

kma NEWS

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A. Balakrishnan

FROM **PRESIDENT'S** DESK

Dear Members,

After the successful Annual Management Convention, we have concluded the ESG Summit and CSR Awards. Let me express our sincere gratitude to Mr MJ Akbar, the Chief Guest, Team XLRI for the meticulous scrutiny of CSR Award Nominations and the panellists for the deliberations on ESG.

On behalf of KMA Members, once again, I congratulate all the award winners for their CSR initiatives and projects. This is the first time we have obtained 90 nominations for various CSR awards. It is an encouraging number to promote CSR initiatives of our member organisations.

The conversation around corporate responsibility has evolved significantly in recent times. While Corporate Social Responsibility (CSR) has long been the dominant discourse, Environmental, Social, and Governance (ESG) factors are now taking centre stage. CSR can be understood as a company's commitment to operating ethically and contributing positively to society. It encompasses a broad range of initiatives, from environmental stewardship and philanthropic endeavours to employee well-being and community engagement. CSR often involves qualitative aspects like fostering a culture of sustainability within the organization and communicating its values to the public.

ESG, on the other hand, provides a more data-driven approach to sustainability. It focuses on a set of measurable criteria that assess a company's performance across three key areas: environmental impact, social responsibility, and corporate governance. Environmental factors include energy consumption, waste management, and pollution control. Social factors encompass labor

practices, diversity and inclusion, and community relations. Finally, corporate governance considers a company's leadership structure, transparency, and risk management practices.

My takeaway from the discussions we had at the summit is that one of the key distinctions between ESG and CSR lies in their focus. CSR initiatives are often driven by a company's desire to be a good corporate citizen and build goodwill. ESG, however, caters more to the growing demand for transparency and accountability from stakeholders, particularly investors. As sustainable investing gains traction, ESG metrics play a crucial role in assessing a company's long-term risk and return profile.

While ESG and CSR may seem different in their approaches, they are not mutually exclusive. In fact, a robust CSR foundation can serve as a strong basis for an effective ESG strategy. CSR initiatives can foster a culture of sustainability within a company, making it easier to implement and monitor ESG metrics. Similarly, an ESG approach can enhance the credibility and rigour of a company's CSR efforts, adding value to its overall sustainability strategy.

Juries appointed by MC are finalising various awards. The Most Prestigious Management Leadership Award has already been announced.

The jury, led by Mr Paul Antony IAS, unanimously selected Mr Madhu S Nair, CMD of Cochin Shipyard Limited, for the Management Leadership Award 2024. We will organize a grand function to give away the award, congratulate him, and appreciate his great work.

The jury, led by Mr George Sleeba selected Ms Sabeena Shaji A, Vice President & Head - HR Talent Acquisition & Deployment, The Federal Bank Ltd. We will be conducting an Award night to give away all awards. KMA Office will invite all members for the Award Night.

The MSME forum of KMA, Varma and Varma, and Kerala State MSME Institute jointly conducted a five-day MDP for MSME organisations. It was well attended.

Thank you for your patronage.

A. Balakrishnan
President

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C.S. Kartha

Dear esteemed KMA Members,

I extend my heartfelt gratitude to all participants, speakers, and contributors who played a pivotal role in making our recent Sustainability Summit and Corporate Social Responsibility (CSR) Awards a resounding success. Your unwavering dedication to driving positive change within our organizations and communities serves as a beacon of inspiration for all of us.

The panel discussion led by four eminent personalities delved into the intricacies of implementing Corporate Social Responsibility activities within their organizations. Their insights provided invaluable perspectives on integrating sustainability practices into business operations.

The Sustainability Summit served as a dynamic platform for fostering insightful discussions, sharing innovative ideas, and collaboratively addressing the pressing environmental and social challenges of our era.

The CSR Awards offered a platform to celebrate and honor organizations that have demonstrated exceptional commitment to sustainability and social responsibility. From grassroots initiatives to multinational corporations, the showcased projects serve as beacons of hope and inspiration.

As leaders, it is our moral obligation to harness our collective resources, expertise, and influence to drive meaningful change. Through innovative business models, sustainable practices, and impactful community partnerships, we can collectively build a more resilient, equitable, and sustainable future for generations to come.

Let us leverage the momentum generated by the Sustainability Summit and CSR Awards to propel us forward. Let us redouble our efforts to embed sustainability and social responsibility into the very fabric of our organizations, cultures, and societies. Together, with purpose, passion, and unwavering commitment, we can leave a positive legacy for future generations.

In conclusion, I urge you to seize this moment as an opportunity to reaffirm your commitment to Sustainability and CSR. Let us work together to shape a better world—one that is prosperous, inclusive, and sustainable for all.

Thank you for your continued dedication and leadership.

