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Tata Versus Mistry: A Boardroom Battle Of Governance

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ABSTRACT

This research paper is an exploratory case study attempting to examine importance of effective governance mechanism for an organization. This case study is trying to exhibit several aspects of Corporate Governance involving role of board and management, role of Chairman and promoters, succession planning, protections of rights of minority shareholders to name few. The study uses qualitative data collected from secondary sources like legal journals, newspaper articles, books, company websites, annual reports, reports by regulatory bodies etc. The study is divided into various sections explaining the different phases of the case. Case study-based approach has been used in this study to narrate the sequence of the situation with in-depth investigation and analysis of relevant phenomenon.

Keywords: Corporate Governance, Board of Directors, Minority shareholders, Oppression and Mismanagement, NCLAT.

Case Description

This case involves analysis of one of the fiercest legal battles witnessed by corporate India and its importance with reference to corporate governance practices. The case is divided into various sections as under:

A. Introduction – Boardroom tussle and Corporate Governance
B. TATA Sons – Company profile, Ratan Tata and Tata's Governance philosophy
C. Succession Planning @ Tata – Tata ethos & appointment of Cyrus P Mistry
D. The Rift – Tata's transformation, Removal of Cyrus Mistry, Conflict of interest
E. Beginning of Legal tussle – NCLAT, Oppression & Mismanagement
F. Curtains on legal tussle - Supreme Court Verdict
G. TCS and Mistry conundrum
H. Conclusion

A. Introduction: Boardroom Tussle & Corporate Governance

The Boardroom War at One of India's Biggest and Oldest Conglomerate – Tata Group, has probably created maximum ripples in the corporate and legal arena in past few decades. The feud between two of the India's most influential families has bring in front multiple facets of the functioning of large organizations and manner in which disputes have to be settled at institutional level. It is quite evident that end of the day it is not always about winning or losing of individuals but about values, integrity and sustainable growth for all the stakeholders.

This case examines the sequence of events that unfolded between Tata Sons, Ratan Tata and Cyrus P Mistry and critically enumerates role of various stakeholders like Board of Directors, Promoters, Management, Shareholders, regulatory bodies, and institutions. Various issues in corporate governance viz distinguishing role of board and management, composition of board, role of Chairperson, protection of shareholder rights and role of minority together with institutional shareholders have been discussed in due course of the analysis of the corporate feud.

B. TATA Sons – Company profile, Ratan Tata and Tata's Governance philosophy

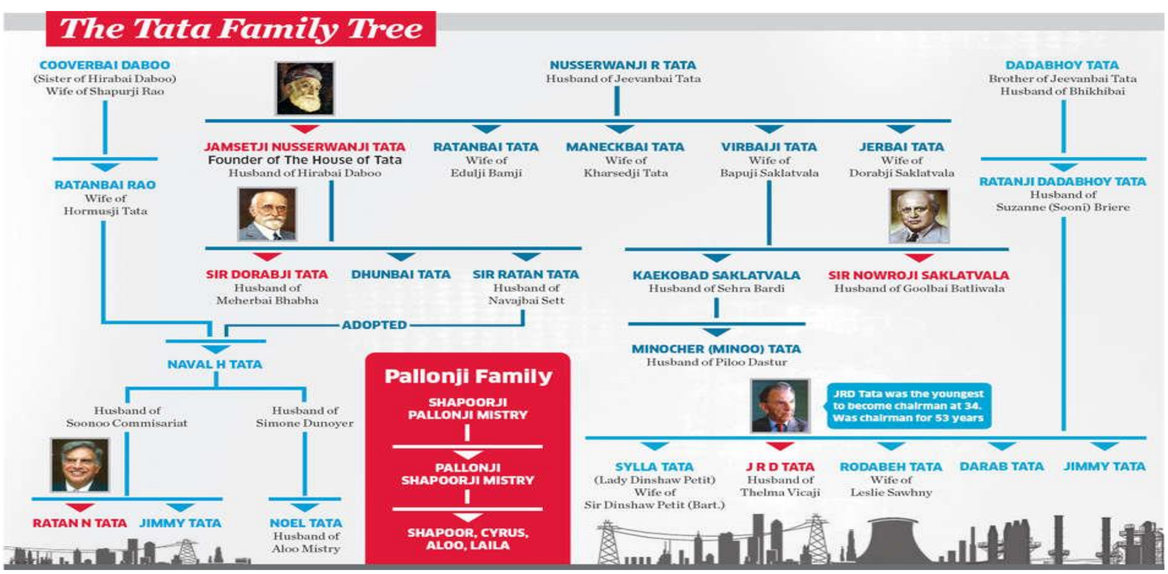
History, Origin and Growth - TATA group was Founded by Jamsetji Nusserwanji Tata in 1868 and is headquartered in India. TATA group is a global conglomerate with its business spread across over 100 companies and 6 continents. From an early foray into cotton and steel the group now has its (strong) presence in diverse sectors such as automobile, Information technology, hospitality, real estate, finance, e-commerce and many more.

