

ICSI-EIRC NEWSLETTER

September, 2020



CELEBRATES

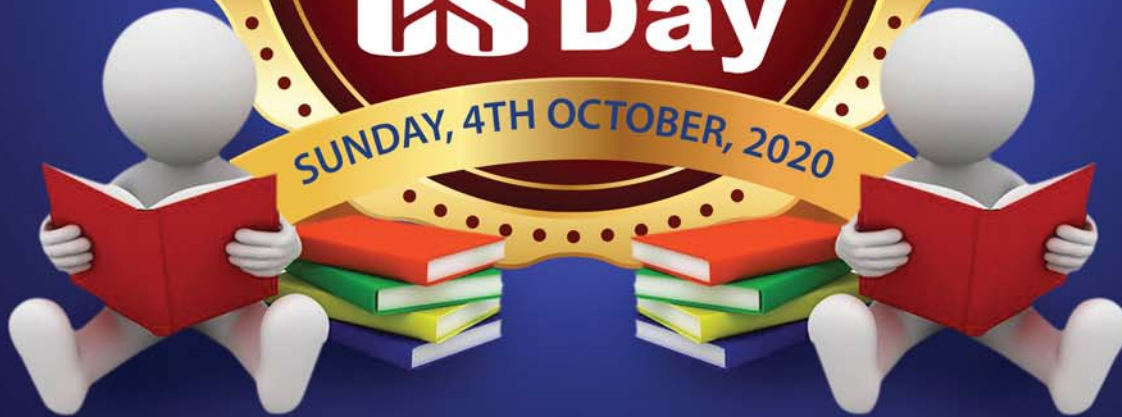


52

YEARS OF NATION BUILDING

CS Day

SUNDAY, 4TH OCTOBER, 2020



THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

EASTERN
INDIA
REGIONAL
COUNCIL

Motto

सत्यं वद। धर्मं चर।
इष्टकारे त्रेह त्पत्तेः ब्रह्मिणे ह्यु त्रेह त्रिज्ज्।

Vision

"To be a global leader in promoting
good corporate governance"

Mission

"To develop high calibre professionals
facilitating good corporate governance"



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From the Desk of the Chairman, EIRC



"The value of an idea lies in the using of it." – Thomas Edison

Dear Professional Colleagues,

As the month of September dawns upon us, the season of festivities and annual filings also has knocked on the door. Even while the destructive power of Covid-19 virus is still raging on, the preparations of festivities has been on a full swing. Although the MCA has granted the stakeholders with much required extension on regulatory filings, the work mode is running and professionals are leaving no stone unturned to complete the work at the earliest.

The Institute of Company Secretaries of India made several representations to the Hon'ble Ministry of Corporate Affairs for the extension of Company Fresh Start Scheme (CFSS) and LLP Settlement Scheme, 2020 (LLPSS). The MCA on September 28, 2020 announced various circulars for the extension of CFSS and LLPSS. Apart from that, the MCA announced circulars for filing of charge creation and charge modification forms. It also granted extension for holding extra-ordinary general meeting using audio-visual or other audio-visual modes.

The ICSI is organizing an All India Company Law Quiz for the students of the institute. The quiz rounds will be covered over October and November months of 2020.

We organized several Career Awareness Programmes and counselling sessions through virtual mode for the benefits of students at various schools and colleges in Kolkata and the overall Eastern zone.

We hope that all of our members have paid the membership fee to the ICSI for the year 2020-21 in time. For the practising members using the quick link to pay the fees, it will be a good time to update the Form-D by logging in the ICSI portal.

Our members have been constantly sharing knowledge by conducting webinars or by writing academic articles for the benefit of stakeholders of ICSI. We have also published articles by our members for the benefit of readers.

The ICSI has also secured recognition under the Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020. The motive is to regulate the establishment and operation of a Gas Exchange and Clearing Corporations, and all matters related and connected to it. The regulations mandated the appointment of a Company Secretary as "Compliance Officer" in every Gas Exchange or Clearing Corporation. Apart from that, the Practising Company Secretary is to certify the shareholding pattern of a Gas Exchange and the shareholding pattern of Clearing Corporation.

We will celebrate the **52nd Foundation Day of the Institute** in the first week of October and we will celebrate this occasion and conduct webinars on

'Governance at Grassroots level' and 'Fit India-Fit ICSI: Zumbathon'.

For the benefit of the students, the Institute has opened 45 new Examination Centres across the country for the Company Secretary Examination scheduled to be held in December 2020. Opening of these new centres will prevent overcrowding in the existing 172 Examination Centres along with facilitating ease of commute to approximately 1 lakh examinees of the Foundation, Executive and Professional Programme taking the CS Examination. The exams will be conducted as per guidelines issued by the Government for conduct of examination in view of Covid-19 pandemic."

Of the 45 new centres, 19 centres are in new cities and remaining 26 centres are in cities like Bhubaneswar, Kolkata, Hyderabad, Bengaluru, Chennai, Navi Mumbai, Thane and Mumbai, that required more centres to cater to a larger student base.

Students appearing in December, 2020 CS Examinations will be able to avail the facility of selection/change of New Examination Centres from 26th September, 2020 to 9th October, 2020, free of cost for one time

Due to lock-down, no physical programmes were held to comply with the Government directions to curb and prevent the spread of corona virus at physical gatherings.

Before concluding, we would like to say - every day may not be a good day but there is good in every day. Remember that no amount of regret can change the past and no amount of anxiety can change the future. So, don't stress over the things that you can't control. The happiness of your life depends on the quality of your thoughts. Don't let someone make you think that there's something wrong with you. Positivity is a choice and firstly you should know yourself and believe your worth.