C.S. Kartha

Editor



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Secretary's message



Dileep Narayanan

Dear Esteemed Members of the KMA,

I extend my heartfelt gratitude to each of you for your significant contribution to the overwhelming success of the KMA Sustainability Summit and Awards Night. The awards ceremony recognized 21 out of 71 entries for their remarkable initiatives in health, education, social inclusion, and environmental preservation, following a rigorous evaluation by a distinguished jury panel from XLRI. This event set a new standard for CSR and sustainability, demonstrating the practical application of these principles.

The event was graced by the presence of the esteemed former Union Minister MJ Akbar, and it attracted notable industry leaders, fostering essential discussions on Corporate Social Responsibility (CSR), as well as Environmental, Social, and Governance (ESG) initiatives. This summit not only celebrated the exceptional contributions of organizations to societal and ecological well-being but also underscored the importance of sustainable practices in the corporate world.

Your positive feedback regarding the punctuality of the event, our unwavering commitment to a 100% green protocol, and the insightful presentations by our eminent speakers have been highly encouraging. It

was delightful to see many among you enjoy the Ghazal music, which added a memorable touch to the evening.

We were privileged to hear from Nixon Joseph, CEO of CLT India, who, along with prominent figures such as C.J George of Geojit Financial Services, Nawaz Meeran of Meeran Group, Thomas John Muthoot of Muthoot Pappachan Group, Aju Jacob of Synthite Industries, and Professor Kalyan Bhaskar of XLRI, highlighted the imperative role of corporations in fostering societal progress and sustainability.

As we approach the end of the current committee's term, it is time to celebrate the excellence of our members and peers. In April, we look forward to presenting the prestigious Management Leadership Award, with this year's honour going to Shri Madhu S Nair for his outstanding contributions. We will also recognize leaders with the IT Leadership Award and the Manager of the Year Award, among other accolades for corporate excellence in various categories. The Young Managers Contest is another highlight, culminating in a gala award night on April 19th to celebrate our success stories.

Your continued support is crucial for the ongoing success of KMA's initiatives. Let us collectively strive towards our shared goals and make an even greater impact.

With warm regards,

Dileep Narayanan

Honorary Secretary



KMA Sustainability Summit Highlights Importance of Poverty Eradication for Achieving Sustainability



The Kerala Management Association (KMA) successfully hosted the Sustainability Summit and CSR Awards Night at the Kaloor Gokulam Convention Centre, emphasizing the critical role of poverty eradication in achieving sustainability. The event, graced by esteemed personalities and industry leaders, provided a platform for discussions on corporate social responsibility (CSR), environmental,

The KMA Sustainability Summit and Awards Night inaugurated by veteran media personality and writer M.J. Akbar. Pictured nearby are Bibu Punnooran, A. Balakrishnan, Nixon Joseph, and Dilip Narayanan.

social, and governance (ESG) initiatives, and recognized organizations for their outstanding contributions to society and nature.



Inaugural Speech: Mr. M J Akbar

The summit was inaugurated by former Union Minister and senior media personality, MJ Akbar, who underscored the nexus between poverty eradication and sustainability. In his address, he emphasized the need for governments to lead the charge in fostering positive change and drew inspiration from Mahatma Gandhi's teachings on cleanliness and freedom.

Keynote speaker Nixon Joseph, CEO of CLT India, highlighted the growing emphasis on social responsibility among corporates in Kerala, emphasizing that corporate success should be measured not solely by profit but by the positive impact on society and the environment.

Distinguished speakers, including Geojit Financial Services Managing Director C.J George, Meeran Group Chairman Nawaz Meeran, Muthoot Pappachan Group CMD Thomas John Muthoot, Synthite Industries Joint Managing Director Aju Jacob, and XLRI



Prof. Kalyan Bhaskar, delivered insightful lectures on various aspects of sustainability and CSR.

The highlight of the evening was the presentation of CSR, ESG, and NGO Awards 2024 to organizations that have demonstrated exemplary commitment to social and environmental causes. Notable awardees included Aster Med City, Synthite Industries, Adani Vizhinjam Port and BPCL- Kochi Refinery in the CSR Health category. In the CSR Education category, Nita Gelatin India Limited, Plant Lipids Private Limited, US Technology and BPCL Kochi Refinery were awarded. In CSR Social Inclusion, Aster Med City, Adani

Vizhinjam Port, Cochin Shipyard and Aptiv Connection Systems won the award. Punarjiva Technology Solutions won the Special Jury Award in this category. Mathrubhumi, Apollo Tyres and Federal Bank were awarded in the CSR Environment category. Aptiv Connection Systems and US Technology were awarded in the ESG category and K Chitilappalli Foundation in the NGO category. Muthoot Pappachan Foundation and ESAF bagged the Special Jury Award in this category.

KMA President A. Balakrishnan presided over the function, with Secretary Dileep Narayanan and Senior Vice President Bibu Punnooran providing valuable insights.