Jamsetji Tata founded an exchanging organization with Rs. 21000 as capital in year 1870. He acquired a bankrupt oil plant at Chinchpokli (Mumbai) and transformed it into a cotton plant under the name Alexandra Mill. In 1874, Jamsetji set up another cotton factory at Nagpur with its name as Empress Mill. His main aim was to accomplish specific objectives of setting up an iron & steel organization, a world class inn, an exceptional learning organization and a hydro-electric plant. In 1902 the group incorporated the Indian Hotels Company to commission the Taj Mahal Palace & Tower, the first luxury hotel in India, which opened the following year.

After Jamsetji's death in 1904, his son Sir Dorab Tata became Chairman of Tata group and he ensured that the group quickly gets diversified by entering various new segments including power (1910), aviation (1932), consumer goods (1917) and many more. Post this, the group continued its expansion into sectors like chemicals, technology in 1945 and software services in 1968 – which earned it international recognition under able leadership of Jehangir Ratanji Dadabhoy Tata (J.R.D.).

Focus of the group shifted towards aggressively expanding global presence under the leadership of J.R. D's nephew, renowned business personality - Ratan Tata. Acquisition of London based Tetley tea (2000), Corus Group (2007), and Jaguar & Land Rover (2008) ensured that the group has now established itself as a global conglomerate.

66% of the equity share capital of Tata Sons has been held by philanthropic trusts, which support health, education, livelihood generation, art and culture. Each Tata company operates independently under the supervision of its own board of directors. As on March 31, 2021, there are 29 publicly listed Tata enterprises with a combined market capitalization of $242 billion (INR 17.8 trillion).



Source: https://www.socialnews.xyz/2019/12/18/infographics-the-tata-family-tree-gallery/

Governance Philosophy & Tata Business Excellence Model (TBEM) - Tata group is considered to be hallmark of values and integrity shaped by a lineage of sound and straightforward business principles. Tata group says that it is built on a foundation of trust and transparency and that forms the basis of every business they operate in.

The Tata group's core value system directs the growth and business of all sectors it is operating. Almost two-thirds of the equity of Tata Sons is held by philanthropic Trusts that have over the years created national institutions for science and technology, social studies, performing arts and medical research. Innovation, quality, sustainable business operations and business excellence are the hallmarks of the trust the Tata name is best recognized for globally.

Company believes that "The Tata philosophy of management has always been, and is today more than ever, that corporate enterprises must be managed not merely in the interests of their owners, but equally in those of their employees, consumers of their products, of the local community and country as whole." JRD, 1973

As per Tata website, "Our Governance Philosophy is to ensure fair, transparent, accountable, and ethical management in order to protect the interests of all stakeholders, including shareholders, employees, customers, vendors, regulators and society. As a responsible corporate citizen, Tata Sons follows the laws of the land in letter and spirit. Tata Sons also goes beyond mere compliance to highlight certain behaviors and norms to Tata group operating companies."

This clearly enumerates group's focus is not restricted to shareholders and all the actions revolves around overall development of stakeholders and community at large. End of the day no entity should compromise on institutional values and law of the land is the supreme driving factor for sustainable growth.

