

# S YNERGY

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**Many Fulfilling Partnership with Industry Placements 2016 -17**

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**and many many more**



**Smt. Pankajam Sridevi**  
President - BCIC

Over the last several months, short-term prospects for the world economy have continued to strengthen. This stems from a further uptick in the growth outlook for developed economies in 2018, on the strength of accelerating wage growth, broadly favourable investment conditions, and the short-term impact of a fiscal stimulus package in the United States.

As emphasized in the World Economic Situation and Prospects 2018 released by United Nations, the improvement in macroeconomic conditions offers policymakers greater scope to address some of the deep-rooted barriers that continue to hamper more rapid progress towards the Sustainable Development Goals. The rise in economic risks makes this challenge all the more imperative. These objectives include ensuring that the gains from stronger macroeconomic growth are widely shared, enabling progress towards targets such as reducing inequality and creating more jobs for all.

According to the United Nation report since early 2017 global investment conditions have improved, underpinned by reduced banking sector fragilities in developed countries. Financing costs and spreads in emerging economies remain relatively low, supported by the recovery of capital flows and cross-border lending and higher commodity prices. However, the prolonged period of abundant global liquidity and low borrowing costs has also allowed financial vulnerabilities to build, fuelling investors' search for yield and encouraging an under-pricing of risk.

On the home front, several recent studies have indicated that the rural economy is showing signs of revival which is very important to spur overall economic growth in the country. A Bloomberg Economics index that tracks the rural economy shows, tractor and two-wheeler sales are up and the government is spending more. Monsoon rains are set for a third good year - another sign of hope for an industry that was beset by back-to-back droughts followed by a disruptive cash ban in late 2016.

A revival in rural activity bodes well for the broader growth recovery. It is likely to boost the equity returns of agrarian and rural consumption stocks. And with nearly two-thirds of India's population residing in rural areas, a recovery is likely to further enhance in the coming months.

Hit by criticism that Prime Minister Mr. Modi had neglected his rural base he has set out on a course of correction, by pledging to double farmers' incomes by 2022, raise the support prices on additional crops and spend more on irrigation and infrastructure in rural areas. Recently, the government agreed to extend a fertilizer subsidy program until 2020. Farm loan waivers by some state governments are also helping.

But all the gains over the last three years, may come under severe pressure considering the fact that oil prices have been spiralling dangerously, may in the next few months touching US\$80 per barrel. This would potentially water down the progress made due to this solid cushioning on the fiscal development management. Noted economist Nouriel Roubini has cautioned against rising oil prices in the international market, saying it could create problems for inflation as well as trade and fiscal balance.

Back in Karnataka, with dates announced for the 16th State Assembly elections as May 12 2018, the entire political and administrative machinery is currently busy preparing for the polls. The EC has given full powers to the administration to ensure that elections to the state is organised in a smooth and in a fair and fearless manner.

Only after the next government takes over the mantle at Vidhana Soudha will come to fully understand the direction and the targets that the government will pursue as far as various pending and new reforms are concerned which ultimately promote industry and commerce in Karnataka.



## Union Budget 2018-19: Live Session

February 1, 2018



Arun Jaitley, Finance Minister presenting the Union Budget 2018-19 in Parliament

Finance Minister Mr. Arun Jaitley this year presented National Democratic Alliance government's fifth and arguably his toughest budget yet, as he sought to address agriculture distress, create jobs and boost economic growth while at the same time stick to fiscal prudence.

Welcoming the first Post GST Budget 2018-19, Bangalore Chamber of Industry and Commerce (BCIC) termed it as an **"Agriculture, Infrastructure and Rural Economy Boosting Budget"** that will boost macroeconomics of the country despite stagnation in the global economy and overseas political uncertainties, with specific emphasis on the development of core sectors especially the infrastructure, Agriculture, Rural sectors for the next one year.

The hallmark of the Finance Minister's presentation was a promise of containing Fiscal Deficit for FY18-19 to 3.3 percent of the GDP without compromising on the spending on development schemes despite burgeoning oil bill which is putting severe burden on the FD.

Mr. K R Sekar, Chairman, Direct Taxes Expert Committee, BCIC and Leader Global Business Tax, Deloitte said: "The Budget has a slew of policy-oriented announcements and targets set for build rural economy, create jobs, boost infrastructure, promote SME sector, further integrate digital India, public sector disinvestment, improve social sector, agriculture sector and investment on Education, Skill development which we believe will spur overall economic growth as it clearly sets the right tone for the current fiscal". He further added that this budget is focused more on consolidating "efficiency and transparency on the long term, ultimately aiming at improving and spurring the economy under the prevalent difficult challenging financial space due to demonetisation and de-globalisation effect. The budget has brought special focus on Healthcare and women welfare. The move to reduce PF

contribution of Women employees to 8 percent and without corresponding reduction of employer rate is an innovative idea and will promote benefit to women employees".

Mr. K R Sekar further said: "The huge capex push to infrastructure projects, smart cities, metro railway, road connectivity and development of Tier-II airports will radically improve not only the smooth transportation of goods and services and mobility of masses but also boost creation of mass employment in the nation".

He further said: "I think it is a fiscally responsible budget. There is enormous emphasis that the government is putting on committing to fiscal consolidation. However, the 7-7.5 percent GDP forecast builds in some risks to growth, particularly the oil price risk. If oil prices stay firm or rise from these levels, we would look at the 7 percent mark, he added. There could be a potential upside from here if oil prices moderate quite substantially and you see a pickup in domestic demand components". Sekar felt

Mr. K R Sekar Said: "The budget has a clear agriculture push as we had expected. A number of initiatives for agriculture and food processing have been announced in the budget. Policies like MSP being at 1.5 times the cost of produce need to be understood further as we need to see if it pushed up inflation on agri commodities.

Mr. K R Sekar said: "We expected corporate tax cut for the companies, but though that has not come through despite the Government promising to reduce it to 25 percent in the next two years. However, reduction in the rate of tax for SMEs to 25 percent up to revenue of Rs 250 cr is the most welcome measure. This change is made to provide necessary boost to the MSME sector. If MSMEs are able to source lower credit it will provide the necessary impetus to job creation which is very crucial at this point of time."

Further he added: "The Finance Minister's announcement to act with an iron fist on loan evaders is a very encouraging

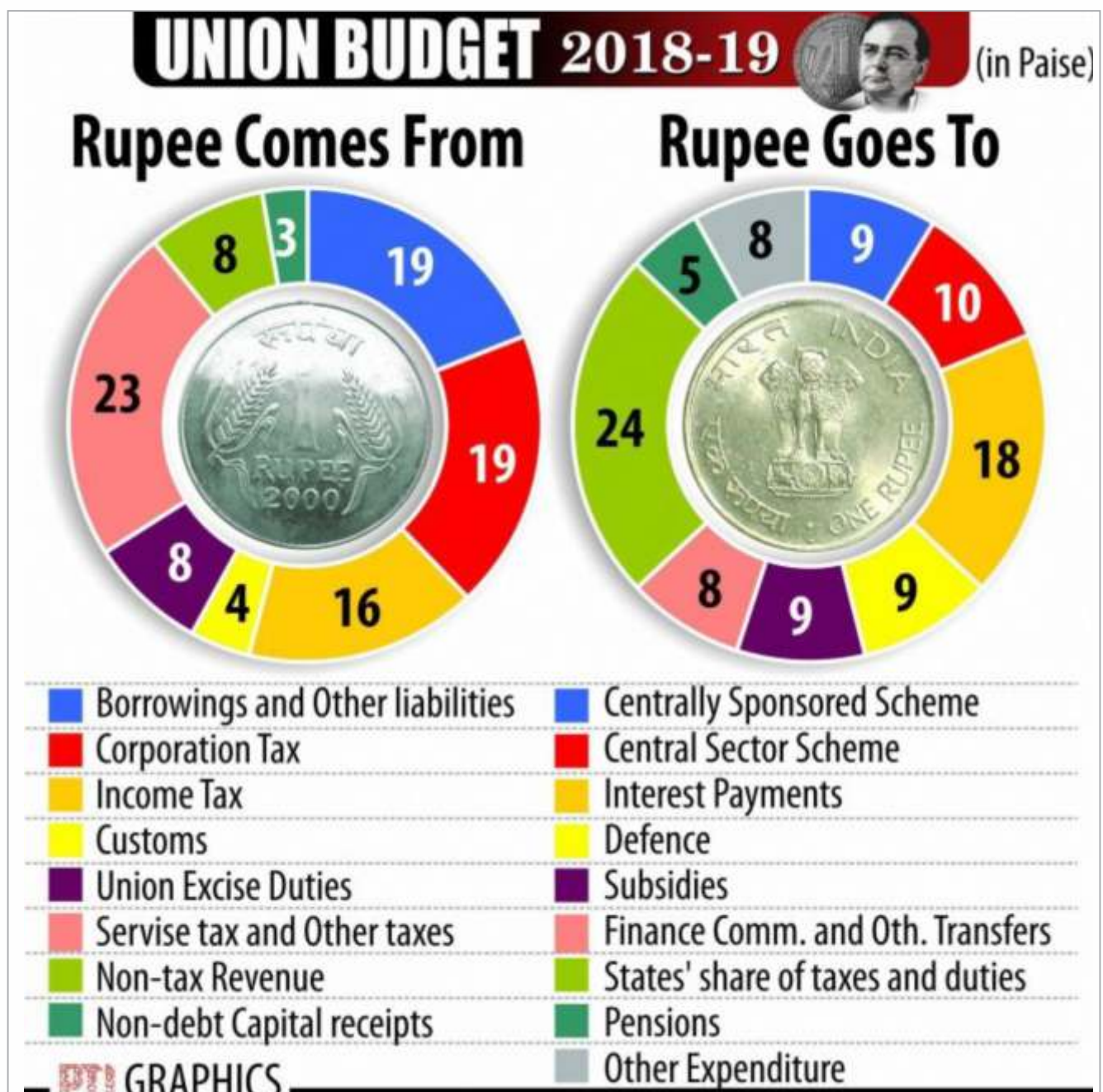
feature as this will radically reduce NPAs which is eating into government exchequer.