CSR AWARD WINNERS

CATEGORY	WINNER	REMARKS
CSR Health	Aster Medcity	
CSR Health	Synthite Industries Private Limited	
CSR Health	Adani Vizhinjam Port Pvt. Ltd	
CSR Health	BPCL-Kochi Refinery	
CSR Education	Nitta Gelatin India Limited	
CSR Education	Plant Lipids Private Limited	
CSR Education	US Technology Intl Pvt Ltd	
CSR Education	BPCL-Kochi Refinery	
CSR Social Inclusion	Aster Medcity	
CSR Social Inclusion	Adani Vizhinjam Port Pvt. Ltd	
CSR Social Inclusion	Cochin Shipyard Limited	
CSR Social Inclusion	Aptiv Connection Systems India Pvt. Ltd	
CSR Social Inclusion	Punarjeeva Technology Solutions	Special Jury Award
CSR Environment	Mathrubhumi Printing and Publishing Co. Ltd	
CSR Environment	Apollo Tyres Ltd	
CSR Environment	The Federal Bank Ltd	
ESG	Aptiv Connection Systems India Private Ltd	
ESG	US Technology Intl Pvt Ltd	
NGO	K Chittilappilly Foundation	
NGO	Muthoot Pappachan Foundation	Special Jury Award
NGO	ESAF Foundation	Special Jury Award









KMA News Feb 2024 released by Mr. MJ Akbar





Can doing business in Kerala lead to imprisonment?



Anu Anna Jo
Senior Associate, Research, CPPR

Kerala, over the past few years, has undertaken various measures to improve its business ecosystem. The government has initiated improvements through legislative modifications, as seen in the Kerala Investment Promotion Facilitation Act, 2018, amending seven State Acts. Moreover, the enactment of the Kerala Micro Small and Medium Enterprises Facilitation Act, 2019, aims to streamline processes for MSMEs by granting exemptions from certain approvals and inspections.

While these initiatives highlight progress, there remains a pressing need to amend, reform and repeal certain state-level regulations to further enhance Kerala's business climate. One of the major challenges that entrepreneurs face on a day to day basis is navigating through various compliances with the regulations imposed. For a business to operate smoothly, it will have to comply with the state laws along with the

central laws. Among the laws being followed in the state of Kerala, there are nearly 130 plus state laws that affect businesses directly or indirectly, of which 75 have imprisonment clauses. In numerous instances, penalties are disproportionately severe, with some laws criminalising procedural violations and penalising inadvertent or minor errors rather than intentional acts of harm, fraud, or evasion.

When examining state-level regulations, it becomes evident that a significant portion of provisions carrying imprisonment penalties affecting business entities are found within labour-related laws. The Kerala Headload Workers Act, 1978; The Kerala Agricultural Workers Act, 1974; The Kerala Beedi And Cigar Industrial Premises (Regulation Of Conditions Of Work) Act, 1961; and the Industrial Establishments (National and Festival Holidays) Act, 1958—all of them carry imprisonment clauses for procedural violations



like obstructing any inspector or refusing to produce on the demand of an inspector, any register or any other document.

Similar concerns persist in the Welfare Funds Acts, with a total of nineteen Welfare Acts including provisions for imprisonment for not complying with any of the provisions of the Act. The primary compliance requirement of each Welfare Fund Act is a monthly contribution to the welfare fund by the employer. While it is understandable that the government prioritises the welfare of employees, any lapses in payment should not unjustly penalise the employer.

These irrational punishments in the state business laws necessitate decriminalisation. The term “decriminalisation” typically denotes the removal of a specific offence from the scope of the criminal justice system due to the belief that certain actions do not warrant punishment. This term can be understood in at least two ways. In a narrower sense, decriminalisation involves removing a particular behaviour from the list of punishable offences, thereby altering the substantive criminal law. In a broader sense, decriminalisation encompasses various measures that, while keeping certain behaviours as offences, reduce or mitigate the severity of punishment through procedural or correctional means. The process of decriminalisation challenges the criminal assumptions behind such laws. Certain conduct may be decriminalised as the use of criminal penalties, such as imprisonment and death, starts to seem out of place or excessive in relation to that conduct.

Decriminalisation of laws has been in the discussion in the Indian economy for a while.

It gained wider prominence with the passing of the Janvishwas Act, 2023 (an Act to amend certain enactments for decriminalising and rationalising offences to further enhance trust-based governance for ease of living and doing business). Under the Janvishwas Act, for instance, in the Industries (Development and Regulation) Act, 1951, imprisonment and fine provisions under Section 24 relating to registration and licence of industrial undertakings, licences for producing and manufacturing new articles, etc. are replaced with penalties. Similarly, the Pharmacy Act, 1948, Sub-section (3) of Section 26A, which prescribes imprisonment and a fine for obstructing an inspector from his duty, is replaced with an enhanced financial penalty.

