



Indian Corporations: Lighthouses for Development

Hon'ble Justice Uday U. Lalit
former Chief Justice of India

Lt. Gen. Surinder Nath, Mr. Jayant Sinha, Mr. Tuhin Kanta Pandey, Mr. Sunil Kant Munjal, Mr. Nitin Sethi, and all of you Ladies and Gentlemen, who are captains of the industry, the directing minds, the entire gray matter of the corporate entities and the administrative institutions,

We have had a beautiful session where we have seen three or four speakers, touching upon various facets of life. **Mr. Jayant Sinha** gave us the complete picture of what a person who is well versed in finance and what is to be achieved by the nation in the next 20 years; he portrayed that picture. He also gave us warning signals on issues such as global warming. The other captains of the industry, **Mr. Munjal**, also gave us a beautiful picture of what the industry can achieve. But he also sounded and flagged a particular point that the gap between the persons at the highest levels in the societal structure and the people at the lowest level, the gap is increasing.

I stand here; I don't command any experience on any of the board of directors. I have done more than 40 years in the field of law, first as an advocate, then as a judge. My connection or my interface with the board of directors or any corporates structure or entity is only when the matters have reached the courts of law. So, I have seen the organisational structure, the apparatus, which is the structural apparatus, whether there have been any infractions, from the perspective of the application of law, I have seen the internal conduct of some of the board of directors or their resolutions. I have also seen the effect of the decisions taken by some of the boards of directors, when it comes to the



I believe that every power that is given to every person, whether it is the administrative setup, or governmental apparatus, or even the corporate ideas, is ultimately to achieve what is called a 'common good' or a 'societal good'. That is your ultimate destination; that is what we are here to achieve.

general public and what is their response to such kind of decisions taken by the board of directors. I haven't seen the internal thinking which goes on behind the scene when it comes to boards of directors.

This is my, first kind of brush with reality, when I heard **Mr. Munjal, Mr. Sethi** and everybody else today. Frankly speaking, I wasn't even aware of the kind activities undertaken by the Institute of Directors. To my mind, after having become aware, I am glad that they invited me, and glad that they gave me

this opportunity to have some kind of interaction, and some conversation with some of the the best brains in the industry, and in the institutional structures which has opened my eyes.

Way back, as a youngster, I had once seen an advertisement, from a very reputed manufacturer, which gave out, in the advertisement, what the company was doing on the social issues, how was their approach when it came to the social welfare, the welfare of their workforce and the commitment to the societal side. And just one line below was, “we also manufacture steel”. That's how the approaches are changing. So therefore, of course yes, as a corporate entity, you are principally concerned with, managing your affairs of your production activities and your business. But at the same time, you have to have this interface i.e. the societal interface, and to what extent do you actually carry out these obligations.

I believe that every power that is given to every person, whether it is the administrative setup, or governmental apparatus, or even the corporate ideas, is ultimately to achieve what is called a 'common good' or a 'societal good'. That is your ultimate destination; that is what we are here to achieve.

I am not here to advise you on what you should be doing as boards of directors; I am only presenting some of the views that are there, which I feel as a citizen, which I feel as a member of the society, and which I feel as somebody who has been observing public life. We are the most populated nation in the globe. We have huge pool of human resources. As compared to some of the countries like for instance, Sweden or Switzerland where the average age is well past 50, the average age of Indians is less than 30. We have huge pool of youngsters who are there. Please think of utilizing this great potential which is the human resource that we have. Our children, our youngsters are doing exceedingly well when it comes to education, when it comes to ideas, and when it comes to levels of intelligence. They only thing is that they don't have opportunities.

There is a beautiful saying in Sanskrit that that “*ayogyah puruso nāsti yojakastatra durlabha*” which means that no person is incapable, no person is inadequate, the only thing which lacks is mechanism'. There is no mechanism under which their talent can be tapped and their talent be put to good use. So therefore that is one idea, and perhaps I think you may consider in whichever manner you can utilize that potential, or, try to give some kind of impetus in that direction. As a citizen, I always find, I am going by the same idea which Mr. Munjal came out with, that is that there is a huge gap between the top level of society and the lowest levels. Any developed nation, go to any place, what you will find is, public institutions, especially in the field of education, ideas in the sector, opportunities in that sector, whatever it is public sector, or private kind of field; the quality of



People look forward to the institutions and corporate entities, for guidance, for management, for giving them the guiding light, or being light houses themselves.



education is identical to what you get in the private sector. Unfortunately, that is not so in this country. What we find is that though at the professional level, we have some of the best institutions in the public sector, like IIMs, IITs, AIMS, or the school of architecture –Bombay i.e. the top most institutions, unfortunately, when it comes to preliminary, primary and secondary education, the public sector schools do not command that kind of respect from the general population. That is one area where perhaps where we need to look into and bridge the gap.