Welcoming the Budget 2018-19 Mr. Thyagu Valliappa, Immediate Past President, BCIC said: "With the implementation of the GST, there is growing confidence in the Government's ability to take on difficult reforms in India. The improvement in investor confidence is evident from capital flows as foreign investors continue to bet on India as one of the promising destinations for investment."

Mr. Thyagu Valliappa further said that the allocation of Rs. 17,000 crores for the Bangalore Metro is a huge boost for easing

traffic congestion in this global city and indeed it is a very welcome measure".

In conclusion, BCIC feels that the Budget tries to provide a stable, predictable and consistent policy framework to facilitate long-term investment decisions. The Finance Minister has done a balancing act by focusing his attention on all sectors without overtly hurting or appeasing any individual section of the Society and all the policy initiatives seamlessly integrate with the introduction of GST. Further the budget has all essential ingredients to achieve the desired growth rate of 7.50 per cent.





## Post-Budget Analysis of the Union Budget 2018-19

February 2, 2018



**Mr. MR Venkatesh, Chartered Accountant and Commentor on International Trade and Economic Affairs addressing the members**

As is the tradition, BCIC was the first regional Chamber to organise an Interactive Session on Union Budget immediately after Finance Minister Mr. Arun Jaitley presented it to the nation.

In order to deliberate exhaustively on the various provisions and implications of the budget, BCIC joined hands with Deloitte Haskins & Sells in organizing an in-depth analysis both on the Direct and Indirect Taxes amendments by a team of experts drawn from industry and profession.

Considering the fact that this year being the election year, Finance Minister had very little elbow room to manoeuvre as far providing sops and concessions to the masses. But despite all these uncertainties pulling him from behind including forthcoming elections, Finance Minister Mr. Arun Jaitley presented a Budget that focused on overall growth of the economy.

The hallmark of the Finance Minister's presentation was a promise of containing Fiscal Deficit for FY18-19 to 3.3 percent of the GDP without compromising on the spending on development schemes despite burgeoning oil bill which is putting severe burden on the FD.



**Mr. K R Sekar, Chairman, Direct Taxes Expert Committee, BCIC initiating the Post Budget Analysis discussion**

Delivering a presentation Mr. K R Sekar, Chairman, Direct Taxes Expert Committee, BCIC and Leader Global Business Tax, Deloitte said: "The Budget has a slew of policy-oriented announcements and targets set for build rural economy,

create jobs, boost infrastructure, promote SME sector, further integrate digital India, public sector disinvestment, improve social sector, agriculture sector and investment on Education, Skill development which we believe will spur overall economic growth as it clearly sets the right tone for the current fiscal”.

He further added that this budget is focused more on consolidating “efficiency and transparency on the long term, ultimately aiming at improving and spurring the economy under the prevalent difficult challenging financial space due to demonetisation and de-globalisation effect. The budget has brought special focus on Healthcare and women welfare. The move to reduce PF contribution of Women employees to 8 percent and without corresponding reduction of employer rate is an innovative idea and will promote benefit to women employees”.



**Industry captains at the Budget analysis session**

The budget has a clear agriculture push as one had expected. A number of initiatives for agriculture and food processing have been announced in the budget. Policies like MSP being at 1.5 times the cost of produce need to be understood further as it needs to see if it pushed up inflation on agri commodities.

It is expected that FM would reduce corporate tax for the big companies, but that has not come through despite the Government promising to reduce it to 25 percent in the next two years. However, reduction in the rate of tax for SMEs to 25



**A section of the audience**

percent up to revenue of Rs 250 crore is the most welcome measure. This change is made to provide necessary boost to the MSME sector. If MSMEs are able to source lower credit it will provide the necessary impetus to job creation which is very crucial at this point of time.

Overall the speakers felt that the Budget provides a stable, predictable and consistent policy framework to facilitate long-term investment decisions. The Finance Minister has done a balancing act by focusing his attention on all sectors without overtly hurting or appeasing any individual section of the society and all the policy initiatives seamlessly integrate with the proposed GST rollout post June 2017.

In addition to Mr. MR Venkatesh, Chartered Accountant and Commentor on International Trade and Economic Affairs, Mr. Shekar Viswanathan, Vice Chairman & Whole Time Director Toyota Kirloskar Motor Pvt. Ltd. Mr. P V Srinivasan, Chairman, Indirect Taxes Expert Committee, BCIC, Mr. Baskar K, Senior Partner, Deloitte Haskins & Sells, Mr. N. Ravi Vishwanath, Chief Financial Officer Team Lease, Mr. Mahesh Jaisingh, Senior Director, Deloitte Haskins & Sells and Mr. K Balasubramanian, Co-Chairman, Direct Taxes Expert Committee, BCIC and VP and Global Head - Corporate Tax, Wipro Ltd participated where over 100 delegates were present at the event.



**Mr. Shekar Viswanathan, Vice Chairman & Whole Time Director, Toyota Kirloskar Motor Pvt. Ltd sharing his thoughts on the budget**



## Japan B2B Meeting: Waste Water Treatment Business Mission

February 15, 2018

Bangalore Chamber of Industry and Commerce (BCIC) and Japan External Trade Organization (JETRO) jointly hosted a B2B meeting with the visiting Waste Water Treatment Business Mission from Japan in Bangalore

The main objective of the B2B meeting was to explore Partnerships, JVs, Collaborations specific to Waste Water Treatment with Japanese visiting delegation. Over 20 Japanese companies met over 120 Indian delegates during the day long session.

The Waste Water Treatment Business Mission provided a one stop platform for BCIC members to explore business and service opportunities and also technology knowhow on Waste

Water Treatment and allied industries from the visiting Japanese Business Mission.

Mr. Kemparamaiah, Engineer-in-Chief and Dr. P. N. Ravindra, Chief Engineer, Bengaluru Water Supply and Sewerage Board (BWSSB) delivering a presentation at the B2B meeting said that "BWSSB is committed to provide drinking water of unquestionable quality in sufficient quantity and to treat the sewage generated to the required parameters. As the leader in providing water and sanitation services, BWSSB is recognised as an effective instrument of change through adopting state-of-the-art technologies for improving the quality of its services to the general public.



### B2B Meetings in Progress

They further stated that BWSSB's vision rests on its unwavering commitment to providing value added quality services using innovative and cost effective solutions to achieve customer satisfaction, by remaining ever sensitive to their needs by anticipating their requirements, keeping public interface always open and staying in the forefront in all endeavours.

Mr. Masamoto Itonaga, Director, Environment & Infrastructure Division, JETRO Tokyo and Mr. Raju Bhatanagar, Secretary General, BCIC also spoke at the meeting. Over 18 Japanese companies met close to 120 Indian delegates during the day-long session.



**Mr. Kemparamaiah, Engineer-in-Chief and Dr. P. N. Ravindra, Chief Engineer, Bengaluru Water Supply and Sewerage Board (BWSSB) delivering a presentation at the B2B meeting**





## Karnataka State Budget 2018-19

February 16, 2018



### Chief Minister Siddaramaiah

Chief Minister Shri Siddaramaiah, presented an all-please State Budget 2018-19. It is quite obvious that since the State is going for election sometime in April-May 2018, CM Siddaramaiah has entirely focused on the two important pillars of the society. The farming community and the industry basically to focus on rural and urban populations. It is a "Farmer and Industry-Friendly Budget" with specific focus on Rural-Urban development which tries to address issues related to farming community and the industrial development in the state simultaneously.

The Chief Minister states that the implementation of Karnataka Model of e-way Bill in the entire country is a matter of pride to the State and that it would bring in qualitative change in tax compliance and thus streamline the implementation of GST. The Budget is completely in line with the direction set in the Union Budget 2018-19. The Budget provides greater thrust to urban-rural development—be it infrastructure development, education enhancement, health concerns, irrigation facilities, family welfare, sports promotion, horticulture and sericulture thrust, water resources regeneration, medical facility to all, etc., every sector has a got a budget allocation in this election budget.