I take this opportunity to appeal to all the members, once again, to enroll to CSBF for not only strengthening the future of our family but also to strengthen the corpus of CSBF.

Please feel free to share your views and suggestions for the betterment of the Newsletter to me. My coordinates are given below:

With Warm Regards,

CS PRIYADARSHI NAYAK
Chairman, EIRC of ICSI

E-Mail: nayakfcs@gmail.com
Kolkata, The 30th September, 2020



FRUSTRATION OF CONTRACT AND IMPACT OF COVID 19 – A CRITICAL ANALYSIS

By CS ANJAN KUMAR ROY, FCS
PAST CHAIRMAN – EIRC OF ICSI



Introduction

1. Contracts are one of the most important tools of our life. On a careful analysis one would realize that the world runs on the basis of Contracts of multi-various nature, between individuals, corporates, governments, agencies and the list would be endless. A natural corollary to the importance of contracts is the importance of "Performance of Contracts". Due to such an importance of performance of contract, over the period, the law related to non - performance of or breach of contract has also emerged significantly.
2. An exception in the law related to breach of contract is the common law doctrine of "Frustration of Contracts". A discussion on Frustration of Contracts would remain incomplete without a discussion on the concept of impossibility of performance of contract, impracticality of performance of contract and Force Majeure clause in a contract.
3. In the recent times, his subject has gained importance due to the impact of COVID 19 on business and industry. Towards the end of the year 2019, Corona virus was detected in the Wuhan province of China. This virus spread so rapidly across continents that on 11th March, 2020, COVID 19 was declared by the World Health Organization as Global Pandemic¹. There have been lockdowns in India and in many other countries which is unprecedented. Business and Industry has suffered drastically across the globe. Under these circumstances, there are cases of failure of performance of contracts across countries and the same is likely to be continue some time, if not for a long time. In cases of failure of performance of contract people generally try to take a shelter under the "Common Law Doctrine of Frustration of Contract". However, every non performance may not qualify for the leeway to come under the doctrine of Frustration of Contract.
4. The author has endeavoured to go deeply into the law related to the concept of "impossibility of Performance of contract", "impracticability of performance of contract", "applicability of the Force Majeure Clause in contract" in the context of "the Doctrine of Frustration of Contract". The author would critically analyze the Doctrine of Frustration of Contract as established in India under The Indian Contract Act 1872 and through several judicial precedents.

Origin of the Doctrine of Frustration of Contract

1. The origin of the Doctrine of Frustration of Contract is traced to the English law and more specifically to the famous judgement in the case of "Taylor v Caldwell"². This case is a fundamental case in the area of frustration with regards to contract law. The judgement in "Taylor v Caldwell" contained an opinion by Justice Blackburn, which established the concept of "Frustration of Contract" in English Law. *In the words of Murray "frustration developed to alleviate harshness of absolute obligation rule"*. Frustration comes about in circumstances where the courts will discharge the parties of obligations under the contract, therefore meaning that the parties are not liable for any further obligations under the contract³.

a. Facts of the case of "Taylor v Caldwell"

The case centred on a musical hall which the claimant agreed to hire

from the defendant. The hall was to be used for 'grand concerts' and fetes. However, before the performance that the music hall was to be used for, there was a fire and the hall was destroyed. Neither party was at fault for this destruction. The claimant sued for breach of contract. The legal issue is whether because the hall that the claimants had contracted to use could no longer be used, this excuses the rights and liabilities of the parties under the agreement. Under the "Doctrine of absolute Obligations" the defendants would be liable to the claimants because under the agreement they would no longer be able to perform their obligations which had been contracted for, namely the use of a music hall for four days. In the case, Justice Blackburn notes the harshness of this obligation and therefore it was held that the defendant was released from their obligations under the doctrine of frustration. The reasoning behind this is that this was the most just solution and the one that made the most sense in terms of contract law. If the parties were forced to continue their obligations under the contract even though the music hall was on longer in use then this performance would be very different from the ones that the parties had originally contracted to undertake. The burnt down musical hall renders the contract undoable under the current terms.

b. Analysis of the case of "Taylor v Caldwell"

Justice Blackburn pointed it out in this case that it was "absolute and positive" that there were no express or implied terms of the contract that the obligations should carry on. Therefore, this meant that if such a contract had a term in it, be it express or implied, that even in the event of the accidental damage the obligations of the parties were to carry on, then they wouldn't have been discharged. This is a key principle from the case because while it brings into existence the doctrine of frustration it puts a caveat on it. Justice Blackburn also sets out the principle of when this type of situation can arise. As the courts point out, these decisions will be made in situations where "the performance depends on the continued existence of a given person or thing, a condition is implied that the impossibility of performance arising from the perishing of the person or thing shall excuse the performance". This phrase gracefully sums up the position. He goes on to say that even if this hasn't been expressly put into the contract, the excuse is implied by law. This where the crux of the matter lies, as he states that the parties only contracted on the basis of "continued existence of the chattel". Without the chattel being in existence it was clearly not the intention of the parties to carry on the obligations of the contract.