Similar amendments to that of the Janvishwas Act can be adopted in state laws. Beyond decriminalisation, there should also be deliberate efforts to repeal redundant provisions. Certain sections of existing laws can be completely repealed, such as the Kerala Buildings (Lease and Rent Control) Act, 1965, which mandates notification of vacant buildings to the accommodation controller.

To initiate the decriminalisation process effectively, it is imperative for the state to proactively collaborate with stakeholders to grasp the practical hurdles of adhering to existing laws. Comprehensive scrutiny of each law and its provisions is necessary to identify outdated ones for elimination; amendments to penalties, particularly imprisonment for minor offences, should be reconsidered. Ultimately, the focus should be on fostering an ecosystem within the state that mirrors the overarching goal of boosting growth and productivity.





Towards Impactful CSR & ESG



Nixon Joseph

In recent years, there has been a seismic shift in how businesses perceive their role in society. No longer is success measured solely by financial gains, but rather by the positive impact a company can make on its surroundings. No company can prosper nowadays if it is not involved in the community and the people around. This shift is epitomized by the principles of ESG and CSR, which have become integral to the fabric of responsible corporate governance.

ESG encapsulates the three pillars of sustainability: Environmental, Social, and Governance factors. It calls upon companies to consider the environmental implications of their operations, the social impact on communities, and the quality of their corporate governance. By adhering to ESG principles, businesses can mitigate risks, enhance reputation, and foster long-term sustainable growth.

Similarly, CSR emphasizes a company's commitment to operating ethically and contributing to economic development while improving the quality of life of its employees and society at large. From philanthropy to volunteering programs, CSR initiatives serve as a vehicle for businesses to give back to the communities that support them.

Importance of CSR & ESG

But why are these principles so important, and how is the role of businesses in social responsibility evolving?

Firstly, we live in an interconnected world where the actions of businesses reverberate far beyond their immediate stakeholders. Climate change, social inequality, and ethical lapses can have profound consequences on society and the environment. Therefore, as corporate leaders, we have a moral imperative to address these challenges and drive positive change.

Secondly, consumers are increasingly demanding more from the companies they support. They want to align themselves with brands that share their values and demonstrate a commitment to making a difference. By prioritizing ESG and CSR initiatives, businesses can not only attract customers but also retain their loyalty in an ever-competitive marketplace.

Thirdly, investors are placing greater scrutiny on companies' ESG performance. They understand that sustainable practices are not only beneficial for society but also indicative of long-term financial resilience. As such, integrating ESG considerations into business strategies can enhance access to capital and drive shareholder value.

Evolving role of Businesses in Social Responsibility

Now, let's consider the evolving role of businesses in social responsibility. It's no longer sufficient to merely engage in tokenistic gestures or greenwashing tactics. Today's consumers and investors demand authenticity, transparency, and measurable impact.

Therefore, as corporate leaders, we must embed ESG and CSR principles into the DNA of our organizations. This means integrating sustainability into every aspect of our operations, from supply chain management to product design. It means fostering a culture of diversity, equity, and inclusion within our workforce. And it means holding ourselves accountable through robust reporting mechanisms that track our progress and drive continuous improvement.

As CSR & ESG are evolving in India several Corporates are building robust CSR & ESG programs and learning from their peers along the way. However the implementation of these are involved with lot of challenges.

Key ESG adoption challenges:

Some of the key ESG adoption challenges are i) Lack of education and awareness about ESG among businesses and investors ii) Inadequate number of competent ESG professionals iii) Non availability of support to align ESG principles with core business strategy iv) Focus of Businesses on short term profit maximisation instead of long term sustainability v) challenges in collecting reliable, consistent, and comparable data on ESG indicators due to lack of systems, processes, and standards vi) The absence of a unified ESG reporting standard vii) Inability to bear upfront costs associated with ESG adoption, such as the cost of data collection, reporting, certification, infrastructure development, technology adoption, training, compliance, etc

Despite these challenges, there is growing interest in ESG adoption in India. Businesses are increasingly realizing the importance of ESG and the benefits that it can bring, such as improved reputation, risk mitigation, and access to capital. As ESG awareness and adoption continue to grow in India, the challenges that businesses face are likely to diminish.