Mr. S Venkataramani, Chairman, State Taxes Expert Committee-Bangalore Chamber of Industry and Commerce (BCIC) said: "The State Government's directional thrust for

infrastructure development especially in and around Bangalore is very essential to safeguard the 'Brand Bengaluru' in the Global community. Especially, the thrust to hasten the Phase-2 and 2A of Namma Metro and proposing Phase-3 construction, will do a lot of good to Bengaluru brand building exercise. The various proposals and allocations to BMTC, BDA and BBMP are a clear indication of the focus and attention to address the infrastructure needs of Bengaluru. As a direct result, all this will certainly attract fresh investments into the State.

He further said: "However, my only concern is that how will the state government raise adequate resources to fund several developmental projects announced in the budget 2018-19 without getting much revenue support from taxes front as we now move into the GST full-fledged regime starting this fiscal. We need to wait to see whether this was just an election rhetoric or these will really get translated to the ground."

The proposal to provide more stress on Digital Learning by establishing Multimedia Computer Labs under PPP in 120 Government ITIs having own buildings at a cost of Rs. 10 crore, is really a welcome measure as students passing out of these state-run institutes will graduate in tune with the industry requirement which is the basic requirement that the industry and been seeking for long.

On the proposal to announce Innovation Policy, Mr. Venkataramani said that this Policy will boost innovative ideas and encourage manufacturing start-ups to come with end-user applications that will support better quality of life in the society.

The reduction in sale tax on sale of ATF to small aircraft from 28 percent to 5 percent will play an important role in providing connectivity with remote and unconnected places in the country to support UDAN scheme of the Union Government.

In sum CM Siddaramaiah has focused on overall infrastructure development and the thrust for the rural economy including allied sectors in the budget. However, it was expected that more could have been done for industrial development in the State, especially when the State is slowly losing out projects to our neighbouring States which is a major concern and needs immediate attention from our politicians and bureaucrats.





## Interactive Session on Investment Opportunities in Pennsylvania

February 19, 2018



**Mr. David Briel, Executive Director, International Investment, Pennsylvania Department of Community & Economic Development showcasing business opportunities. Seen with him are Mr. Raju Bhatnagar, Secretary General, BCIC, Ms. Denise Brinley, Senior Energy Advisor, Pennsylvania Department of Community & Economic Development and Ms. Sushama R Kanetkar, Director, Commonwealth of Pennsylvania Department of Community and Economic Development**

Bangalore Chamber of Industry and Commerce (BCIC) jointly with Pennsylvania Trade & Investment Office – India organized an interactive session with Pennsylvania Business Delegation

A high-powered business delegation from Pennsylvania engaged in the business of Petrochemicals is visited Bangalore on February 19 2018 to meet BCIC member companies and explore business opportunities in the sectors like food packaging and automotive components. The delegation was on an explorative visit to attract Indian companies to Pennsylvania or look at partnering with them for exports, investments and technologies.

Ms. Denise Brinley, Senior Energy Advisor, Pennsylvania Department of Community & Economic Development (PA DCED) delivering a presentation at the interactive session said that Pennsylvania is home many successful businesses, big and small. It is also a home to a thriving and diverse business community—Life sciences, high-end technology, advanced manufacturing and business services to list a few. The incentives and benefits that Pennsylvania offers to businesses make it a great place to locate a company or find venture capital. Pennsylvania provides the capital necessary for growth and innovation for companies ranging from incubation to mature and global entities.

On the other hand, Mr. Raju Bhatnagar, Secretary General BCIC said that the Indian market has been growing consistently and there are great opportunities to expand trade and investment between India and Pennsylvania, particularly in the ICT/BT, Pharmaceuticals, Medical Devices, Diagnostics, Energy and Manufacturing sectors. Through Make in India, the Modi government has been aggressively promoting FDI in select manufacturing sectors in India and improving India's ease of doing business.

He further said that Pennsylvanian firms can take advantage of this business friendly climate and tap into India's rising energy needs and its expanding market for machinery goods and medical equipment.

The Business Delegation Comprised of Ms. Denise Brinley, Senior Energy Advisor, Pennsylvania Department of Community and Economic Development (PA DCED) and Mr. David Briel, Executive Director, International Investment. Ms. Sushama Kanetkar, Authorized Representative Director for India and Mr. Supriya K. Associate Director.



## Seminar on Digital Darwinism - Thriving in the Phase of Technological Change

February 21, 2018



**Mr. S. Vaitheeswaran (MD & CEO- Manipl Education. & Group CEO-Manipl Education & Medical Group (MEMG) delivering the inaugural speech**

Digital Darwinism threatens most organizations in almost every industry. Due to this, businesses not only have to compete for today but also for the unforeseeable future. Digital Darwinism also would imply digital transformation in a workplace. It is the realignment, new investment, technology adaption, change in business strategy and adoption of processes to drive new value for customers and employees so that they are in tune and are able to effectively compete in an ever-changing digital economy. Change is the only the constant parameter and that holds important tagline for Digital Transformation.

To discuss on this important subject, Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of its ICT and 3I Expert Committees organised a Seminar on Digital Darwinism – Thriving in the phase of Technological Change in Bangalore.

The objective of the seminar was to throw some light on how industries and academia are transforming themselves to generate a wider social and economic impact due to Digital Darwinism. In this endeavour, BCIC invited top industry and

domain experts to share their thoughts with participants, enhance their clarity and assist industry to effectively navigate the emerging landscape.



**Panel 1: Mr. Balachandrar N, Group Director – HR, Coffee Day Group anchored the session comprising Mr. Shivakumar Venkateswaran, Chief Human Resources Officer at IIM, Bangalore, Mr. Srikanth N R, Managing Director - Human Resources Accenture, Ms. Swapna Bapat, Director Technical Sales, Microsoft and Mr. Kiran GR, Co-Founder and Director, KRACKIN Technologies Pvt. Ltd**



A section of the audience

### PANEL 1

**How Academia is geared up to take on the current and emerging tech trends and disruptions.** As a culture, we are captivated by innovation, leaning heavily on the promise of disruption to present new, inspiring products and services to the market. Companies are concerned whether to disrupt or be disrupted in the journey to discover the unknown. This sense of urgency fuels the call for the academia to take on the challenge of preparing the future workforce to understand and help evolve the corporate culture of future organizations. Is academia through its constituent leaders gearing up to tackle this change? This session was Moderated by Mr. Balachandar N, Group Director – HR, Coffee Day Group. The Panel comprised of Ms. Swapna Bapat, Director Technical Sales at Microsoft, Mr. Shivakumar Venkateswaran, Chief Human Resources Officer at IIM, Bangalore Mr. Kiran GR, Co-Founder and Director, KRACKIN Technologies Pvt. Ltd, Mr. Srikanth N R, Managing Director - Human Resources Accenture.

#### Some of the other themes which came of from discussion included:

- How Academia is geared up for take on the current and emerging tech trends and disruptions
- How to create more Student Entrepreneurs from college – incubating in Academia
- In the era of Digital Darwinism, what are the most important technologies capable of influencing the future of business, policy making and governance?
- And other critical current issues related to Technology and academia sector which is currently growing at a healthy double digit rate

### PANEL 2

**How to create more Student Entrepreneurs from institutions – incubating in Academia** Educational technology is succeeding in making learning collaborative and interactive. Digital-age broadband and cloud computing are not only revolutionizing our economy; they are transforming the education scenario. The academia has an inevitable onus to strategically impart entrepreneurial skills for the young potentials to take on the reigns. The modus operandi of imparting knowledge in institutions are undergoing rapid metamorphosis in multiple iterations. This session was moderated by Mr. Sudheesh Venkatesh, Chief People Officer-Azim Premji Foundation. The Panel comprised of Members Mr. Srikanth Iyer, Co-founder & CEO, HomeLane & Venture partner, Unitus seed fund, Dr Anil Rao Paila, Sr. Dean at Welingkar, Bangalore Campus, Mr. Manas Dasguta, Technology Leader, ANZ Wealth & Chair of ICT Committee, BCIC and Mr. Gopal D, CEO-MeritTrac.

Mr. S. Vaitheeswaran (MD&CEO- Manipal Education. & Group CEO-Manipal Education & Medical Group (MEMG) and Dr. Anand K Joshi, former Founder Vice Chancellor, CMR University, Bangalore and Advisor at Welingkar Institute of Management, (Mumbai/Bangalore) also spoke extensively at the seminar. Mr. Raju Bhatnagar, Secretary General, BCIC concluding the seminar pointed that while the industry needs to actively work with the academia to design syllabus relevant to the industry, the academia and the institutions should re-orient and align themselves to the emerging and futuristic trends and accordingly construct their curriculum.

Over 150 participants comprising of students, faculty, domain experts and industry captains participated in the dinner programme.