c. Comparison and evaluation of the case of "Taylor v Caldwell"⁴

However, to fully appreciate the impact of "Taylor v Caldwell" it is important to analyse the following two English cases to see how the doctrine functions fully. "Krell v Henry"⁵ and "Herne Bay Steamboat Co v Hutton"⁶. Both of these cases revolve around the procession of Edwards VII that was cancelled due to ill health. In "Krell v Henry" the defendant hired a flat from the claimant to stay with the only objective of watching the procession of Edwards VII. Claimant brought an action to claim the rent which was not paid in advance under the agreement. It was held in this case that the contract

had been frustrated by the non-occurrence of the event. The Coronation Procession was the foundation of the contract. However, comparing this with “Herne Bay Steamboat Co v Hutton” where the defendant rented a boat from the claimant to take paying passengers to see a Naval Review that had been organised as part of the Edward VII events day, in which it was held that the contract was not frustrated because neither the review nor the tour of the fleet were at the foundation of the contract. Both these cases had relied upon “Taylor v Caldwell”. The issues centre around the implied terms test from “Taylor v Caldwell”. Justice Sterling in “Herne Bay Steamboat Co v Hutton” acknowledged the issues from “Taylor v Caldwell” but stipulates that the defendants could still make use of the boat and visit the fleet therefore the key area of the contract had not been frustrated. But in “Krell v Henry” even though the use of the flat could still be enjoyed its fundamental use had now been diminished. This boils down to the fact there was still an element of commerciality in “Herne Bay Steamboat Co v Hutton” but this was no longer there in “Krell v Henry” therefore frustrated the contract. Harping back to “Taylor v Caldwell”, it is evident that there is a close line to be drawn with regards to the implied terms of the contract. These two cases offer an evolution of the rule, the reasoning being that the contract in “Herne Bay Steamboat Co v Hutton” was not dramatically altered as it was in “Krell v Henry” and “Taylor v Caldwell” therefore reads into the implied terms of the contract.

Frustration under Indian Contract Act, 1872

1. Doctrine of Frustration

As general rule parties to contract are having an intention towards the fulfilment of their part and in case of breach, party breaching is liable to compensate for the same. But an exception to this rule is laid down in Section 56 of the Indian contract act 1872. Section 56 deals with the doctrine of frustration as being acts which cannot be performed. Under this doctrine a promisor is relieved of any liability under a contract in the event of the breach of contract and contract will be deemed to be void. Section 56 is based on the maxim “les non cogit ad impossibilia” which means that the law will not compel a man to do what he cannot possibly perform.

2. The basis of the doctrine of frustration was explained by Supreme Court in the case of “Satyabrata Gosh V Mangneeram”⁷ in which the honourable Supreme Court held that the basic idea upon which doctrine of frustration is based is that of the impossibility of performance of the contract and the expression frustration and impossibility can also be used as synonyms.
3. The doctrine of frustration is however applicable only in 2 cases;
 - a. If the object of the contract has become impossible to perform, or
 - b. An event has occurred making the performance of the contract to be impossible beyond the Control of promisor.
4. Condition necessary for the application of Section 56 are as follows;
 - a. *There exist a valid and subsisting contract between the parties* :- Existence of a valid contract is the foremost condition for the application of Section 56. The valid contract includes a contract entered in between competent persons and which is followed by some consideration.
 - b. *There must be some part of the contract which is yet to be performed*:- Section 56 will have applicability only if there is some part of the contract which is yet to be performed and without performing it the ultimate purpose of the contract is not fulfilled.
 - c. *The contract after it is entered into becomes impossible of performance*:- Another important condition for the application of section 56 is that the contract after it has been entered into has become impossible to perform and cannot be performed and therefore contract stands void.
5. Generally, frustration of contract can be in the following cases;

- a. Death or incapacity of a party: Where a party to the contract has died after entering into contract or the party is incapable of performing the contract, in such a situation the contract will be void. Reference may be drawn from “Robinson v Davison”⁸.
- b. Frustration by virtue of legislation: Where, a law promulgated after the contract is made, makes the performance of the agreement impossible and thereby the agreement becomes void. Reference may be drawn from “Rozan Mian v Tahera Begum”⁹.
- c. Frustration due to change of circumstances:- This particular situation deals with those cases where there was no physical impossibility of performance of the contract, but because of the change in circumstances, the main purpose for which the contract was entered has been defeated.

Impossibility and Impracticability

1. A duty is impossible to perform if it cannot be accomplished by any means. Impracticability requires extreme and unreasonable difficulty, expense, injury, or loss. As a result, changes in market forces do not render performance impracticable unless far outside the normal range, because they are the sort of risk that commercial contracts are intended to cover. Whereas severe shortages due to exigencies such as war, embargo, local crop failure, or unforeseen shutdown of major sources of supply that cause a marked increase in cost or prevent performance may render performance impracticable. Even when performance is impossible or impracticable, parties must use reasonable efforts to surmount any obstacles to performance and must continue to perform those portions of obligations that are possible or practicable.
2. The event that makes performance impossible or impracticable cannot be reasonably foreseeable when the parties made the contract. An event is deemed foreseeable if the parties allocated the risk of its occurrence in the contract.
3. *Initial vs Subsequent Impossibility* : The object of making any contract is that the parties to contract would perform their respective promises, and where the contract is impossible to perform the parties would never enter into it. Initial impossibility deals with those cases where the contract was impossible to perform from the very beginning. For example, If a married man knowing that he cannot marry again promises to do so, then he is bound to compensate the other party. On the other hand Subsequent impossibility deals with cases where the contract was possible to perform when it was entered but because of some event, the performance has become impossible or unlawful and therefore it discharges the party from performing it.

Force Majeure and Frustration of Contract

1. Scope of Force Majeure clauses in commercial contracts

Force Majeure means “an event or effect that can be neither anticipated nor controlled, is unexpected and which prevents someone from doing or completing something that he or she had agreed or officially planned to do. Webster’s Dictionary defines Force Majeure as: (1) Superior or irresistible force (2) an event or effect that cannot reasonably be anticipated or controlled. In modern business practice, Force Majeure clauses are generally embodied in the form of contractual provisions, agreed upon between parties, to excuse non-performance of contract in cases of events beyond their control, such as an Act of God, Natural Calamities, War, Labour Unrest, Epidemics, Pandemics, etc. If the words ‘epidemic’ or ‘pandemic’ are used in the “Force Majeure clause”, then the “Force Majeure clause” may be triggered under the contract in case of declaration of any Pandemic such as COVID 19. “Force Majeure” is governed by the Indian Contract Act, 1872 under Chapter III more particularly in Section 32. However, its scope

and extent may vary from case to case. Force Majeure is usually set up as a defence for non-performance of the contract owing to impediments beyond the control of the parties. Force Majeure is therefore an exception or defence to breach of contract.