Opportunities :

Every challenge presents an array of opportunities waiting to be seized. Businesses can leverage these opportunities to navigate risks and prioritize ESG (Environmental, Social, and Governance) practices as a cornerstone of their strategies. The adoption of ESG principles holds significant promise for Indian industries, offering the following advantages:

1. **Alignment with National and Global Sustainability Goals:** By embracing ESG practices, businesses can align themselves with both national imperatives and global frameworks, such as the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change. This alignment not only fosters a sense of responsibility but also enhances reputation and credibility on a global scale.
2. **Access to Green Finance:** Embracing ESG principles opens doors to green finance options, which are increasingly sought after by investors, customers, and employees. By demonstrating a commitment to ESG performance and disclosure, businesses can attract and retain stakeholders who prioritize sustainability, thereby bolstering financial stability and growth prospects.
3. **Fostering Innovation, Efficiency, and Resilience:** ESG integration prompts businesses to adopt innovative practices and technologies that mitigate environmental and social impacts while enhancing governance standards. This drive towards sustainability fosters a culture of innovation, leading to increased efficiency and resilience in the face of evolving market dynamics.
4. **Generating Positive Social and Environmental Impact:** By addressing pressing societal and environmental issues, businesses can create tangible value for communities and stakeholders. This proactive approach not only enhances brand reputation but also fosters long-term sustainability and resilience. By prioritizing the needs of society and the environment, businesses can contribute positively to their surroundings while securing their own future prosperity.

Tips to overcome the challenges:

Below are several strategies that businesses

can employ to surmount the challenges of ESG adoption in India:

- **Establish Clear ESG Objectives:** Businesses ought to commence by delineating precise ESG objectives that harmonize with their overarching business strategies. These objectives must adhere to the SMART criteria - Specific, Measurable, Achievable, Relevant, and Time-bound.
- **Formulate an ESG Strategy:** Following the establishment of objectives, businesses should devise a comprehensive ESG strategy delineating the roadmap to achieve these goals. This strategy should encompass plans for data aggregation, reporting mechanisms, and performance evaluation.
- **Secure Stakeholder Buy-in:** It is imperative to garner support from all stakeholders, including employees, customers, investors, and suppliers. This collective buy-in ensures alignment and commitment to the ESG transformation journey.
- **Invest in ESG Training and Capacity Building:** Businesses need to allocate resources towards ESG training initiatives for their workforce. This investment ensures that employees grasp the significance of ESG and are equipped with the requisite skills to implement ESG practices effectively.
- **Collaborate with ESG Experts:** Partnering with ESG consulting firms can provide invaluable guidance and support throughout the ESG adoption process. These experts offer insights into best practices, aiding businesses in navigating the complexities associated with ESG integration.

By overcoming the challenges of ESG adoption, businesses in India can position themselves for long-term success.

Challenges in CSR implementation:

Implementation of CSR in India is also not without challenges. Though the CSR rules allow corporates to implement the projects directly, most of the corporates engage implementing agencies or NGOs to achieve their goals. A major challenge for corporates is identifying a reliable and efficient NGO. Lack of personnel with adequate expertise in designing, implementing, monitoring and assessing CSR

projects is a challenge faced by Corporate funders and NGOs as well. Also many Corporates are more concerned just with CSR rule compliance rather than the social impact. Lot of philanthropic activities than impactful projects are preferred by corporates due to this. Consequently enough time is not spent on studying projects and the social impact of the projects are not considered. Even now there is lot of distrust between the Corporate funders and NGOs due to reasons well known. Unless Corporate funders and implementing agencies viz NGOs work as partners with shared interest to make a positive difference, CSR projects will be more a compliance exercise rather than an opportunity to bring change. More involvement of the Corporate donors by way of employee volunteering, non-financial support to the implementing agencies etc can lead also to capacity building of the implementing agencies.

Corporates should bear in mind that being socially responsible does not mean only spending 2% of the profits as mandated but also being socially responsible in whatever they do from day one in all aspects of their operations. CSR & ESG should be integrated into the DNA of the organisation. A genuine desire from the Board and top Management to make a difference and be socially responsible is imperative for the success of CSR & ESG initiatives. It is time Corporates transformed from the concept of CSR as an initiative to that of CSR as an investment.

The implementing agencies or NGOs should also streamline their operations especially with regards to timelines, documentation, reports or data demands of the funding Corporates as CSR is a board agenda item, of course without giving away the spirit of their vision.

As consumers align their investments with their values and become increasingly vocal in demanding that corporations adhere to a moral standard of social and environmental responsibility, the field of CSR and ESG will likely continue to grow and expand.

In conclusion, the observant principles of ESG and CSR represent not only a moral imperative but also a strategic imperative for businesses. By embracing these principles and evolving our role in social responsibility, we can build more resilient, sustainable, and prosperous organizations that create value for all stakeholders.