**Mr. Sudheesh Venkatesh, Chief People Officer - Azim Premji Foundation Moderated Session II. The Panel comprised of Mr. Gopal D, CEO - MeritTrac, Dr Anil Rao Paila, Sr. Dean at Welingkar, Bangalore Campus and Mr. Srikanth Iyer, Co-founder & CEO, HomeLane & Venture partner, Unitus seed fund, Mr. Manas Dasgupta, Chair ICT Committee, BCIC.**





## Special Talk By Mr. H V Harish Past President-BCIC and Partner-India Leadership Team Grant Thornton India LLP on Union Budget 2018-19: Analysis and Outlay

February 23, 2018



**Mr. H V Harish Past President-BCIC addressing industry Captains on Union Budget 2018-19**

The Union Budget 2018-19 presented by Finance Minister Mr. Arun Jaitley on February 1, 2018 had a slew of policy-oriented announcements and targets set to build rural economy, create more jobs, boost infrastructure, promote SME sector, further integrate digital India, public sector disinvestment, improve social and agriculture sectors and investment on Education, Skill development which is believed to spur overall economic growth in the country.

The budget also focused on consolidating 'efficiency and transparency' on the long term, ultimately aiming at improving and spurring the economy under the prevalent difficult and challenging financial space due to demonetisation and de-globalisation effects on the nation.

In order to get to understand the fine-print of the Union Budget 2018-19, Bangalore Chamber of industry and Commerce (BCIC) is organised a Special Talk by Mr. H V Harish, Past President-BCIC and Partner-India Leadership Team Grant Thornton India LLP, Bangalore.

Mr. Harish said that India's growth is expected to improve next year due to: Dissipating effects of earlier disruptive policy actions, Positive effect of GST, Bank recapitalisation and Bankruptcy Code decisively addressing the legacy Twin Balance Sheet problem and Boost in exports due to global recovery.

Mr. Harish said that "Fiscal consolidation has been the hallmark of NDA government from the beginning. However, the government deviated marginally from the fiscal deficit (FD) target of FY 2018. An aggressive fiscal consolidation was avoided (as suggested in Economic Survey) to give support to the nascent recovery in growth." Further he felt that Reduction of corporate tax rate to 25 percent for companies with turnover less than Rs 250 crore, will benefit 99 percent of Micro Small & Medium Enterprises (MSME). The setting up of skill centres in every district of the country and focus on infrastructure spending with higher allocation to rail and road, border connectivity, Urbanisation and Smart Cities Mission, developing tourist sites and large low-cost housing programme are all welcome measures which will spur economic growth in the country.



**Industry Captains at the special Budget Talk session**

He also commended the government for promoting employment via entrepreneurship schemes as part of Skill India and Medium and Small Enterprises (MSMEs), and other self-employment programmes like National Rural Livelihood Mission (NRLM), National Urban Livelihood Mission (NULM), Pradhan Mantri Employment Yojana (PMEY), Pradhan Mantri Krishi Vikas Yojana (PMKVY) and Micro Units Development and Refinance Agency (MUDRA) credit scheme and incentives for formalisation of jobs announced using minor tax concessions and the EPFO provisions.

Commenting on the Infrastructure development Mr. Harish said that Finance Minister has estimated that investment in excess of Rs.50 lakh crore is needed to increase growth of

GDP, job creation, and connect the nation with a network of roads, airports, railways, ports, and inland waterways. The Budget announces increase of budgetary allocation on infrastructure for 2018-19 to Rs. 5.97 lakh crore against estimated expenditure of Rs. 4.94 lakh crore in 2017-18. Under the Bharatmala Pariyojana, about 35,000 kms road construction in Phase-I at an estimated cost of Rs. 535,000 crore has been approved. The government has selected 99 cities for the Smart Cities Mission with an outlay of Rs. 2.04 lakh crore over a few years.

Concluding the special talk Mr. H V Harish said that Union Budget 2018-19 is a Populist Budget in nature which aims at driving overall economic growth and employment in the nation.





## Conference on Mid-Career Mentoring: Nurturing Leadership for Diversity

February 23, 2018



**Ms. Vaijyanthi B Desai, Chairperson, Women Leadership and Empowerment Expert Committee, Ms. Lavanya Pachisia, Co-Chairperson, Women Leadership and Empowerment Expert Committee, BCIC and Ms. Sunita Cherian, SVP-HR and Diversity Leader, Wipro Limited addressing the conference**

A McKinsey Global Institute report indicates that promoting women's equality could add US\$12 trillion to the global economy by 2025. India has the potential to generate almost 6 percent of this figure, equal to \$700 billion. One cannot make a stronger economic case to bring women into the workplace than this – it represents a huge opportunity across the globe. But is this as easy as one visualises. No. This opportunity definitely comes with equally unique challenges.

Over the last decade, Women workforce participation in India has shown a marked decline. The number of women in senior roles, the curve continues to stay flat in the world. In fact, the number of businesses with no women in leadership roles, is increasing since last one decade. For many organisations – Big and Small, actively recruiting women to the leadership roles is becoming less of a priority. The net effect: fewer women are being considered for senior and leadership roles. Perhaps surprisingly, one is seeing similar trends echoed on a global scale as well.

Various reports indicate that women labour force participation has stagnated in recent years, falling from a worldwide



**Smt. Pankajam Sridevi, President, BCIC delivering a motivational talk at the conference**

average of 52 percent in 1990 to 49 percent in 2016. Across the US and Europe, women labour participation hovers around 47 percent and is expected to decline further in the short term. Globally, fewer than 5 percent of CEOs are women.



**Ms. Lavanya Pachisia, Co-Chairperson, Women Leadership and Empowerment Expert Committee, BCIC anchoring the panel discussion. Mr. Raju Bhatnagar, Secretary General, BCIC, Mr. Badari Narayana D, Director, Talent – Organization Development, Deloitte Shared Services India LLP, Ms. Nirmala Menon, Founder & Chief Executive Officer, Interweave Consulting and Ms. Ira G Lal, Director, Time N Cash are seen.**

If one has to change this and reap the economic benefits, business leaders need to relook the way they recruit women and should make conscious efforts to have a certain number pegged for Women leaders in the organisations.

Smt. Pankajam Sridevi, President, BCIC touching on the topic: “Critical perspective on Mentoring as a Game Changer for successful mid-level careers” said that this isn’t a case of hiring more women to boost quotas or meet targets – it’s a case of empowering women to succeed and it’s a policy that must span education through to leadership.

### **Panel Discussion on Putting the pieces together: Unleashing your Inner Potential**

In India, women are carving out leadership positions within the entrepreneurial ecosystem, supported by access to dozens of schemes and capital funds. While it’s great news for women entrepreneurs – despite the barriers still present in this area – it means employers must now bring a more compelling offer to the table in order to attract and retain skilled talent.

Without addressing these factors, India will be unable to capitalise on innovation opportunities and new economic realities.

With increased access to education and globalisation bringing change – one should expect to see more of this in 2018 and beyond. Progression is on the rise, with a new generation of women role models. In 2017, Nirmala Sitharaman was appointed the Defence Minister and Kirthiga Reddy was promoted from her role as CEO of Facebook India, to a global position at the company.

India has the potential to become the world’s second largest economy by 2025 and under the UN’s Sustainable Development Goals, is committed to achieving gender equality and empowerment for all women and girls by 2030. With these goals in sight, the economic contribution of women in 2018 is imperative.

### **Panel Discussion: The role of Mentorship in nurturing the Next Gen Leaders**



**Mr. Gautam K Bhat, Associate Director (Senior Technical Staff Member), The Open Group SOA Chair, GTS Labs, IBM India, Bangalore, Ms. Hema Chinchewadi, Executive Member, Laghu Udyog Bharati-Karnataka, Ms. Simeran Bhasin, Founder, Ragtagger Lifestyle Dr. Arathi V B, Founder Chairperson, Vibhu Academy and Ms. Vaijayanthi B Desai, Chairperson, Women Leadership and Empowerment Expert Committee, BCIC at the panel discussion**





**A participant seeking a query from the panel**

The progress made over the last few year – not only in India, but in countries such as Saudi Arabia – demonstrates that change is possible and it's underway. There is still a long way to go, but the time for transformation is now – after all, who can afford to ignore \$12 trillion dollars?

To discuss a wide ranging of issues related to women workforce Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of its Women Leadership and Empowerment Expert Committee organised a Conference on Mid-Career Mentoring: Nurturing Leadership for Diversity in Bangalore.

The half day conference addressed by eminent speakers drawn from Industry and Professional Bodies touched upon various aspects including successful career mentoring, upskilling, choosing the right mentor and reaching out to full potential for successful career opportunities etc.



**A section of the audience at the conference**



# 8th Edition of the BCIC Corporate Golf Tournament 2018

March 3, 2018



**Rudyard Kipling must have been a golfer. In his famous poem, If, he wrote:**

"If you can meet with Triumph and Disaster  
And treat those two imposters just the same ...  
Yours is the Earth and everything that's in it ..."