2. Difference between Force Majeure clause and Frustration of contract or impossibility to perform

The doctrine of Force Majeure is often intertwined and overlapped with the doctrine of frustration of contract or impossibility to perform. A contract is typically said to have been frustrated if the performance of contract becomes impossible. The word "impossible" was held not to be restricted to physical or literal impossibility. The performance of an act may not be literally impossible, but it may be impracticable and useless from the point of view of the object and purpose which the parties had in view. The doctrine of frustration of contract is an aspect or part of the law of discharge of contract by reason of a supervening impossibility or illegality of the act agreed to be done. Unlike Force Majeure clause which is typically in the form of a contractual provision, frustration of contract or impossibility to perform is statutorily provided under Section 56 of the Contract Act. Therefore, if the contract does not expressly or impliedly contain exemptions for non-performance in the nature of Force Majeure, a party seeking to set up a defence dehors the contract can place reliance on Section 56 of The Indian Contract Act 1872. The intention of Force Majeure is to save the performing party from consequences of some event beyond its control, affecting the performance of a contract.

3. Essentials for invoking Force Majeure defence

- a. **Upsetting the root basis or foundation of the contract:** For an event to qualify as Force Majeure event dehors the contract such event must totally upset the very foundation upon which the parties rested their bargain. The event or change in circumstance which strikes at the root of the contract is treated as frustrated. What is required to be examined is whether the changed circumstance had destroyed altogether the basis of the agreement and the underlying object. When the circumstances change drastically and the altered circumstances were never visualized or contemplated, the contract becomes ex facie unenforceable. The doctrine 'non haec in foedera veni' (it was not this that I had promised to do) is applicable. Courts accept that a contract which is impossible of performance in practical sense need not be performed.
- b. **Lack of an alternate mode of performance:** A force majeure clause will not normally be construed to apply where the contract provides for an alternative mode of performance.
- c. **Difficulty in performance cannot be a ground in itself:** A more onerous method of performance by itself would not amount to a frustrating event. The event should be unavoidable and absolutely beyond the control of the debtor. In fact, even a wholly abnormal rise or fall in prices, a sudden depreciation of currency, and a little obstacle to execution or the like cannot by itself affect the bargain made between the parties. Even under common law, a contract is not discharged merely because it turns out to be difficult to perform or onerous. In other words, to attract the doctrine of frustration, burdensomeness is not the necessary consideration; the impossibility of performance contract is the true criterion.
- d. **The event must be unforeseeable:** The event must be incapable of being anticipated or predicted by common due diligence. An advance warning for an expected Force Majeure event, shall not trigger the Force Majeure clause.
- e. **Causal test or 'but for' test:** The event should have occurred not by

default of the party but only as a result of the supervening event. This is referred to as the "causal test" where the Court examines whether the non-performance is a direct result of a supervening event and "but for" such supervening event, the contract would have otherwise been performed. This causal test is the most crucial test which shall be satisfied by adducing evidence. In a situation where Force Majeure event has indeed occurred, and if such event did not preclude the party from performing the contract, such party cannot take benefit of Force Majeure clause.

- f. **Conditions precedent must be fulfilled:** Most Force Majeure clauses provide that a non-performing party seeking benefit of Force Majeure clause in the contract, shall put the other party to such notice. These terms are conditions precedent for invocation, failing compliance of such clauses, a party may not be able to take shelter under Force Majeure.
 - g. **Duty to mitigate:** A party relying on Force Majeure clause is supposed to take all the necessary measures to mitigate the loss caused due to its non-performance.
4. The Supreme Court in Industrial Finance Corporation of India Ltd. v. Cannanore Spinning and Weaving Mills Ltd., 21 held that there are three conditions are required to trigger off doctrine of frustration under section 56 of the Contract Act - firstly, there should be a subsisting contract; secondly, some part of the contract is still to be performed; and thirdly, after the contract is entered into it becomes impossible of performance.
 5. **Consequences of Force Majeure**
 - a. **Termination:** In case of express or implied terms Force Majeure clause in the contract, the consequences as set out therein would follow upon proper invocation of the stipulation. Typically, the Force Majeure clause provides for right to terminate the contract, suspension of contract during the subsistence of Force Majeure event, waiver of damages or penalty for non-performance, change in consideration, etc. The consequences, like a Force Majeure clause, can be tailor suited as per the agreement between the parties and the object sought to be achieved under the contract. And
 - b. **Restitution:** Whereas, in case of complete frustration of contract, it is well-settled law that the consequence under section 65 of the Indian Contract Act 1872 follows i.e., principle of restitution. Principle of restitution states that once a contract becomes void or frustrated, any person who has received any advantage under such agreement or contract is bound to restore it to the person from whom he had received it. Therefore, when a contract is frustrated, the consideration received from the other party must be repaid.

Some important judgments in India

1. **"Satyabrata Ghose V Mungneeram"**¹⁰ : In this judgement the honourable Supreme Court of India made the following observations;
 - a. "The doctrine of frustration is really an aspect or part of the law of discharge of contract by reason of supervening impossibility or illegality of the act agreed to be done and hence comes within the purview of S. 56 of the Indian Contract Act. The view that s. 56 applies only to cases of physical impossibility and that where this section is not applicable recourse can be had to the principles of English law on the subject of frustration is not correct. English cases can have only a persuasive value, and are only helpful in showing how English courts decided cases under similar circumstances."
 - b. "Section 56 of the Indian Contract Act lays down a rule of positive law and does not leave the matter to be determined according to the intention of the parties."