Emphasizing on the Importance of existence in globalized world, Tata says that ''Our Governance Philosophy is based on resilience. Globally, organizations are becoming vulnerable as businesses become complex, virtual, and interdependent. It is imperative to build a sustainable and resilient enterprise.''

Brand Equity & Business Promotion (BEBP) Agreement: Every company that uses 'Tata' brand is by default a signatory to the Tata Sons' BEBP agreement. The agreement confers upon the operating companies the basic right to use the Tata brand in return for a firm commitment from them to run their businesses ethically and with excellence. As part of the agreement, operating companies must adopt:

- Tata Code of Conduct (TCoC)
- Tata Business Excellence Model (TBEM)

The Tata Code of Conduct provides an ethical road map and guidelines for all the Tata employees and companies. All the full-time employees of Tata group are obliged to follow the principles of the code. Company says that "It encapsulates our values of integrity, responsibility, excellence, pioneering and unity. It lays down the principles of:

- The highest moral and ethical standards.
- Highest standards of corporate governance.
- Respect for human rights and dignity.
- Professionalism, honesty, fairness, and integrity

in all interactions with employees, customers, communities and the environment, partners, financial stakeholders, government and regulators and other group companies.

The Tata Business Excellence Group (TBExG) promotes business excellence in group companies by bringing in best-in-class processes and facilitating the sharing of best practices. The TBExG facilitates TBEM assessments in group companies to assess their process maturity levels, and overall performance. Processes forms integral part of any business organization, and it has got direct impact on the performance. Such activity also ensures uniformity amongst group companies.

These assessments are conducted by trained and certified assessors who keep the context of the company in mind while applying the holistic TBEM criteria within the company and industry.

The TBEM criteria includes deployment of business practices for excellence in leadership and strategy and deployment of operational excellence. Role of institutional assessors is vital for the success of this model as they review the overall business performance and practices to ensure compliance with set standards.

In company's words, "It reviews the approaches by which the company understands its customers and employees. It also examines the usage of data systems to measure, analyze and generate reusable knowledge assets." Thus, people either in form of employees or customers form core of this model. At the same time the model talks about continues improvement by analyzing strengths and available opportunities and building sustainable business performance. "The TBEM assessment process, while corroborating the company's strengths and practices, identifies opportunities for improvement and imperatives to enhance business performance."

Ratan Tata Profile: If someone must prepare a list of business personalities who have shaped the manner organizations should be governed and grow with aggressive expansion strategy, name of Ratan N. Tata would be amongst the pioneers. Ratan tata was the Chairman of Tata Sons, the holding company of the Tata Group, from 1991 till his retirement on December 28, 2012. Post retirement Tata has been conferred the honorary title of Chairman Emeritus of Tata Sons, Tata Industries, Tata Motors, tata Steel and tata Chemicals.

Mr. Tata was the Chairman of the major Tata companies and under his able leadership the group's revenues grew manifold, totaling over $ 100 billion in 2011-12. Mr. Tata serves on the international advisory boards of Mitsubishi Corporation and JP Morgan Chase. He is the also the Chairman of the Tata Trusts which are amongst India's oldest philanthropic organizations that work in several areas of community development.

Mr. Tata joined the Tata group in 1962. After serving in various companies, he was appointed Director-in-charge of the National Radio & Electronics Company Limited in 1971. In 1981, Mr. Tata was named Chairman of Tata Industries - the group's other holding company, where he was responsible for transforming it into a group strategy think-tank, and a promoter of new ventures in high technology businesses.

As far as academic credentials are concerned, Mr. Tata received a B.Arch. degree from Cornell in 1962. After that he worked briefly with Jones and Emmons in USA before returning to India. He also completed the Advanced Management Program at Harvard Business School in 1975.

Through his innovative ideas, compassionate approach, authenticity, and positive business outlook, Ratan Tata continues to serve as a guiding force for the conglomerate even after his retirement. Although some of his actions (been discussed in detail later) were lately criticized by many industry insiders, Ratan Tata's dreams for aspiring young Indians makes him a visionary in the Indian business landscape.

