sustainable board. She even emphasized that good boards add value for 50 yrs., which is lacking in startups. To be sustainable, a diverse board is needed. Companies like FB or Uber are profitable but not sustainable, so big are the requirements of diverse board. For instance, GE has proved to be the only listed company in NASDAQ for last 20 yrs, because the diverse & independent board of the company brings a angle of Sustainability.

The role of board includes 3 components: first, the strategy of organization, then ensuring enough governance, & lastly, risk management that is taken care of. As long as board is a conglomerate, having different backgrounds of people, the company is headed for success with a sustainable corporate structure.

During the Validatory Session, special thanks were conveyed to ICSI, for holding with IOD a 'first of its kind' seminar in Delhi, along with concluding remarks. A token of thanks was given to Programme sponsor BSE & Himalaya partners. Each Session was followed by wide audience interactions. D.D. News covered the whole event.

Compiled by Ms. Pranjali Bhatia, Mr. Prateek Kumar of NDIM

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