- c. "According to the Indian Contract Act, a promise may be express or implied. In cases, therefore, where the court gathers as a matter of construction that the contract itself contained impliedly or expressly a term, according to which it would stand discharged on the happening of certain circumstances, the dissolution of the contract would take place under the terms of the contract itself and such cases would be outside the purview of S. 56 altogether. Although in English law these cases are treated as cases of frustration, in India they would be dealt with under s. 32 of the Indian Contract Act which deals with contingent contracts or similar other provisions contained in the Act".
- d. "In the large majority of cases however the doctrine of frustration. is applied not on the ground that the parties themselves agreed to an implied term which operated to release them from the performance of the contract. The relief is given by the court on the ground of subsequent impossibility when it finds that the whole purpose or basis of a contract was frustrated by the intrusion or occurrence of an unexpected event or change of circumstances which was beyond what was contemplated by the parties at the time when they entered into the agreement. Here there is no question of finding out an implied term agreed to by the parties embodying a provision for discharge, because the parties did not think about the matter at all nor could possibly have any intention regarding it"
2. **"Mungneeram Bangur & Co. V Gurbachan Singh"**¹¹ : Subsequent to aforesaid case of the year 1954, in this case in the year 1959, the honourable Calcutta High Court made the following observations;
- a. "on the subject of "frustration" "the courts in this country" should "look primarily to the law, as embodied in Sections 32 and 56 of the Indian Contract Act. Indeed, the said two sections of the Contract Act embrace the whole of the Indian law on the subject, Section 32 applying in cases of contingent contracts and Section 56, covering the rest, Under either, however, impossibility is the central or the dominating idea and the determining factor, impossibility in cases of contingent contracts in the happening of the event or events, on which same depend, and, in other cases, impossibility of the act to be performed under the contract, illegality or unlawfulness of the act, given in Section 56 as a separate ground for frustration of contract, being comprehended within the above conception of impossibility for that purpose."
- b. "The law of frustration on the ground of illegality or unlawfulness of performance of an act, on which the contract depends, also rests on the same principles as in the case of impossibility."
3. **"Naihati Jute Mills Limited V Hiyaliram Jagannath"**¹² : In this case in the year 1968 after recording the observations made in the matter of "Satyabrata Ghose V Mungneeram Bangur" (supra), the honourable Supreme Court of India observed as follows;
- a. "Even if the appellants had established frustration, it would not be as if, the contract was ab initio void. In cases of frustration it is the performance of the contract which comes to an end but the contract would still be in existence for purposes such as the resolution of disputes arising under or in 'connection with it: and the question whether the contract was discharged under the doctrine of frustration would still have to be decided under the arbitration clause which operates in respect of such purposes."

Frustration of Contract due to COVID 19

1. COVID-19 has affected cross-border trade, real estate market, specifically the developers, the home-buyers and the commercial lease arrangements, EPC (engineering, procurement & construction), joint-venture agreements as well as M&A deals in India. It has also impacted the parties ability to meet

their contractual obligations due to restriction in movement, stoppage of production, increase in costs due to scarcity of raw materials components, labour shortages, shortage of funds, disruption in the supply chains.

2. The Covid-19 pandemic is likely to make a dent or cripple the economy for some time and one can therefore expect harsher than normal economic conditions increasing the cost for performance of contracts, for example, increase in prices of raw materials, increase in cost of labour, inflation, currency fluctuations, etc. The question that arises is whether such circumstances i.e., economic hardships to perform the contract, can absolve the party from performing its bargain on the ground of Force Majeure or frustration of contract.
3. How the courts will interpret COVID-19 in relation to force majeure provisions will be interesting to watch out in the course of this year once the impact of COVID-19 settles. Presently, the Ministry of Finance has by way of an office memorandum (O.M. No. 18/4/2020-PPD) issued on February 20, 2020 clarified that the disruption of the supply chains due to spread of coronavirus in China or any other country should be considered as a case of natural calamity and "force majeure clause" may be invoked, wherever considered appropriate, following the due procedure. However, such clarification has been provided only with respect to the disruption of the supply chains and as indicated above, invocation of force majeure provisions in light of COVID-19 will have to be assessed on a case-to-case basis depending on the terms of the contract entered into between the parties.
4. It will also be interesting to see the stand which the insurance companies will take vis-a-vis insurance policies taken by companies to cover loss arising due to certain unforeseen circumstances in their businesses, and whether COVID-19 will be covered under these policies.
5. In case of private contracts, if the contract has an express or implied Force Majeure Clause, the obligation of the parties will be determined by the consequences specified in the force majeure clause. In such a case, the terms of the contract would have to be examined to determine what events enable parties to invoke the Force Majeure clause and whether outbreak of a pandemic constitutes a force majeure event, subject to compliance of requirements of notice etc., if any, as specified under the contract. However, if there is no force majeure clause in a contract, or on occurrence of an event dehors the contract, such as the outbreak of Covid-19, the common law principle of 'frustration of contracts' which is embodied in Section 56 of the Indian Contract Act 1872 shall govern the contract. In determining whether a contract is frustrated, an assessment of all relevant factors is necessary i.e. the terms of the contract; factual background to the contract; parties knowledge and expectations about risk when entering into the contract; the parties ability to perform the contract in the circumstances which are said to have frustrated the contract.