C. Succession Planning @ Tata – Tata ethos & appointment of Cyrus P Mistry

Succession planning in Tata Sons: In one of the keenly watched corporate ritual marking the exit of iconic chairman Ratan tata as head of tata group, the board of Tata sons formally announced that Mr. Cyrus Pallonji Mistry would take over as his successor. A 5-member search committee to select the chairman, set up in August 2010, zeroed in on Mistry from a reported shortlist of five potential candidates. Mistry was a member of that panel and recused himself when his own name came under consideration.

As per the Governance norms followed by Tata group, Mr. Ratan tata was supposed to retire when he would turn 75 and the group was looking for someone capable of handling over $100 billion salt-to-software conglomerate with same ethos.

Mistry did not issue a statement on Tuesday. But in November 2011, when his name was announced, he had said: “I take this responsibility very seriously and in keeping with the values and ethics of the Tata Group will undertake to legally dissociate myself from the management of my family businesses to avoid any conflict of interest.” Mistry has had long association with group and had proven himself. Under his leadership, in 2007 Tata Steel acquired Anglo-Dutch steel maker Corus for $12.3 billion to make inroads in the list of the world’s top ten steel companies, that too virtually out of nowhere.

Mistry had been associated with the Tata Sons board as a director since 2011, when his father S P Mistry, retired from the board. The Mistry family owns about 18 % of Tata Sons, making them the single largest individual shareholder in the holding company of the Tata group.

The manner in which senior management was been appointed in Tata companies in past years, indication was clear that the group was looking for someone from the younger generation to lead the organization. N Chandrasekaran took over as CEO of IT services giant TCS at 46 in 2009; R Mukundan joined at the age of 42 in 2008. Same year Mukumdan was appointed at head Tata teleservices at the age of 40. Brotin Banerjee become CEO of Tata housing when he was all 35.

Five years ago, the HR think thank at the group set about the task of grooming younger leaders, with the top brass not getting any younger. J J Irani retired in 2011. R K Krishna kumar (73), R Gopalkrishnan(65) Ishaat Hussain (64), FK Kavarana (67) and AR Gandhi (68) were about to retire when they would turn 70. Considering this, in past five years, average age of top deck of major Tata companies had been reduced by 12-15 years.

Expert’s opinion on Mistry - India's leading lawyer Iqbal Chagla describes Cyrus Mistry endearingly in one succinct sentence. "He has a very old head on young shoulders." Professionally Ratan Tata may know Mistry well, but Iqbal too knows him just as closely as he has been his son-in-law for past two decades. Chagla says that Mistry is "very much a Bombay boy." He schooled in the city and later went to London for civil engineering and an MBA. The academic qualifications and his wizardry at work never made Mistry a boring lad. Iqbal said that Mistry is a family man. Weekends would mean time and meals with family. "He won't have time for all that, perhaps," said Chagla. Just for reference, Mr Iqbal Chagla himself is son of the first chief justice of Bombay High Court, M C Chagla.

TATA Ethos & Mistry – In opinion of majority of industry experts, Cyrus Mistry has always been in the running to succeed Ratan Tata, so the selection was not a total surprise. Unlike the expectations of some section of industry, the committee had opted for a safe pair of hands in Mistry. Gita Piramal said, “He is somebody who will cherish the Tata ethos, someone who knows the Tata DNA, and someone who will take forward the legacy and heritage of the 100-year-plus group. There is enough data to show that promoters have a longer-term vision, and (considering) where the group stands now, a longer-term vision will be very important (for it).” Considering the wide range of verticals where Tata group is engaged with its over 100 years of legacy, unless someone knows the nitty-gritty of the Group, its values and understands the business model, it will not be possible to sail the Indian giant conglomerate.

It is said that foundation of the restructuring tasks at the group were initiated by Ratan tata in early nineties at the start of his career. He worked on consolidation of group’s businesses and such actions were duly supported by economic reforms undertaken by Indian political regime. Having acquired so many companies across geographies, it was important for the company that someone integral to the group’s core values be the face for the stakeholders and spearhead the next round of expansion/consolidation as need be.