CSR Compliance in India

Dr. Antony Gregory

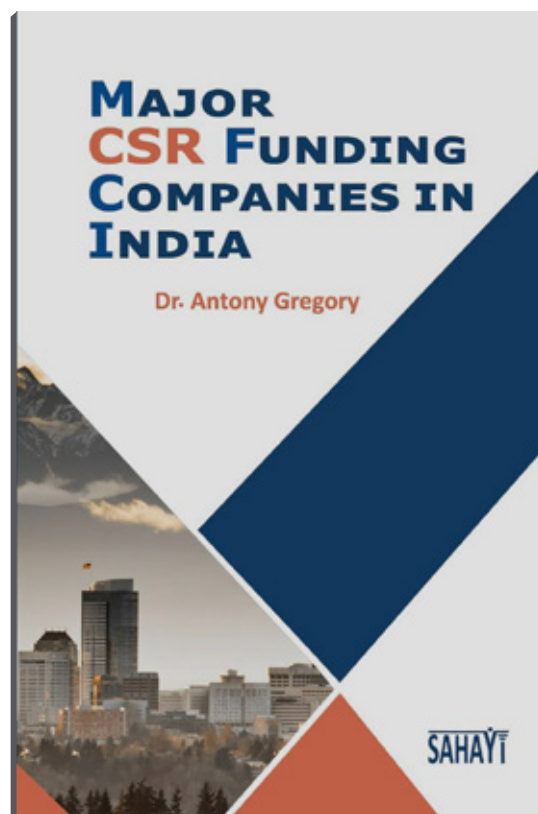
(Extracts from the book 'Major CSR Funding Companies in India' by Dr. Antony Gregory)

The introduction of mandatory CSR spending by the corporate sector in the year 2014 by the Government of India was an innovative and progressive legislation and an unprecedented legal measure anywhere in the world. Countries around the world are curious about the outcome of the Indian corporate experiment in sustainable development. Evidences indicate that Mandatory CSR in India has turned out to be a legally viable and socially feasible proposition.

The size of the corporate sector and the CSR Liable companies

The total number of companies registered in India under the Companies Act was about 25 lakhs, as on January 31, 2023, as per the data given by the Ministry of Corporate Affairs (MCA). Of these, about 9 lakhs companies were closed and several others were under liquidation, or in the process of striking-off from the register or had obtained the "dormant" status. The active companies were 15.17 lakh.

The CSR liable companies in FY 2023 were about 27,000. The CSR mandated companies



Dr. Antony Gregory

Dr. Antony Gregory has been a professor of Marketing at School of Management Studies, Cochin University of Science & technology. He had worked as a full-time corporate strategy consultant abroad for 10 years. He had graduated with an M.A in English literature, M.B.A and Ph.D. Dr. Antony Gregory has extensive experience in Social Work, including full time involvement in Tsunami relief and rehabilitation. He has been associated with the Sahayi Centre for Collective Learning and Action for three decades, as a trainer, activist and resource person. Dr. Gregory was President of CEVA (Cyriac Elias Voluntary Association), a Pan India NGO network supported by the CMI Congregation. Retired from the university, Dr. Antony Gregory continues to work as a Corporate Strategy Consultant as well as a social worker. He is author of 'Taming the Global Triumvirate: WTO, IMF and World Bank'. Dr. Gregory is currently Chair of the CSR Research and Knowledge Resource Centre, which is a Division of the Sahayi Centre for Collective Learning and Action. (Contact: antonygregory@gmail.com; Mob: 98955 60752)



were 1.78 % of the total active companies. In FY 2022, the CSR liable companies were 1.3% of the active companies. It has always been less than 2%, except in FY 2019, when it was 2.2%.

There has been significant growth in the number of active companies in India since FY 2014-15, the year of introduction of mandatory CSR in the country. The total number of CSR eligible companies was 16,548 in FY 2015. The number increased to 25,181 in FY 2019. However, there has been a gradual decline in the number of CSR eligible companies until and it reached a low level with 18623 companies in FY 2022. However, the number increased to 2,700 in 2023.

CSR Spending

There has been significant increase in the total amount spent by companies for their CSR programmes. From Rs. 10,066 crores in FY 2015, the total corporate CSR spending increased to Rs. 26,211 crores in FY 2021 and then declined to Rs. 25,933 crores in FY 2022.

The average CSR spending by a company remained less than Rs. one crore until FY 2019. In FY 2015, the annual CSR expenditure was Rs.0.61 crore per company. It increased to Rs. 1.39 crore in FY 2022.

Public sector companies have made significant contribution in the total CSR spending. The total amount spent on CSR programmes in the country in the first eight years was Rs. 153,551.46 crores. Of this, the private sector contribution was Rs. 121,090.47 crores (78.86%) and the PSUs contributed Rs. 32,460.99 crores (21.14%).

Annual CSR spending by the private sector companies was Rs.0.45 crores per company in FY 2015 and it increased to Rs.0.87 crores in FY 2020. This increased to Rs.1.18 crores in FY 2022.

The average CSR contribution by the public sector companies has been more than ten times that of the private sector. The annual average CSR spending by a public sector unit was Rs. 5.71 crores in FY 2015, (as against Rs. 0.45 crores in the private sector) and it increased to Rs. 13.78 crores per company per annum (as against Rs. 1.18 crores in the private sector) in FY 2022.