Conclusion

Frustration of Contract under the Indian Contract Act 1872 means discharge of contract without its performance due to the subsequent occurrence of some unforeseeable event rendering the performance of the contract impossible or impracticable. Under the Indian Contract Act 1872 there are two distinct provisions, under Section 32 and Section 56, respectively. If the terms of contract either expressly or impliedly contain some provision, under which, or some contingencies, on the occurrence of which, the contract is discharged, the same would come under the provision of Section 32 of the Indian Contract Act 1872 and would not be covered under the doctrine of Frustration of Contracts. However, if the performance of the contract becomes impossible or impracticable due to the subsequent occurrence of some unforeseen event, which was beyond the imagination or contemplation of the parties to the

contract at the time of execution of the contract the same would be covered under the doctrine of Frustration of Contract and under the provisions of Section 56 of The Indian Contract Act 1872. As such, if the contract contains any clause Force Majeure clause, the same may be invoked under Section 32 of the Indian Contract Act 1872. However, it is important to note that whether under Section 56 or under Section 32 of the Indian Contract Act 1872, other than for reasons of illegality or unlawfulness of the act, the contract can be discharged without performance only if it becomes impossible or impracticable to be performed. The term "Impossibility" has been very widely interpreted by the honourable Supreme Court of India in the cases mentioned above and as such it need not be physical impossibility alone. It is also important to note that even if a contract is frustrated, it only frustrates the performance of the contract and not the contract itself. As such, even if a contract is frustrated, other aspects of the contract, say settlement of dispute or right to go for arbitration remains. Frustration of Contract would depend on the facts of the case and as such every case may not qualify for frustration of contract, say difficulty of performance would not qualify for frustration of contract. Further, even if there occurs an unforeseen event but unless the same affects the very basis of the contract or the root of the contract, the contract cannot be frustrated. In case of COVID 19 pandemic, if a contract contains Force Majeure clause and the performance

becomes impossible due to the pandemic, the same may be discharged without performance under Section 32 of the Indian Contract Act 1872. However, in the absence of a Force Majeure clause in the contract, if the performance becomes impossible, it may be covered by Section 56 of the aforesaid act and may qualify for frustration of contract.

The "Doctrine of Frustration of Contract" under the Indian law is established to the effect that the same may provide an exemption from the performance of contract only if the very basis of the contract is frustrated and made impossible or impracticable by a subsequent unforeseen event. ■

¹ BBC News 11th March, 2020

² EWHC QB J1, (1863) 3 B & S 826, 122 ER 309, 6 May 1863

³ Ref: www.lawteacher.net last visited on 06.07.2020

⁴ Ref: www.lawteacher.net last visited on 06.07.2020

⁵ [1903] 2KB 740

⁶ [1903] 2 KB 683

⁷ 1954 AIR 44, 1954 SCR 310

⁸ 1871 LR 6 Ex 269

⁹ Appeal (civil) 814 of 2005 Supreme Court

¹⁰ 1954 AIR 44, 1954 SCR 310

¹¹ AIR 1959 Cal 576, 63 CWN 549

¹² 1968 AIR 522, 1968 SCR(1) 821

REVISED ANNOUNCEMENT

COMMENCEMENT OF REGISTRATION FOR COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET), NOVEMBER, 2020 SESSION

The November, 2020 Session of COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET) shall be held on 21st November 2020 (Saturday). (Earlier it was announced to be held on 28th November 2020, which is now rescheduled).

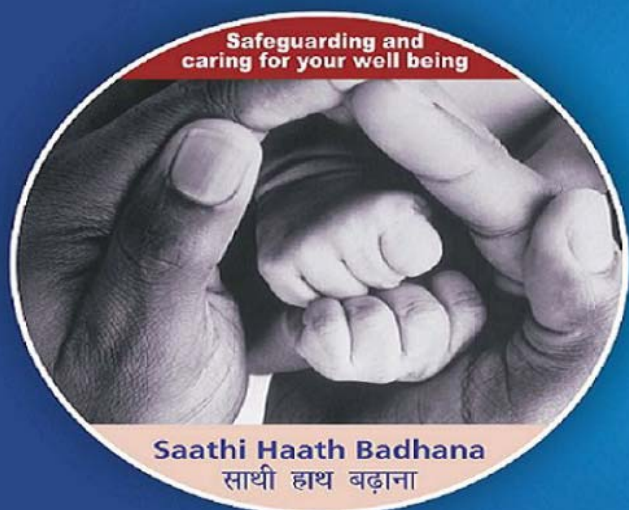
It is hereby informed that the registration for the Company Secretary Executive Entrance Test (CSEET), November, 2020 Session has already commenced.

The last date for registration to Company Secretary Executive Entrance Test (CSEET), November, 2020 Session shall be 27th October, 2020.

Students may register for the CSEET at the following link :

<https://www.icsi.edu/online-services/register-cseet/>

It may be noted that students who have registered for the CSEET upto 27th July, 2020 shall be eligible to appear in the first CSEET scheduled to be held on Saturday, the 29th August, 2020.



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AN OVERVIEW OF PRE-PACKAGED INSOLVENCY

By CS RAJAT AGRAWAL
Practising Company Secretary



The ongoing Covid-19 pandemic has hit every facet and aspect of human life as we know of. Apart from social structure, the financial and economic sectors have taken a significant hit. Our economy has also been struck by the pandemic and it has not been kind to our country.

This downfall in economy has impacted almost every major prevalent law of the country and various amendments have been made to such laws to accommodate the current situation. The debt restructuring law of India, i.e., **Insolvency and Bankruptcy Code, 2016 ('IBC')**, has also been amended in the process to cope with the current situation. The Ministry of Corporate Affairs ('MCA') had set up a committee to look into the possibility of including what are called "pre-packs" under the current insolvency regime to offer faster insolvency resolution under the Insolvency and Bankruptcy Code (IBC), while maintaining business continuity and thereby preserving asset value and jobs. Slow progress in the resolution of distressed companies has been one of the key issues raised by creditors regarding the Corporate Insolvency Resolution Process (CIRP) under the IBC with 738 of 2,170 ongoing insolvency resolution processes having already taken more than 270 days at the end of March. Under the IBC, stakeholders are required to complete the CIRP within 330 days of the initiation of insolvency proceedings.