D. The Rift – Tata’s Transformation, Removal of Cyrus Mistry, Conflict of interest

Cyrus Mistry’s Exit as Chairman of Tata Group – Mistry’s appointment as Chairman was a marque event in Indian corporate landscape but at the same time his removal from the post unfolded one of the fiercest corporate battles India has witnessed.

In January 2017, Tata sons announced that its Board has replaced Cyrus P Mistry as Chairman of tata Sons. The Board named Ratan Tata as Interim Chairman and at the same time constituted a Selection Committee comprising Ratan N Tata, Venu Srinivasan, Amit Chandra, Ronen Sen, and Lord Kumar Bhattacharyya, as per the stated criteria in the Articles of Association of Tata Sons.

This sudden move shocked the corporate world and public at large but people closely associated with group's functioning says that this was building up since past few months and almost inevitable considering the chain of events.

Cyrus Mistry's stint as Tata Sons chairman lasted a shade under four years. He had been chosen to take over as chairman from Ratan Tata after nearly a year long search by an expert committee. He had worked closely with Ratan Tata for some time after his name was announced as his successor, finally taking over in December 2012. His sudden removal, at a board meeting, took most Tata observers by surprise though as mentioned earlier, the disagreements between him and Ratan Tata were growing for some time.

Though Ratan Tata appointed Mistry as his successor in 2012, the former still wielded a considerable influence over Tata Sons and the Board. He headed the Tata Trusts, which has a 66 per cent shareholding and therefore the controlling interest in Tata Sons.

Tata's transformation under Mistry: After taking over reins of the conglomerate, Ministry had been moving to change number of things at the Tata group. Apart from being the Tata Sons chairman, Mistry had also become the chairman of many other Tata companies like Tata Motors, Tata Steel, TCS, Tata Power, Tata Global Beverages, and Indian Hotels among others. A new group executive council was put in place with number of new members - NS Rajan, Nirmalya Kumar, Mukund Rajan - among others and Mistry wanted the council to play a bigger role in the Tata group companies. The team now had a younger look as many of the old guards had retired or replaced.

Together with this restructuring at the management level, one of the most contentious steps taken by Mistry was to shed several businesses - including initiating the selloff of the Tata Steel UK's divisions. However, what came as surprise was that even till a month ago, Mistry was very much in the scheme of things, taking critical decisions, answering questions at the AGMs of the various group companies, and often pushing the Tata company CEOs to change or realign focus. Tata steel, Tata Chemicals were few examples where in the companies were transforming into materials company from steel and consumer focused from chemicals respectively.

Conflict of Interest and Many More - Contrary to the general impression that Mistry's removal was sudden, it was actually almost three years in making**.** One reason was a conflict of interest with his family's thriving global construction business, another was a perception by many stakeholders that his leadership would result in the dismantling of the Tata group, and it would revert to a collection of standalone companies.

Mistry had promised selection panel that he would disassociate himself from his family's thriving construction business. Ratan himself drew Mistry's attention towards this aspect on numerous occasions and this position was directly in contravention to Tata Code of conduct and ethics.

There were several issues related to business concerns in several operating companies. Analysts said that the group had become too reliant on the profits of companies like TCS and JLR. The global executive committee, involved in various strategic decisions, did not had deep knowledge and experience in the core business areas of Tata. Then there were questions over Mistry's (not relinquishing) Irish citizenship too. That was to an extent was going against the philosophy of founder's patriotic belief.

Tata Motors raising Rs. 3000 crores in capital through NCDs without securing prior board approval. Mistry's failure to inform the board about Tata Power's purchase of Welspun Renewables Energy for Rs 9249 crore in 2016 without due consultation of Tata trust (major shareholder in Tata Sons) were amongst few key trigger points that lead Tata board to finally take a decision of change in guard for the global conglomerate.

The exit, they say could have been more gracious had Mistry heeded advise from Tata Sons board of resigning on his own and voluntarily stepping down. Mistry on his part decided to take on the matter to board presuming that his removal will be illegal. Mistry's sacking went to NCLT which upheld it, the NCLAT overturned the decision which finally was once again decided in favor of Tata sons in 2021.