CSR Non-compliance

There has been significant improvement in CSR compliance in India. However, glaring non-compliance of CSR provisions, with zero CSR spending by a major chunk of the corporates, remains a reality. Over 55% of the CSR eligible companies had not been complying with the CSR rules until FY 2019 and had zero CSR spending, as reported by the Ministry of Corporate Affairs. In FY 2019, among the 25,181 CSR liable companies in the country, 13,977 companies did not spend any amount for CSR (55.51%).

The redeeming fact, however, is that the number of CSR non-complying companies have been coming down in recent years. It has come down from 45% in FY 2020 to 21% in FY 2022.

Extract

The book is targeted at CSR executives and NGOs. The first part of the book discusses topics such as the statutory provisions on CSR implementation, the extent of CSR compliance by companies and the state-wise and sector-wise spending of CSR funds at the national level. The second part deals with the top 100 CSR funding companies in India. The chapter on each company provides details of its CSR programmes.

(The book 'Major CSR Funding Companies in India' is available in Amazon. Link: <https://www.amazon.in/dp/9361286641>)

GOMP Global Owner Manager Program



Prof. Parimal Merchant, Director, GOMP inaugurating the Programme.

The theme for this year at KMA is “Mastery Matters: Fostering Management Excellence.” As an integral part of this theme, one of our key focus areas is Upskilling through Management Education Programs. In line with this commitment to excellence, KMA introduced a unique program at a special fees for KMA members and their families in partnership with the Asian Institute of Family Managed Business. The Global Owner Manager Program is targeted at Owners and Managers of Businesses who are desirous of learning about the peculiarities and differences of owning and running Businesses and targeting exponential growth of their businesses.

The GOMP is conducted by faculty from Asian Institute of Family Managed Business specializing in Family Business. The program is ideally suited for those business owners above the age of 30 who have achieved significant business successes and now keen to acquire new skills as the business is facing Family challenges like Governance, Conflict Management, Succession etc on one side and Business challenges like Strategy, Professionalisation and Communication on another side. Two batches of GOMP have already been conducted successfully at Kochi.



It is interesting to read through MJ Akbar's writings. Here is one from 'open magazine of twitter' for KMA News readers.



MJ Akbar

A Kung Fu Panda Pact

Maldives' Chinese tilt and the Bazball syndrome in cricket

Illustrations (Saurabh Singh)



HUMBLE CONFESSION, with duly abject apologies. My knowledge of Chinese martial arts is most deplorably restricted to the cute skills of Kung Fu Panda on children's television. And the occasional glimpse of Uncle Google's Omnipotent Dictionary in pursuit of a crossword clue. This frivolity must stop. Serious geostrategic developments in our subcontinental region demand a radical rethink.

President Mohamed Muizzu of Maldives has just signed—or inked, as the professionals put it—a military pact with China to draw an impregnable security line around his multi-island nation, after demanding the removal of less than a hundred Indian personnel manning a couple of helicopters largely for humanitarian

deployment. President Muizzu disclosed details of this historic alliance with China on March 6, after meeting the august VIPs Major General Zhang Baoqun, deputy director of the office for international military cooperation, and president of the Export-Import Bank of China Ren Shengjun. The Chinese will provide, to quote Muizzu, "non-lethal arms and training" to strengthen Maldives' "independence and autonomy" and we had better believe him.

This is no time for complacency. And time for acknowledgment of deficiency. If Maldives had signed such a non-lethal arms deal with India, all we would have been able to provide would be expertise in lathi combat, and I am not totally sure that even this would have been permissible under international treaty law. A lathi blow can be pretty lethal if aimed at the cranium. Of course, we could also have tried Kerala's Kalaripayattu, but that includes the use of a short sword and broad shield, so that's that then. The Chinese are going to give the Maldives armed forces world-class expertise in Knoshu, Wushu, Gung fu in addition to hundreds of other art forms developed across millennia. Some experts point out that while the Japanese Karate is offensive, Kung fu is defensive, but that is not the way Kung Fu Panda does it.

So there we are. When a hostile enemy attacks with evil drones, wicked missiles, and monstrous ships, the Maldives armed forces will be ready with Kung fu. A tribute to Chinese diplomatic sophistication. They understand their friends even better than they understand their enemies.

IF, AS ST JOHN asserted in the first verse of his Gospel, in the beginning was the word and the word was God, then the rest of philology is human, catering to the complications of continuous experience. Language is a byproduct of unprecedented events or new knowledge to make them part of communication.