Pre-pack insolvency means a pre-planning between the creditor and the purchaser prior to the insolvency proceedings where the negotiations on the terms of sale of assets and other requirements are made before applying to the courts/ tribunals for insolvency proceeding.

The term "Pre-Pack Sale" has been defined by the Association of Business Recovery Professionals (a trade association of the United Kingdom's insolvency, restructuring, advisory, and turnaround professionals) as "an arrangement under which the sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an administrator and the administrator effects the sale immediately on or shortly after his appointment".

The practice of pre-pack insolvency was first developed in USA following the enactment of the Bankruptcy Reform Act of 1978. The practice is also prevalent in countries like UK, France, Netherlands and Germany.

The core objective of the Code is reorganization of corporate person while maximizing the value of its assets in a time bound manner and the pre-pack insolvency scheme adheres to and advances this objective of the Code.

Under Section 12 of the IBC, the time period to complete the resolution process has been increased from 270 days to 330 days including litigation and judicial process. Even after the extension, the average time it took to successfully resolve 221 cases by the end of March 2020 was 375 days which is way beyond the stipulated time period provided by the Code.

Highlighting the importance of a swift and time-bound resolution process, the Bankruptcy Law Reforms Committee observed that, "the most important objective in designing a legal framework for dealing with firm failure is the need for speed." By introducing pre-pack insolvency scheme in the restructuring legislation of India, a speedy and cost-efficient recoveries of businesses can be made possible and it can also prevent cluttering of cases in the tribunals.

The process which is a private restructuring scheme occurs out of court/ tribunal. Here, after negotiations between the corporate debtor and the purchasers, the

scheme has to get the sanction of the court/ tribunal. Therefore, even though being an informal mechanism, it still comes within the purview of the courts and tribunals for their ultimate sanctioning which would be in turn binding on the parties. This to ensure that the parties do not misuse the scheme.

Pre-Packs are often done with the involvement of an insolvency practitioner who is subsequently appointed as the administrator/ bankruptcy trustee of such company. The sale takes place on the date of initiation of insolvency proceedings or the appointment of the administrator/ bankruptcy trustee, or soon thereafter, and the sale proceeds are distributed amongst stakeholders in the order of priority.

It avoids lengthy negotiations with the creditors after the commencement of insolvency proceedings, enabling expeditious insolvency resolution with minimal involvement of courts and tribunals. Moreover, pre-packs allow pre-emptive resolution of distress as they can be arranged even before formal defaults have occurred.

A financially distressed company can continue its operations during the period leading to a formal default, and even thereafter, without the resultant reputational risks, business disruptions, or value erosion.

For a corporate debtor, the admission of the CIRP may be disruptive to key components of its business and stakeholders. By formulating and obtaining a binding support in favour of a plan, before initiation of CIRP, initiated through a pre-packaged bankruptcy, the corporate debtor's business faces significantly less uncertainty and disruption as a result of the bankruptcy case. When the filing is made, the corporate debtor has the opportunity to broadcast a strong positive message to its stakeholders, which can indicate that the corporate debtor will be more competitive in the business because it is anticipated that it will have a more manageable capital structure in the immediate future.

Apart from saving of expenses and time, the company can avoid some of the negative publicity that results from a longer drawn-out bankruptcy process involving creditors fighting for their claims.

For Section 29A, pre-packaged insolvency process is debtor-initiated process by a pro-active company in distress willing to negotiate the terms of insolvency with its lenders, before initiation of a formal CIRP. As such, it would be a right available to an entity in distress prior to initiation of formal CIRP. Hence, Section 29A is unlikely to be applicable in a pre-packaged insolvency process. It would be correct to state that if a provision akin to Section 29A is made applicable to the entities willing to go for pre-packaged insolvency, it may tend to defeat the very purpose / objective of such a scheme.

This is a season of Atma-Nirbhar (Self-Reliance). It can be concluded that pre-packs are one of the steps that will reduce the dependency of the financially distressed companies on courts/ tribunals and help them in becoming financially self-reliant by following a self-regulated method rather than conventional court bound proceedings. During such unprecedented times, such pre-packs are necessary to strike a balance between corporates and government.

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Ministry of Finance, The Report of the Bankruptcy Law Reforms Committee Volume I : Rationale and Design (2015) Executive Summary.

INTEREST ON GST ON NET TAX LIABILITY (NET OF ITC) I,E ON LATE FILING OF GSTR 3B

By ANUP KR LUHARUKA
FCA, FCS, DISA (ICAI), Insolvency Professional
Registered Valuer (Sec or Fin Assets)



The question whether the interest should be charged on the Gross Dues or the Net Tax Liability was prevailing in the market scenario in recent times. The Registered Taxpayers were having queries related to payment of interest on Gross tax liability or Net tax liability in case of delay in filing of GSTR 3B returns u/s 39.

Whether the interest to be charged upon the Gross dues or the net tax liability is one of the major concerns.

By Notification no 63/2020 central tax dated 25th August 2020 **Government has made amendment in section 50 of CGST Act which provides that Interest shall be levied on Net Tax Liability with effect from 01/09/2020.**

However due to *confusion regarding applicability of the amendment, whether prospective or retrospective* CBIC via press release dated 26.08.2020 clarified that this notification issued with prospective effect due to certain technical limitation.

With the press release it has given an assurance that *no recovery of interest shall be made on gross output tax liability for the period prior to 01-09-2020* by the State and Central Tax administration. The clarification is as per the decision taken in 39th GST Council meeting ensuring full relief to taxpayers.