E. Beginning of Legal tussle – NCLAT, Oppression & Mismanagement

Filing of Case by Mistry – Following his removal as Chairman of Tata Sons in October 2016 because of a resolution approved by 7 out of 9 Directors citing lack of performance, Mistry filed a suit before National Company Law Tribunal (NCLT) citing oppression of minority shareholders and lack of corporate governance in the company.

In 2017, NCLT Mumbai in its initial judgement didn't accepted plea of the two investment firms of Mistry family sighting maintainability issue. Citing the reason, it said – they didn't meet the criteria—10 percent ownership in a company—for the filing of the case of alleged oppression of minority shareholders under The Companies Act, 2013. The Mistry family owned 18.4% stake in Tata Sons, but the holding was less than 3 % if preferential shares were excluded.

The National Company Law Appellate Tribunal (NCLAT) ordered reinstatement of Cyrus Mistry as executive chairman of Tata Sons. It also ordered restoration of Mistry's directorship in Tata Sons and other Tata group companies. Ruling on one of India's biggest corporate feuds, NCLAT held that Mistry's removal was illegal, and affairs of Tata sons were conducted in a manner prejudicial and oppressive to its minority shareholders, as well as to the interest of company itself and other group entities.

While delivering the judgement few critical observations were that - the removal had no basis and there was eminent abuse of power by Directors nominated by Tata trusts led to losses at Tata Sons group companies. The order stated that nothing was there on record to suggest that Tata Sons' board or Tata Trusts had ever expressed any specific displeasure over Cyrus Mistry's performance as chairman. In fact, material on record shows that under Cyrus Mistry's leadership, Tata Sons performed well, which was also appraised by the Nomination and Remuneration Committee just a few months before he was removed from the post.

The tribunal stated that only Mistry cannot be held responsible for the situation or losses in group companies. The order stated, "If there was a failure and loss caused to one or other Tata company which also affected the 'Tata Sons Limited', the 'Tata Trusts' or the Board of Directors could not be absolved of its responsibility, particularly when the nominee Directors of the Tata Trusts who have affirmative vote to reverse the majority decision."

Tata Sons on its part said in a statement that the NCLAT judgment has granted relief which was not even sought by the Mistry side and "seeks to over-rule the decisions taken by shareholders of Tata Sons and listed Tata operating companies at validly constituted shareholder meetings".

Post the judge from NCLAT, Tata sons had number of legal options. They could have approached the Supreme Court, which they did, or could have taken Board route to once again oust Mistry through voting of shareholders. Since NCLAT's remark implied a reputational hit on Tata Sons, the company was thinking to demand adequate concrete proofs from the Mistry camp to prove their argument that Tata Sons has abused the powers under Article 75. This was not easy task because Mistry's family owned Shapoorji Pallonji Group itself has been a shareholder in Tata Sons for past several decades. It has been a witness to the creation of the AoA and has chosen to agree to the AoA and remain as Tata Sons shareholders despite being aware of the contents of the same.

F. Curtains on Legal Tussle - Supreme Court Verdict

Supreme Court Judgement on Mistry: The Supreme court in March 2021 completely ruled in favor of Tata Sons by setting aside decision of NCLAT to reinstate Mistry as chairman of the conglomerate. Court observed that not only some business decisions but also actions like leaking confidential mail to media, passing information to income tax authorities were unlike an individual who claims to be a victim of oppression and mismanagement.

On a scathing remark, Justice Bobde said, "A person who tries to set his own house on fire for not getting what he perceives as legitimately due to him, does not deserve to continue as part of any decision-making body."

"It is an irony that the very same person who represents shareholders owning just 18.37% of the total paid-up share capital and yet identified as the successor to the empire, has chosen to accuse the very same Board, of conduct, oppressive and unfairly prejudicial to the interests of the minorities," the apex court snubbed Mr. Mistry's side.