A word at the centre of the idea of democracy, 'populist', emerged in the turbulent America of the 1880s when an alliance of farmers was formed to challenge the domination of corporations in an age when industrialisation sought to define progress. The farmers

wanted better prices for their products through collective bargaining and lower interest rates, but prices and usury were controlled by the gleaming new temples of mammon, corporate boardrooms. James Weaver, their candidate in the American presidential elections of 1892, did better in retrospect than seemed at the time, but a sectional cause rarely reaches its objective until it finds the mantra of alliances. Weaver did well in four states, Idaho, Kansas, Colorado, and Nevada, but was lost after defeat. His vote shifted to the Democrats in 1896, and American democracy found other avenues for momentum.

Has any popular movement in democratic India given us a new word? On quick recall I can only think of 'Naxaliya' or 'Naxalite', preserving the memory of a violent Maoist-Marxist upsurge that sent a shudder down our collective spine in the 1960s and 1970s. The various farmers' movements in our country have not yet created a new term or phrase, perhaps because they have not found an innovative indigenous strategy. Their demands are as old as the conflicts of the marketplace in the battlefields of economic evolution. This does not make them irrelevant. But they do need to introspect about one fact: Where are the allies even across the sweep of agricultural India?

ST JOHN WAS the poet among the disciples of Jesus. The first verse of his Gospel is deservedly famous. But I am haunted by the magic of his second and third verses describing creation: "...the earth was a formless void and darkness covered the face of the deep, while a wind from

God swept over the face of the waters... Then God said, 'Let there be light', and there was light." That light was from the eternal fire of knowledge, and knowledge is lost without vocabulary.

IT IS A FUNDAMENTAL duty of a diary to descend from the sublime to the familiar, but do so on the downward ladder of association. Should 'Bazball', a term concocted by the authors of the latest chapter of English cricket, enter the dictionary of knowledge or is it no more than a fad dreamt up by a half-clever ad agency? Evidence from the present India-England series suggests that the hype was a flurry, and you cannot inflict the culture of a limited game upon the strategies necessary for the unique five-day format. Cricket is the only sport in history with the courage to spread its genius across five days of thought, labour and creativity. Its variations are welcome. But the oil of change cannot mix with the water of the original.

The variations came when Anglo-Australian cricketers began to weaken from old age in the 1970s. The West Indies, armed with the aggression of usurpers, were the first to challenge the establishment on the field by stretching the violence inherent in the format to the tensile elasticity of the rules. The change had to be institutionalised to survive; hence One-Day cricket and then its moveable spawn. The old sits beside the new, with different degrees of comfort, with space for all in the multi-generation family. What will not survive is hybrid cross-fertilisation.

George Bernard Shaw, English literature's indefatigable gadfox rather than gadfly, thought the English had invented cricket to give them some sense of eternity since they had no idea of spirituality. Worth a thought, even if Shaw was an Irishman who understood the genetic commitment of the English to the many forms of colonialism.

Indians love cricket for their own reason. It brings out the hidden child inside. Football is another story. It brings out the disguised teenager.

A LETTER IN THE English weekly Spectator provides some fine details about the authentic, as opposed to merely political, history of Indo-Anglia. In 1924, Edward Palmer, a retired officer of the Indian Army, set up a Mughal pavilion at the Wembley Empire Exhibition. The reason was personal. Palmer's great-great-grandfather, a general in the East India Company Army of



A painting of William Palmer and Begum Fyze Baksh by Johann Zoffany, 1785 (Photo Courtesy: British Library)

Indian sepoy and British officers, had married Begum Fyze Baksh, a Mughal princess. Palmer's curry was a hit. Encouraged, he opened Veeraswamy on Swallow Street in the heart of London; this restaurant became popular and remains iconic. Among its patrons was a cousin of King George V, Prince Axel of Denmark. The prince so enjoyed his dinner

that he sent a case of Danish beer, Carlsberg Pilsner, as a gift. That began the fashion for a beer with Indian curry, and launched the rise of Carlsberg as a multinational.

Such is the narrative of commerce !

From: <https://openthemagazine.com/columns/a-kung-fu-panda-pact/>

WORKSHOP

Workshop on Financial Management & Taxation

Government Of India, Ministry of Micro, Small and Medium Enterprises, MSME -Development and Facilitation Centre, Trissur, in association with KMA, organised a five days workshop on Financial Management and Taxation at the Management House of KMA from the 11th of March to 15th of March 2024. It was a full day's programme from morning 10 AM to evening 5 PM. Partners of Varma & Varma, Chartered Accountants conducted the workshop on behalf of the organisers.

President of KMA Mr Balakrishnan inaugurated the workshop along with Mr Baiju Mani Paul, Chairman MSME Committee and the officers of MSME Institute. Valedictory session was chaired by Mr Kunjachan MD Arjuna Extracts Ltd who shared the travails of his entrepreneurial journey.

About 30 entrepreneurs from different parts of Kerala attended the workshop. Various aspects of financial management and taxation which are relevant for micro and small businesses were handled by the faculties.





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