The second part is, and that's also equally important, that the healthcare issues must also be identically be available to the top levels and the bottom levels of society. So therefore, first is education, second is healthcare. And third, which is equally important, that the public transportation in the country should be of such level that, even the top management people may feel sort of attracted to use that public transport, rather than depend on private transportation. The moment we have these three ideas clear, then perhaps I think there will be, more and more of, what we normally are trying to reach the level, that is 'the egalitarian society'.

I was amicus curiae, when it came to forest and the vehicular pollution matters. For almost 16 years I was the amicus curiae, assisting the court. We tried to regain, what is called the forest cover in the country which had dipped down, to the desired levels of 33% atleast of the landmass in the plains, and 66% in the hill area. Lot needs to be done in the area. I think that is a different idea, and the board of directors, may not directly have the occasion to deal with that issue. One part which bothers me, which I may place before you, is this: the plight of people from the rural sector to the cities, and the kind of migration we see, is not actually good for the society. What we see is that people coming from the villages, keep populating the cities, increase the population, but increase the population where?; In the

IOD Annual Survey

Board's Top Priorities & Trends for 2023



To Participate in the Survey,
Scan the **QR Code** →

Research Reports to be launched at the upcoming
London Global Convention 2023

Diligent Institute



ESG strategy and oversight in Indian boardrooms

August 2023



Scan the **QR Code**
to access the Report

A REPORT ON

MEASURING ORGANISATIONAL CULTURE

WHY IT MATTERS TO BOARDS

Joint Research by



CULTURELYTICS
Where Culture Meets AI

To know more, visit:
<https://www.iodglobal.com/advisory>

COMING
SOON

slums. Where they forced to lead a life; I may not call it sub-human, but definitely not up to the standards.

What, as captains of the industry, as the boards of directors, perhaps think in those lines, that try create opportunities not exactly in the cities, but even in the semi-urban or rural sectors. The moment there are opportunities, there may not be as much migration towards the cities, as we normally see. If this migration can be stopped, there will not be so much of population within the cities, which has made the life somewhat difficult for the inmates of the cities, in terms of pollution, in terms of traffic, in terms of distances, therefore, ease out the pressure to the extent possible.

You are the directing minds; you are the gray matter of the corporate sector or the institutional sector; you can think on those lines, please consider that. As a normal citizen, who does

not have any exposure or any interface with the corporate entities, all I can say is, that the people look forward to the institutions and corporates entities, for guidance, for management, for giving them the guiding light, or being light houses themselves. So please consider that. ■

Thank you.

**Excerpts from the 'Guest of Honour Address' delivered by Hon'ble Justice Uday U. Lalit, former Chief Justice of India, at the '33rd IOD Annual Day Ceremony' of IOD's Annual Directors' Conclave held on August 10, 2023, in New Delhi.*

ASSESSORS INVITED

Would you like to be an assessor of the most prestigious awards?

We are constantly on the lookout for professional volunteers to be assessors for **Golden Peacock Awards**

Please send your CV to info@goldenpeacockaward.com

GOLDEN PEACOCK AWARDS SECRETARIAT
M-56 A, Greater Kailash Part - II (Market), New Delhi-110048, India
Board Nos.: +91-11- 41636294, 41636717, 41008704
Email: info@goldenpeacockaward.com

www.goldenpeacockaward.com



Golden Peacock Awards®
A Strategic Tool to Lead the Competition

GOLDEN PEACOCK AWARDS SECRETARIAT
invites specialists & experts in the areas of

**CORPORATE SOCIAL RESPONSIBILITY
HR EXCELLENCE
&
INNOVATION MANAGEMENT**

A most rewarding and enriching learning experience