Supreme Court on NCLAT: The apex court dismissed NCLAT judgement and many observations. It did not accept that the actions by Tata sons were 'prejudicial and oppressive'. CJI Bobde lashed out and said that Tata Sons is a principal investment holding company of Tata group. Majority shareholding is with philanthropic Trusts. NCLAT should have raised the most fundamental question that whether it would be equitable to wind up the company and thereby starve to death all those charitable Trusts, especially based on some uncharitable allegations of oppressive and prejudicial conduct.

Court observed that NCLAT went overboard to reinstate Mistry as Chairman and grated relief of reinstatement gratis without any foundation in pleadings, without any prayer and without any basis in law.

NCLAT acted outside its jurisdiction by ignoring Tata sons power under Article 75 of the Articles of Association to purchase the shared of any shareholder at a fair market price. Court suggested exit option to SP group and left it to Tata and SP group to reach to a fair compensation.

Supreme Court on Rights of Minority Shareholders - Discussing the rights of minority and small shareholders and their position in the board of a company, the Supreme Court said that minority shareholders or their representatives are not automatically entitled to a seat on the private company's board like a small shareholder's representative. Since the Mistry family and the SP Group were not "small" shareholders, but "minority shareholders", there was no statutory provision which gave them the "right to claim proportionate representation," on the board of Tata Sons. Court further said that "The right to claim proportionate representation is not available for the SP Group even contractually, in terms of the Articles of Association. Neither SP Group nor CPM (Cyrus Pallonji Mistry) can request the Tribunal (NCLAT) to rewrite the contract, by seeking an amendment of the Articles of Association. The Articles of Association, as they exist today, are binding upon SP Group and CPM."

G. TCS and Mistry Conundrum

Tata Consultancy Services (TCS) moves to Supreme Court: Immediately after the order of NCLAT that N Chandrasekaran's appointment was illegal, TCS moved to Supreme court for interim stay on the order to an extent it relates to the company. TCS is believed to be Tata Group's crown jewel, was apprehensive of bearing the brunt of the dispute.

In its stock exchange filing in 2018, the infotech major asked its shareholders to oust Mistry for the board of directors. And called an EGM too to pass a resolution. Company said in its statement that, "Subsequent to his replacement as Executive Chairman of Tata Sons Ltd, Mistry has made certain unsubstantiated allegations, which cast aspersions not only on Tata Sons and its board of directors, but also on the Tata group, of which TCS is an integral part. "The communication, which was marked as 'confidential', was made public. Mistry's conduct has caused enormous harm to the Tata group, TCS and its stakeholders, including employees and shareholders."

Section of the market believes that Tata Group might sell a portion of their stake in TCS, India’s second-most valued company and the conglomerate’s cash cow, to raise money to buy Mistry's stake. Worth mentioning here is that TCS is the best performing company among the Tata Group and has been an investors’ favorite. The stock has gained 48% in the last six months as is hovering around its all-time high levels as software exporters have shown resilience in tough economic conditions compared to most other sectors (as on 24/9/2020). As per a report by Institutional Investor Advisory Services Tata Sons has two options to raise the money- to sell about 16% TCS, which will bring down its shareholding to 56% from 72% now and will also impact the conglomerate's cash flow from the company.

H. CONCLUSION

This case highlights many aspects of corporate functioning. It brings out importance of so many elements of corporate governance – upholding values, importance of board, law, succession planning, role of independent directors and promoters, relevance of critical legal documents like articles of association, rights of minority shareholders et al.

Global conglomerate like Tata with more than 100 years of legacy had to face huge turmoil due to lack of either trust amongst its stakeholders or absence of adherence to some key governance indicators. As they say, members may come and go, but institutional legacy and values should never be compromised. The case went through all the spheres of legal Institutional set up in India and existing guidelines on corporate governance, companies act was tested to its core. Institutions like the NCLAT, NCLT, MCA and the Supreme court played instrumental role in the outcome and learning from the fiercest legal battles of corporate India.

The boardroom battles witnessed in India’s leading conglomerate exposes the inherent weakness in governance systems of modern-day corporations. Are the existing frameworks providing right ecosystem for our businesses, or do we need to rethink the legal and governance structure under which they operate?

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