The most eagerly awaited BCIC's annual Golfing event was kicked with a bang this time, as it was bigger and the crème de la crème corporate honchos, expats and government officials were all there in full force to hit the greens.

BCIC's Corporate Golf Tournament is gaining leadership position among corporate leaders, senior bureaucrats, Consul/Trade representatives and celebrities alike in the city as it is keenly contested with passion and exhilaration.

Mr. N Ahmedali, Chairman, Golf Committee, BCIC says: In golf, it means that your body will align properly as you follow through with the club. It's important as a leader, too. It means that you are always ready to move, to take the action required, and to be agile. Thus, you can react to a variety of situations because now you are ready. That's exactly what Golf teaches you. The moment Bangalore Chamber of Industry and Commerce

decided to have this as an annual corporate event in 2009, we have been working on improving it, year-on-year, primarily to provide opportunities to senior corporate leaders and government officials to come together on a common platform so that through Golf they build an enduring partnership and relationship.

On weekends, the corporate boardroom tussle seamlessly integrates into the expanse of the greens. The style and lingo may change a bit but the expression and stoic-ness nevertheless remains the same. As one tees off the greens, changing strategies and new plans can be overheard. Only silence and applause are maneuvered with clubs and the white apple as caddies fail to follow discussion.

This being the bigger canvas of golfing, it is sometimes quite intriguing as well. What do Golfers, the usual lot being high-flying, number-crunching boardroom-staring fellas do for three-four hours at the greens? Does corporate Golf extend beyond business? Does the overtly looking lazing around tantamount to any learning experience? Does it help strike a business deal which otherwise not possible in well upholstered, Air-conditioned, teakwood lined, brightly lit boardrooms?

Any golfer would agree that when golfers try to hit the ball too hard, we risk throwing our weight off balance and wind up not

hitting the ball at all. The idea is to decide on the distance and on the club and then, if we are aligned in our body and our direction, the club will do the work. But we need to trust it. Likewise, a leader in business must decide what direction to take, but also needs to let the team do the work. You have to trust your team. It's crucial that we set the direction, be clear about expected results, and then trust them to follow through...

An 18-hole round of golf takes about four hours to play. It's important to focus on the stroke and make sure that each shot you take has the best chance of success. That means you have to let go of a bad stroke and play on without getting discouraged. Have each stroke you play be the only stroke you are playing. Similarly, a leader in business can take only one action at a time. You should take time to share the importance of the action with the people who need to know. Set your direction and set up your actions so they will be successful. Do whatever it takes today, right now, at this moment, to make it happen the way it should. Although you are aware that the game is in play and a longer game is happening, you must make sure that each action, each shot, counts.

Golf encourages character building. Everything from preparation, managing resources and the environment, execution, to decision-making, integrity, handling pressure...you name it and it is ingrained the moment you begin to Tee. Golf allows unhurried conversations in an open and uninhibited, intimidating environment. May be that is the reason why we often hear that business deals are struck while teeing on the green expanses.

Though Mr. Ahmed Ali didn't fail to mention that playing golf is also a test of skills, besides getting a reality check on "integrity and passion" which anyway are key constituents for running zero-stress and successful enterprises he says: "Just like golf,

leadership is a game that provides a lifetime opportunity for improvement. To improve in golf requires a focus and a willingness to make mistakes in order to progress. Leadership also requires a willingness to make mistakes and to focus on one shot at a time. This way you make every action count."

Chipping around that little white dimpled ball on lush expanses of green has for decades served as a great setting to talk business, network, revel in bonhomie and just lighten up.

An avid golfer will tell you that a round of golf is not about direct business, it is about understanding one's competitor – meaning the way the competitor pulls off and maneuvers the white apple, you can judge how the business person in him reacts to a challenging situation, is he capable of handling adversities, how about being there but still maintaining a level head. This body lingo of the opponent on the greens will give a clear or atleast a caricature insight into the mind of his opponent. This is just enough to strategize the next move in the actual boardroom. That explains a lot.

Golf is not only a very technically demanding sport; it is also an ideal field to draw out leadership lessons for the workplace. Many organisations are increasingly borrowing notes from golf on leadership. Perhaps this is the reason why often it is stated that Golf as a sport develops the spirit of 'ownership'.

In addition, hitting greens also simply means "admiring wonders of nature and also isolation from noise and pollution which has colossally adds to the stressful and over-worked corporate lifestyle."

Apart from the usual excitement that playing golf exudes, the ambiance of the 'Greens' creates a stronger bonding among the corporate community for a more meaningful exchange of ideas and views on business with an emphasis on translating their competitive spirit of the game into their portals of business.









## India-Japan Business Partnership Seminar

March 8, 2018



Mr. Shigeki Maeda, Executive Vice President, JETRO addressing BCIC members

Japan in recent years has emerged as a prominent investment destination especially for Indian IT companies. Many Large Indian IT enterprises have set up their bases in Japan and have been increasing their footprints in Japanese market since 1990s. JETRO too has been witnessing surge in business queries on investment proposals from Indian IT companies.

In order further explore bilateral business opportunities between the two India and Japan especially in the Information Technology sector Bangalore Chamber of Industry and Commerce (BCIC) in association with the Japan External Trade Organization (JETRO) and Consulate General of Japan in Bengaluru organized an “India-Japan Business Partnership Seminar” in Bangalore.

Apart from sharing the recent developments about the Indo-Japan ecosystem, some successful case studies where Japanese companies co-developed the global product utilizing Indian IT capabilities also were showcased at the seminar. The objective was to encourage new age Indian start-ups and Investment companies to understand the market potential of Japan and strategize their entry plans suitable to the Japanese market.

Since the last few years, bilateral trade relationships between India and Japan especially promoting long term comprehensive co-operation in different fields of strategic relevance such as politico-security, defence, trade, industry and infrastructure as been steadily growing. In fact, all these

sectors were reiterated by the Prime Minister Modi during his visit to Japan and also when Japanese PM Mr. Shinzo Abe was in India. Some of the talks have already culminated into several bilateral agreements. The recent one is the mega Bullet Train project between Mumbai and Ahmedabad eventually extending to Jaipur-Delhi.

Mr. Raju Bhatnagar, Secretary General, BCIC delivering the Welcome Address said that the testimony for bonding is the recent signing of Bullet Train project between Mumbai and Ahmedabad and the project related 508 km-long Mumbai to Ahmedabad High Speed Rail (MAHSR) which is scheduled for completion in December 2023.

Similarly, the five high speed corridors covering sides of diamond quadrilaterals and semi diagonals in the country are being explored and Consultants have been appointed to undertake feasibility studies. These five corridors include Delhi-Mumbai, Mumbai-Chennai, Delhi-Kolkata, Delhi-Nagpur and Mumbai-Nagpur. These corridors will cover over 10,000 km.

Japan as we understand is home to many successful businesses, big and small. It is also a home to a thriving and diverse business community – Life sciences, high-end technology, advanced manufacturing and business services to list a few. The incentives and benefits that Japan offers to businesses make it a great place to locate a company or find venture capital.

Mr. Shigeki Maeda, Executive Vice President, JETRO addressing members said that Japan is one nation that provides a bouquet of incentives to overseas investors and is considered the most preferred FDI destination to do business with. Similarly, he said that the Foreign direct investment in Japan contributes to the strengthening of Japan's economic growth potential and regional revitalization through innovation generated by domestic and overseas synergies.

**In the last few years Japan has introduced several structural reforms to promote FDI into the Country including:**

- Harmonisation with the global systems
- Promotion of economic partnerships, social security treaties, etc.
- Improvement of living conditions
- Support and preferential measures for foreign direct investment in Japan
- Expansion of the project to promote the location of global corporations in Japan

It is now needless to say that Indian Companies accessing the highly pro-active policy initiatives and coupled with an open-arm invitation that Japan has been extending over the years, Indian

companies can aggressively pursue and explore business prospects in this prominent island nation in East Asia.

In addition to Mr. Shigeki Maeda, Mr. Takayuki Kitagawa, Consul-General, Consulate-General of Japan in Bengaluru, Ms. Champa, Dept. of IT, BT and ST, Govt. of Karnataka Mr. Niranjana Mandayam, Director, Engineering, Research and Development Segment, NASSCOM, Mr. M A Mohamed Saliya, Managing Director, iWave Systems Technologies. Ms. Smitha Rao, Director, Co-Founder, Utthunga Technologies Pvt Ltd, Mr. Shinzo Nakano, Director of Japan Venture Capital Association and other top Japanese industry captains provided the requisite guidance for Indian companies especially, the Medium and Small Enterprises to expand their business horizons in Japan by forging new alliances in the form of new technology, business collaboration and exchange of ideas.

Over 150 participants attended the seminar.

Prior this Seminar, early in the day, Jetro organised a Networking session between Japanese VCs and Indian VCs. Over 20 Venture Capitalists from Japan and India were present at the networking event. The networking session showcased Japanese startup companies and their portfolio structures to Indian VCs and thereby wanted the Indian VCs and accelerators to promote them to invest in Japanese startup companies and also explore possibilities of setting up joint funds by Japanese VCs and Indian VCs to promote innovating ideas which are mass oriented and enhance life styles.



