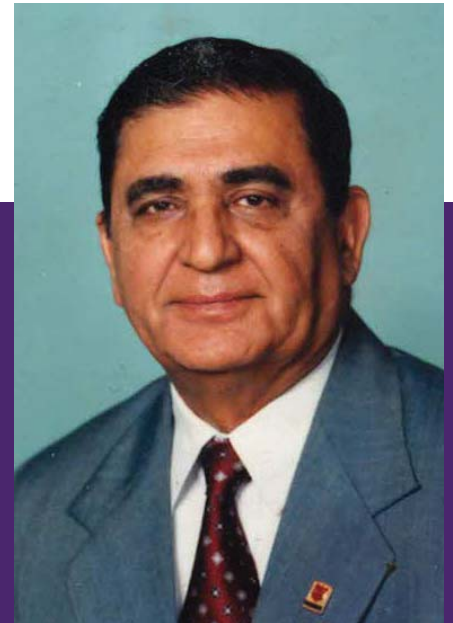




Impact of Golden Peacock Awards on CORPORATE GOVERNANCE

* Lt. Gen. (Retd.) Surinder Nath, PVSM, AVSM



Golden Peacock Awards were instituted by the Institute of Directors in 1991 for motivating and promoting industries in India to attain quality standards at a level that they become globally competitive. The journey started with Quality Awards and then continued to expand. Quality having been the basis for business excellence, the industries focused on business excellence through quality route. 1990s also saw the emergence of corporate governance issues which emerged out of certain companies having lacked in transparency, disclosures, lack of financial discipline, lack of investor confidence, and apprehensions of various stakeholders.

Realising the importance of quality and corporate governance issues, the Institute of Directors focused on various topics and themes that promoted sound corporate governance practices in different businesses. Golden Peacock Awards has been a conduit for preparing Indian businesses on ethical, transparent, diverse, financially sustainable performers of goods in global markets.

Golden Peacock Awards is a management system which guides industries to learn minimum requirements for quality, business excellence and corporate governance. Applications to these awards indicate gaps in the knowledge framework of applicant industries. It has been rare that an industry applied for these awards on the very first occasion of having received the application form. It has been reported that majority of them had to prepare and therefore applied only in the next cycle.

Golden Peacock Awards are currently offered in 14 different corporate functional verticals including corporate governance, business excellence, corporate social responsibility, sustainability and other topics. The Secretariat receives more than one thousand applications annually for national and global awards.

Golden Peacock Awards are now recognized worldwide as a hallmark of corporate governance and winners of the Awards receive global recognition which enhances their brand image and

thereby the market potential. The awards are recognised for their independence, integrity, transparency and thorough objective evaluation of applications. Based on internationally recognized criteria, the credibility of these awards lies in the transparency and impartiality of the assessment process.

All institutions whether public, private, non-profit making, government or others, are eligible to apply for these awards. The awards are conferred annually. The phenomenal interest that the companies have shown in competing for these awards and the quality of entries is evidence of their commitment to achieve world class standards. The evaluation process is very precisely devised and is managed by highly professional and competent personnel. There are three level assessments to ensure objective and effective evaluations.

Golden Peacock Awards Jury is at present, Chaired by Hon'ble Justice M. N. Venkatachaliah, former Chief Justice, Supreme Court of India; and Co-Chaired

by Justice (Dr.) Arijit Pasayat, former Judge, Supreme Court of India. Other members of the Jury are all very experienced, distinguished and highly competent professionals.

The Awards Secretariat has constituted an Expert Evaluation Committee comprising of experts from various sectors to examine the applications. Each application is reviewed independently by assessors and those satisfying the basic review requirements are shortlisted for detailed assessment. These applications are assessed on a scientifically planned criterion where various parameters are divided into 1000 marks. The cut-off applied on each application is 800 marks or 80%. After this first level assessment, another Expert Committee evaluates at the second level to ensure that the first level assessment is objective and correct. Entries occupying top positions are recommended for consideration by the Jury. This also has a provision for industry visits and cross checking the facts from public domain. The entire process ensures that only the most

deserving applicant is recommended for the award.

Having started 30 years back, the application and evaluation process has undergone significant scientific improvement reflecting the legal, administrative, marketing, technical, and innovative actions taken worldwide. While in the initial stages, the numbers of applicants were few but over the years, the numbers of those aspiring to win the Golden Peacock Awards have increased considerably. The qualitative improvement in various applications has made the whole process extremely competitive where different applicants have neck to neck competition. The methodology adopted by various award winning industries is disseminated to much wider group by asking the award winners to make presentation at the networking national and international conferences, thereby allowing others to interact and learn from their experience. Every award winner also presents his case study in the written form which is published in the Winners' Digest which becomes a permanent reference

document for various industries. It has been observed that when award winners make their presentation, the conference hall is full and the participants listen to them very attentively. Also, the Winners' Digest has a large demand. Both these are indicators of the fact that Golden Peacock Awards not only build the image of the award winning company but also helps to disseminate knowledge to wider groups.

The increasing numbers of applications for various awards indicate that companies benchmark themselves with the global and national recognition standards reflected by the awards. In keeping with legal provisions of the Companies Act, and its amendments, the application proforma is continuously updated so that companies prepare themselves accordingly.

The competition for these awards improves every year as it is observed that the difference in initial assessment quantitative marks is becoming narrower. The Jury applies its wisdom to select the most deserving company with innovation, transparency, sustainability and total conformity to legal provisions.

Golden Peacock Awards have definitely played a very significant role in improving the overall standards of Corporate Governance. The applicants have a keen desire to win this coveted award and proudly display it in the best possible manner. The latest example of the same is of Nasdaq who after having won this award, displayed it at the Time Squares in New York on 04 February, 2021. ■

***Lt. Gen (Retd.) Surinder Nath, PVSM, AVSM**, is the Vice Chairman of the Institute of Directors, India, and has been associated with IOD for more than 20 years. He is the former Chairman, UPSC; former Vice Chief of the Army Staff; and former Independent Director, L&T Board.

Golden Peacock Awards trophy flashing at an iconic LED display stands over seven stories tall tower at Times Square and America's #1 engaging destination.