Jetro organised a Networking session between Japanese VCs and Indian Vcs



## Seminar on Impact of Recent Changes in Labour Laws

March 8, 2018



**Dr. S B Shripad, Joint Labour Commissioner, Labour Department, GoK delivering his keynote address.**

The Government of India in an attempt to bring ease of doing business has introduced several changes in the existing labour legislations. The industrial relations systems are ever changing in a globalised context. Labour Management practices get influenced by labour market fluctuations, business pressures and regulatory policy adopted by the Governments in the federal structure like India.

Further judiciary comes out with crucial judgments having impact on employment conditions and policies as well as cost implications for companies especially, when there is steep increase in minimum wages through regulatory mechanisms. Companies in India are now focusing on evolving mechanisms for total compliance with statutory requirements more so with multinational companies and at the same time reduce financial liability which has been an inevitable situation due to abrupt regulatory provisions in the name of labour reforms.

In order to get a feel of the latest changes in the labour laws and to analyse the impact on both the labour and capital, Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of its Human Capital Services Expert Committee organized a half day on impact of recent changes in Labour Laws and its impact in Bangalore.

Delivering his theme setting address Mr. S Subramanyam, Co-Chairman, Human Capital Services Expert Committee,

BCIC said that HR practises need to be on par with the global requirements and due to recent changes in labour laws there is certainly an impact witnessed by the employer who needs to take into account and he urged to constantly discuss relevant issues falling under grey areas while interpreting recent amendments.

Dr. S B Shripad, Joint Labour Commissioner, Labour Department, Government of Karnataka delivering his keynote address at the seminar said that the Government is following the approach of 'Reform to Transform' through far-reaching structural reforms.

The Ministry of Labour and Employment is committed towards bringing in the changes in the minimum wage rates so that the food, shelter and clothing of the workman is taken care. He comprehensively touched upon notifications that are being challenged in the court of law for which he urged industry to refrain from such moves.

Mr. Amardip Mishra, RPFC- I, Employees' PF Organisation, Regional Office, Bangalore and Dr. G Siva Kumar, RPFC – II, Employees' PF Organization Regional Office, Mysore who spoke at the seminar mainly dealt on the changes in the recent Provident Fund legislations.

clearly established the fact that there is a requirement to adhere to the recent changes in the labour legislations. Pointing out on the minimum wages notifications, Dr. Anuja quoted the Supreme





**Mr. Amardip Mishra and Dr. G Siva Kumar, PF Commissioners sharing their thoughts with the members**

Court judgment saying that in cases where the employer is unable to pay the minimum wages, then the courts have directed such employers to close down establishments.

Some of the key topics that were deliberated at the seminar included insights on the new amendments, reforms/changes initiated in the recent past with respect to provident fund, understanding the changing dynamics, overview on pertinent labour

laws, efficient organizational processes, innovation and service excellence, regional labour issues/strategies to name a few.

Ms. Saraswathi Kasturirangan, Partner-Tax Global Employer Services Deloitte Haskins & Sells LLP, Bangalore also spoke at the seminar which was attended by over 60 participants drawn from various verticals.



**A section of the audience**



## Conference New Companies Act 2013 and Kotak Committee Recommendations on Corporate Governance

March 16, 2018



**Mr. M R Bhat, Regional Director, Registrar of Companies, South East Region, Ministry of Corporate Affairs, Govt of India delivering the keynote address. Seen along with are , CS Rekha Nayak, Chairperson, The ICSI, Bengaluru Chapter CS Gopalakrishna Hegde, Council Member, ICSI, Mr. N Venkatakrishnan, Chairman, Banking, Finance and Corporate Affairs Expert Committee, BCIC, CS Makarand Lele, President ICSI and Dr. K S Ravichandran, Managing Partner, KSR & Co Company Secretaries LLP**

The Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of Banking, Finance and Corporate Affairs Expert Committee and jointly with Institute of Chartered Accountants of India (ICAI)-Bangalore Chapter organized a daylong Conference on Indian Accounting Standards (Ind-AS) in Bangalore.

The Companies Act 2013 is now fairly stabilized. The recent changes in the Companies (Amendment) Act, 2017 covering several key areas has received the President's assent. Various changes made by the Companies (Amendment) Act, are in line with the Company Law Committee recommendations and are likely to improve the ease of doing business in India.

Similarly, the Kotak Committee has recommended sweeping changes towards enhancement of corporate governance standards in listed companies, especially strengthening the three conscience custodians - the Board, the Auditors and the Regulator. Even though there have been Committees set up to look at Corporate Governance in the past, the Kotak Committee recommendations have far reaching impacts. It will be interesting to understand the Government perspectives on the recommendations and the timelines for their introduction.



**Mr. M R Bhat Inaugurating the programme**



**Dr. K S Ravichandran, KSR & Co Company Secretaries LLP moderating a Technical session**

The Conference focused on key technical procedural which have seen major amendments. The sessions were structured into two broad themes – Recent amends in Companies Act and Kotak Recommendations on Corporate Governance to enable better appreciation of the legislative intent and changes and Practical issues from industry stand point as well as an objective assessment from a practitioners' perspective.

Mr. M R Bhat, Regional Director, Registrar of Companies, South East Region, Ministry of Corporate Affairs, Gol delivering the keynote address at the conference said that the New Companies Act introduced is a path-breaking law. Several issues were raised by stakeholders involved. Inconsistencies and gaps raised by these stakeholders have been mutually redressed in the new Companies Law. He further said that Law making is not an easy task. It requires extensive and comprehensive consultations with all stakeholders. It goes through to various stages of vetting and finally the law gets to make it as a statute. Ultimately what is needed is that whatever Law is introduced it should be meaningful and provide an amicable solution to the problem.

A galaxy of speakers spoke including Mr. Pradeep Ramakrishnan, DGM - Corporation Finance Department, SEBI, Mr. Makarand Lele, President ICSI, Dr. K S Ravichandran, KSR & Co Company Secretaries LLP, CS Gopalakrishna Hegde, Council Member, ICSI, CS Rekha Nayak, Chairperson, Institute of Company Secretaries and India-Bangalore Chapter, Mr. N. Venkatakrishnan, Chairman, Banking, Finance



**A section of the audience**

and Corporate Affairs Expert Committee, BCIC Mrs. Shilpa Viswanathan, Partner, KSR & Co, Mr. Gaurav Pingle, Practicing Company, Secretary, Pune and Mr. Thirupal Gorige, Practicing Company Secretary – Bangalore spoke a wide ranging of subjects related to Companies Act and Kotak Recommendations.

Close to 100 participants hugely benefited from the discussions which focused on the fine print of the Companies Act and rules, assessment of key impact areas for companies, practical solutions and how they can re-orient business strategies.





## Conference on Indian Accounting Standards (Ind-AS)

March 23, 2018



**Mr. Shyamak R Tata Managing Partner for the Audit Practice of Deloitte Haskins & Sells LLP delivering the Keynote address at the Conference. Mr. Jagannathan Chakravarthi-Co Chairman, Banking, Finance and Corporate Affairs Expert Committee, BCIC, Mr. Shrvan Guduthur-Chairman, Institute of Chartered Accountants of India, Bangalore Branch and Mr. Ganesh Swaminathan, Partner, Deloitte Haskins & Sells**

The Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of Banking, Finance and Corporate Affairs Expert Committee and jointly with Institute of Chartered Accountants of India (ICAI)-Bangalore Chapter organized a daylong Conference on Indian Accounting Standards (Ind-AS) in Bangalore.

Considering the importance of the subject and the impending applicability of the Standards to MSME Sector w.e.f. 1-04-2018, the Conference was organized jointly with the Bangalore Branch of the Institute of Chartered Accountants of India.

Two standards namely IND AS 115 and IND AS 116 dealing with revenue recognition and lease accounting were the main topic for discussion since they have significant impact on the Industry and takes effect from 01-04-2018.

Mr. Jagannathan Chakravarthi-Co Chairman, Banking, Finance and Corporate Affairs Expert Committee, BCIC delivering this theme setting addressing at the Conference mentioned that the Industry impact on the Standards which are huge and can cause considerable difference to the way the financial statements are presented including revenue recognition, valuation of Assets and Investments and presenting them in the Balance Sheet so far as it relates to lease accounting.

The Ministry of Corporate Affairs has issued an implementation road map for companies, mandating the adoption of Ind-AS

in a phased manner. Starting April 1, 2018, the phase 3 implementation of Indian Account Standards (Ind-AS) covering Banks, NBFCs and Insurance companies whose net worth is more than or equal to INR 500 crores also gets covered under the applicability clause.

Ind-AS comprises 40 accounting standards that provide extensive guidance and entail a significant change in the financial reporting framework used by Indian companies to report their financial results. While industry is still grappling with specific issues under Ind AS, the introduction of the new standards Ind AS 115 and Ind AS 116 brings in additional challenges while seeking to streamline revenue and lease accounting.

Mr. Shyamak R Tata Managing Partner for the Audit Practice of Deloitte Haskins & Sells LLP delivering the Keynote address at the Conference set the tone for the Conference. He explained that implementing the provisions of IND-AS is not like working with figures. He also explained the practical difficulties involved in implementing various provisions like revenue recognition under various scenarios which are subject to challenges.

Similarly, difficulties involved in fair valuation concepts relating to leases and defining the leases was touched upon very comprehensively by the speaker. Mr. Tata advice was that the implementation of the Standard has posed practical difficulties,



**Technical Session II: Mr. Niranjan Raman, Associate Partner, Assurance, PricewaterhouseCoopers Moderated session 2: Speakers include: Mr. Sriram Ranganathan, Controller – Technical Accounting, Financial Reporting and Revenue, Wipro Limited, Dr. Devesh Prakash, Associate Partner, Ernst & Young Associates LLP and Mr. Venkatraman G S, Finance Controller, Mindtree Limited**

the way forward is only to read, understand and implement the same with the help of experts who have already implemented the standards and resolved the challenges involved. The impact of the Standards is huge on the Industry and the professionals must brace themselves for the challenges ahead.

Mr. Shravan Guduthur—Chairman, Institute of Chartered Accountants of India, Bangalore Branch who spoke at the inaugural session mentioned that the Conference was designed to discuss the implementation of the Standards by experts who have already gone through the same as well as to elicit practical difficulties faced by Industries while implementing the Standards through Panel Discussion.

The session was divided into two parts. First session devoted to presentation by practising experts on revenue recognition and fair value concepts with particular reference to lease



**Technical Session III: Mr. Vikas Bagaria, Partner, Deloitte Haskins & Sells anchoring Session III Speakers include: Mr. Dinesh Kurmethi, AGM Finance, Biocon, Mr. Sameer Agarwal, CFO Manipl Health, Mr. Sriram Ranganathan, Controller – Technical Accounting, Financial Reporting and Revenue, Wipro Ltd and Mr. Amit Somani, Partner, KPMG**

transactions including methodology to be adopted while implementing the same. This was followed up by a Question and Answer session which elicited good response from the audience and response from the panel of speakers who gave tips on how to seamlessly implement IND-AS provisions.

The Second session focused on practical aspects of implementation of the standard. Industry professionals who have gone through the process shared their practical experience in implementing the Standards including difficulties faced during the course of implementation of standards and solutions found while doing so with the help of practising professionals.

Over 80 delegates participated in the daylong conference where a galaxy of domain experts were present to share their thoughts on this evolving law.



**Technical Session IV: Mr. Shashikant Shenoy, Partner, KPMG moderating Session 4: Panel included: Ramakrishnan, Group CFO, Sansera Engineering, Mr. Vijay Y H, Head – Financial Reporting and Chief Risk Officer, Mindtree Ltd, Mr. Bhaskar Bodapati, Consultant and Mr. Subash M, Finance Director, Dell International Services**



## Agro and Food Processing Expert Committee Felicitated by Mr. C R Rajagopalan



**Mr. Murali Ganesan, Chairman - Agro and Food Processing Expert Committee being felicitated by Mr. C R Rajagopalan and Smt. Pankajam Sridevi, President, BCIC**

Mr. C R Rajagopalan, Past President of Bangalore Chamber of Industry and Commerce felicitated the Agro and Food Processing Expert Committee team for their unstinted

leadership and also enhancing brand image of the Chamber by organising flagship Agro event.



**Mr. Somnath Chatterje, Mr. Ravindranath Divi and Mr. Amit Singh Members, Agro and Food Processing Expert Committee being honoured by Mr. C R Rajagopalan**

## Family Business Disputes: How a Neutral Can Add Value

GUEST COLUMN



**Ms. Tara Ollapally**

Lawyers, Centre for Advanced  
Mediation Practice (CAMP)

Running a business means navigating disputes on a regular basis. However, disputes possess additional dimensions when it is a family-run business. Tough decisions that are made in the interest of the family business have ramifications besides just commercial. They affect relationships and other family members, who are not involved in the day-to-day affairs of the business.

Despite the emotional nature of disputes in family businesses, the essential barriers to effective negotiations are universal. Negotiating parties, often reach an impasse for any number of reasons, and these cannot be overcome by the negotiators alone. Negotiators often have a lot of common interests, that makes the negotiation attractive and differing interests that create tensions. A neutral mediator, is at a vantage point, as she is not personally invested in the outcome of the dispute and has a holistic picture of all facets of the dispute. There are several ways in which a neutral mediator adds value to a negotiation that has reached an impasse.

In this article, we attempt to describe these value-adds through a mediation that was concluded at CAMP. This was a family dispute between several siblings, who were running a successful family business. However, in the few years before the family came into mediation, there were misunderstandings between two factions of brothers – the younger brothers against the older ones. These misunderstandings were affecting daily business decisions and escalated to the level of the younger brothers initiating an oppression and mismanagement suit and a partition suit to divide the family property. This case was languishing for several years in the Courts, before it was referred to mediation. The following are a few ways that the mediator enhanced the negotiation between the parties, eventually leading to a settlement.

### **1** Designing the mediation process

As a neutral to whom both parties share their perspectives in a dispute, the mediator has an overview of their positions, needs and interests. This helps her design the mediation in such a way that it meets the needs and interests of the parties. This also involves inviting into mediation a person with an influence over the parties, but is not a part of the dispute. In the case of the brothers, the mediator identified that all the brothers had immense respect for an old aunt in their family, who was capable of influencing the decision of the brothers. The aunt was brought into the mediation, which helped the brothers overcome an impasse and make a decision towards settling one of the issues involving property distribution.

### **2** Reality-Testing

Many times parties take harsh decisions while disputing, with the intention of proving a point, intimidating the other side or actually trying to cause harm, with the expectation of getting vindicated. In the above case, the younger set of brothers had filed an oppression and mismanagement suit under Section 241 of the Companies Act, 2013 against the older set of brothers, while also filing a suit for partitioning the family property. In mediation, the mediator understood that the younger brothers did not have adequate evidence to prove their case. The mediator facilitated the parties, with the help of their lawyers, in getting a realistic assessment of their likelihood of victory. They also considered the length of these cases in Courts and the impact these suits were to have on their extended family relationships and the future generations. They were given an opportunity to consider if they wanted to live with those consequences.



**Ms. Annapurna  
Sreehari**

Lawyer, Centre for Advanced  
Mediation Practice (CAMP)

### 3 Overcoming Barriers

Parties in disputes are susceptible to cognitive barriers, which hinder their effective negotiation. A few of these are Selective Attention (focused on narrow positions that they miss ancillary details that can be opportunities for collaboration and gain), Attribution Error (attributing harmful motives or intentions to the innocent actions of the other party) and Endowment Effect (over claiming credit for their beneficial contributions in the relationship), just to name a few. The mediator identifies these barriers that are operating and helps diffuse them. For example, the younger brothers wanted to introduce certain sophisticated software to aid the daily running of the business, with the intention of market expansion. However, the older brothers vetoed that, thinking that the software was a lavish expense, whilst being unaware of the younger brothers' plans of market expansion. The younger brothers believed that the older brothers were power-hungry and unwilling to let the younger ones participate in the business. The mediator highlighted the missing perspectives of each side to the other, which helped diffuse some of the cognitive barriers.

### 4 Enhancing Communication

Disputing parties harbor negative perceptions about the other side and in heated communication make damaging statements. The mediator, who is a neutral with no vested interest helps the

parties identify their underlying needs and reframes that communication to the other side, without the negative talk. This helps parties not only understand each other better, but also makes them more open to receiving proposals for possible resolution. The older set of brothers, who were running the business believed that the younger ones were lazy with a lavish lifestyle and unwilling to take responsibility. The younger brothers believed that the older brothers were snobbish (due to their English-medium education, which the younger brothers did not receive) and usurpers of the family business, who were unwilling to let the younger brothers take business decisions. Through the mediator's reframed communication between both sides, the older brothers were able to understand that the younger brothers felt sidelined and wanted more responsibility in the family business. The younger brothers realised that the older brothers felt overburdened and unsupported whilst running the business.

In negotiations, it is difficult to remain completely objective, especially when a lot is at stake. A mediator adds incredible value in these situations, by maintaining a calm head and helping the parties objectively think through some of their decisions, while absorbing the harsh reactions of the parties. Smart negotiators will realise where they are likely to falter in tough negotiations and enlist the help of a neutral mediator to navigate some of these negotiation pitfalls.

## Insolvency and Bankruptcy Board of India (Grievance and Complaint Handling Procedure) Regulations, 2017

**GUEST COLUMN**


**Dr K S Ravichandran**  
Partner  
KSR & Co Company  
Secretaries LLP

Under the Insolvency and Bankruptcy Code, 2016 [IBC], Insolvency Resolution Professionals [IRPs] are known as Resolution Professionals. Apart from IRPs, Insolvency Professional Agency, Insolvency Professional Entity and Information Utilities are the service providers.

Of all the four categories of service providers, IRPs who are enrolled under Section 206 and registered under Section 207 of the IBC are the most sought after service providers. IRPs are the persons entitled to act as Resolution Professionals, under Part II of IBC, at present. It is the IRPs who are entitled to act as Liquidators in liquidation of a corporate person, whether the liquidation is initiated by virtue of an order issued by the National Company Law Tribunal [NCLT] as the Adjudicating Authority under Section 33 of IBC or under Section 271 read with Section 275 of the Companies Act, 2013. Order may be passed by the NCLT under Section 33 of IBC when no resolution plan has been received by the IRP or if the Resolution Plans have been rejected by the Committee of Creditors in accordance with applicable provisions of IBC.

Apart from acting as the Resolution Professionals and Liquidators relating to Corporate Persons, IRPs are entitled to act as Bankruptcy Trustees under Part III of IBC. Part III of IBC deals with Insolvency Resolution and Bankruptcy for Individuals and Partnership Firms which is yet to be brought into force. IRPs are supposed to be appointed by NCLT within 14 days of Insolvency Commencement Date and initially they are appointed as Interim Resolution Professionals. Thereafter the Committee of Creditors will appoint the



same IRP or some other IRP as the Resolution Professional for conducting the Corporate Insolvency Resolution Process until a Resolution Plan gets sanctioned or a liquidation of the Corporate Person is ordered.

On commencement of Corporate Insolvency Resolution Process, IRPs take charge of the operations of the Corporate Persons. IRPs prepare the Information Memorandum. IRPs invite bids from Resolution Applicants. IRPs chair meetings of the Committee of Creditors. IRPs place the Resolution Plans before the Committee of Creditors and if a Resolution Plan is sanctioned or rejected, it is the IRPs who submit it before NCLT for necessary orders sanctioning the Resolution Plan approved by the Committee of Creditors or for passing the Liquidation order. In short, in relation to Insolvency Resolution and Liquidation of Corporate Persons, right from the admission of an application for initiating the Corporate Insolvency Resolution Process to Liquidation, IRPs play a major role. Thus, from the start of the Insolvency Resolution process, until liquidation of corporate persons, Insolvency Professionals provide a lot of service.

Recently, the Insolvency and Bankruptcy Board of India (IBBI) has notified the IBBI (Grievance and Complaint Handling Procedure) Regulations, 2017 [G&CHP Regulations]. Under the G&CHP Regulations, any stakeholder who has any grievance or complaint against a service provider can lodge his grievance or complaint with IBBI for a time bound resolution or redressal of the grievances.

Under G&CHP Regulations, a debtor or a creditor or any claimant or a service provider or a resolution applicant or any other person who has any interest in the insolvency, liquidation or bankruptcy, is treated as a stakeholder and any stakeholder who has any grievance or who desires to make a complaint against any service provider with respect to any contravention of law, rules and regulations can file his grievance or complaint with the IBBI.

A complaint must be understood in contradistinction from a mere grievance. Essentially a complaint must relate to any contravention of any provision of the IBC and the rules, regulations, guidelines, circulars, and directions if any issued by the IBBI. On the other hand, a grievance may relate to any suffering occasioned to a stakeholder on account of anything done or omitted to be done by a service provider. A grievance that caused a stakeholder to suffer in any respect need not necessarily render the stakeholder any pecuniary loss.

As service providers may be corporate persons, the complaint or grievance could arise from anything done or omitted to be done by an associated person who may be a proprietor, partner, director, officer, or an employee of a service provider, a professional or a valuer engaged by a service provider or any other person acting for or on behalf of a service provider. The

stakeholder must file any grievance or complaint within 45 days of the occurrence of the cause of action. This time limit can be extended by a maximum of 30 days provided the stakeholder is able to offer to IBBI sufficient reasons justifying the delay.

The grievance or complaint could be filed by email also. While the regulations do not prescribe any fees for the filing of a grievance, a sum of Rs. 2,500/- is the prescribed fee payable for the filing of a complaint. A strict time line has been stipulated for disposal of the grievance or complaint. For the purpose of deciding the matter, IBBI is entitled to require the service provider all necessary particulars. Once a decision is made, it will be transmitted to the stakeholder and service provider concerned. If facts and circumstances warrant, IBBI can initiate action under the IBBI (Inspection and Investigation) Regulations, 2017 and may order an inspection or investigation of the books and records of the service provider.

An interesting part of the G&CHP Regulations is that the complainant is entitled to request the IBBI to keep his name confidential and IBBI shall not disclose the identity of the stakeholder who files the grievance or complaint, unless its disclosure is necessary for processing the grievance or complaint or under any law. An interesting part of the G&CHP Regulations is that it requires furnishing of Aadhaar number / Corporate Identity number of the complainant or the service provider or the authorized representative.

Another interesting part of the G&CHP Regulations is that the complainant must quote the exact section, sub-section, rules, regulations or clause as the case may be which has been contravened by the service provider or its associated persons. Yet another interesting part of the G&CHP Regulations is that the stakeholder who wishes to file a grievance must state how the grievance may be redressed and what efforts did he take to get the grievance redressed by the service provider and why the response of the service provider is not satisfactory.

There is a provision for returning the fee of Rs.2,500/- to the complainant if the complaint is not frivolous in the opinion of the IBBI. There is a provision for review of the decision of IBBI if the complainant is not satisfied with the decision of the IBBI. IBC is a new enactment. It is meant for Resolution of Insolvency and not for recovery of any amount due to the creditor. The statute recognizes the setting in of Insolvency by the default on the part of the debtor in paying up dues to creditors. During the period of Corporate Insolvency Resolution Process, the approach of the IRPs must be to bring about a viable Resolution Process. If IRPs contravene applicable provisions or inflict any suffering to any stakeholder, IBBI may call upon them to answer as per the G&CHP Regulations.

### Meetings with Government Officials / Consulates New Indian Express Vision Karnataka 2025 on

January 1, 2018



The Chamber was invited for The New Indian Express Vision Karnataka-2025 Conclave held on January 1, 2018.

The Conclave was inaugurated by the Hon'ble Chief Minister of Karnataka Shri. Siddaramaiah and was participated by host of Ministers from various department of the State Government.

The focus of the Conclave was to throw light on pertinent issues, offer ground-breaking solutions and make the most of the numerous opportunities and challenges in the State of Karnataka.

Mr. Kishore Alva, Vice President, BCIC represented the Chamber and made an insightful presentation and outlined a set of practical approaches that could be implemented by the State Government. His presentation was appreciated by the attendees.

Mr. AN Chandramouli, Mr. Saxena and Mr. Narayana Prasanna who attended the Conclave on behalf of the Chamber complimented Mr. Kishore Alva for delivering a power packed and well drafted speech at the above Conference.



### Meeting of the Karnataka Labour Welfare Board, GOK

March 20, 2018

The above meeting was convened under the Chairmanship the Commissioner, Labour Welfare to discuss on the Progress and achievements; Approval of Annual Budget and Ratification of IEC programmes.

Mr. Prithvi K K, Secretary represented the Chamber at the above meeting.

## MEETING WITH GOVERNMENT OFFICIALS



### Meeting with Mr. T K Anil Kumar, IAS, Secretary, Tourism Department, Govt of Karnataka on

March 13, 2018

The Dept of Tourism under the Chairmanship of the Secretary, Tourism had convened a meeting with all the stakeholders to discuss and seek inputs on enhancing the Government and stakeholders' participation at the various national and

international events to promote the State's Tourism destinations, projected for a long term, maybe, 3 to 5 years. Mr. Prithvi K K, Secretary represented the Chamber at the above meeting.



### Meeting with Mr. Noor Naqschbandi, Project Director for IGVET and Programme Director, Private Sector Development Cluster, GIZ India on

March 20, 2018

Mr. Noor Naqschbandi, Project Director for IGVET and Programme Director, Private Sector Development Cluster, GIZ India and Mr. Venugopal Nanduri, Advisor – Electronics Cluster Bangalore, Indo-German Programme for Vocational Education and Training, GIZ GmbH had called upon to discuss and explore possibility of jointly working in close cooperation with various projects that is being implemented by GIZ.

The discussions evolved around Projects in Innovation, promotion in MSME; Industry 4.0/Digitalization; Skill Development and Women Economic Entrepreneurship Research papers / White paper on the above subject/s. Also involve BCIC members having their business in Germany/South Africa Bi or tri lateral

projects involving India – Germany – South Africa on continuous improvement basis over a period of 3 to 5 years. Mr. Prithvi, Secretary and Ms. Roopa Mohan, Sr. Manager represented the Chamber at the above meeting.

Meeting of the Karnataka Labour Welfare Board, Govt of Karnataka on March 20, 2018

The above meeting was convened under the Chairmanship the Commissioner, Labour Welfare to discuss on the Progress and achievements; Approval of Annual Budget and Ratification of IEC programmes.

Mr. Prithvi K K, Secretary represented the Chamber at the above meeting





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