The provision of interest on late payment of GST liability is enumerated in **section 50(1) of CGST Act, 2017**. The provision is reproduced hereunder for convenient reading.

As per Section 50(1) of the Act –

“Every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall, for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent, as may be notified by the Government, on the recommendation of the Council.”

The **Finance (No. 2) Act, (23 of 2019)** vide clause 100 proposed to amend section 50 by inserting following proviso to section 50(1) of CGST Act, 2017.

In section 50 of the Central Goods and Services Tax Act, in sub-section (1), the following proviso shall be inserted, namely:

“Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger”.

However, the above proviso **got notified w.e.f 01/09/2020 vide notification No. 63/2020-Central tax dated 25th August, 2020, with further clarification with Press release dated 26.08.2020.**

With the press release and administrative circular issued by CBEC Vide F.No CBEC-20/01/08/2019-GST dated September 18th 2020 has provided for administrative instructions for recovery of interest on **net tax liability w.e.f 01/07/2017. It has been given assurance that:**

- For the period 01.07.2017 to 31.08.2020, field information in the jurisdiction may be instructed to **recover interest only on net cash liability.**
- Wherever, **SCN Shave been issued on gross tax payable**, the same may be **kept in call book till the retrospective amendment in section 50 of CGST Act is carried out.**

Our Comment :

The government had issued recovery notices to several businesses demanding interest on gross liability. It was the matter of litigation for large taxpayers and harassment for small and medium enterprises.

However with this amendment of section 50 of CGST Act 2017 vide notification No 63/2020 dated 25th August 2020 and clarification through Press release dated 26th August 2020 and further administrative circular dated 18th September, 2020 will resolve the said litigations issue and it is welcome steps by the government and relief to tax payer. ■

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VALUATION REPORT UNDER COMPANIES ACT, 2013 VIS-A-VIS IBC

By CS SHWETA DUBEY
Corporate Division head - Luharuka & Co.



Valuation isn't about simple profit or loss but a Snapshot of the current financial existence of the Organisation. Valuation of Shares, is gaining widespread possibilities thereby bestowing infinite opportunities for the professionals.

A Valuation Report prepared should be after thorough assessment of the Company by the Valuer. The objective of a valuation report is to present the result of findings of a comprehensive appraisal of and revealing a user-specific value for, one or more items.

Valuations normally are seen as a mathematical calculation because the general belief is it being done using quantitative data (like Income Statement, Balance sheet, Cash Flows, etc) from the Annual Reports. The general conception revolves round preparation of a Financial Model of the Company and applying valuation tools like Discounted Cash Flow, Net Asset Value, Comparable Transactions, Relative Valuation tools like PE, EV/EBITDA, etc, to value the company. However, there are other "not-so-tangible" factors that also impact the valuation of the business.

In this article Valuation requirements under Companies Act, 2013 and under the IBC, 2016 together with the general contents has been covered:

❖ Valuation under the Companies Act, 2013 :

The Ministry of Corporate Affairs by Notification dated 18th October, 2017 notified Section 247 of Companies Act, 2013 (the Act) and the Companies (Registered Valuers and Valuations) Rules, 2017. **Section 247 of the Act deals with the Concept, functions and responsibilities of Registered Valuers.**

The concept of "Registered Valuer" (RVs) under Indian law was introduced for the first time vide Section 247 of Chapter VXII of the Indian Companies Act for matters requiring valuation under the said act. Thereafter, Companies Act, 2013 amended the Companies (Registered Valuers and Valuation) Rules, 2017 mandating the pre-requisites to be appointed as a Registered Valuers under the new regime.

Under Companies Act, 2013, requirement of Valuation:

Sl. No.	Particulars	Sections	Valuation Requirements
1	For further issue of shares (except right issue to Existing Shareholders and ESOP issue to employees)	62 (1)(c)	Valuation of Shares
2	Restriction on Non Cash Transactions involving Directors	192(2)	Asset Valuation
3	Scheme of Compromise or Arrangements (Compromise or arrangements with creditors and members)	Section 230(2) (c)(v) and Section 230(3) of Companies Act, 2013	Valuation of Shares and determination of Swap Ratio

Sl. No.	Particulars	Sections	Valuation Requirements
4	Valuation for purchase of Minority Shareholders	236 (2)	Valuation of the Minority Shareholding
5	Corporate Debt Restructuring	232(2)(c)	Securities Valuation
6	Scheme of compromise / arrangement in case the transferor company is listed company and the transferee company is an unlisted company	232(3)(h)	Valuation of Shares and be made by the tribunal for exit opportunity to the shareholders of transferor company
7	Winding up of Company	281(1) (a) and 305 (2)(d)	Valuation of Assets
8	Issue of Sweat Equity Shares	Rule 8 of Companies (Capital and Debentures), Rules 2014	Valuation for ascertainment fair Value of Shares.
9	Creation of Security	Rule 6 of the Companies (Acceptance of Deposits), 2014	Ascertainment of the Market Value of the Assets on which charge is Secured.
10.	Allotment of Securities for consideration other than Cash	Section 39(4) of the Act	Valuation of the consideration
11.	Audit Committee terms of reference	Section 177	Valuation of undertakings or assets, wherever it is necessary

❖ Valuation under IBC, 2016 :

Insolvency and Bankruptcy Board of India came out with a circular dated 16.09.2019 in which the Valuation required under the provisions of the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 was mentioned which can only be conducted by A Registered Valuer as per Section 247 of the Act.

This valuations to be conducted exclusively by the Registered Valuers as per Section 247 of the Act).

The laws have now become more stringent as well as more constructive. IBBI stands as the governing Institution for the well-being of the profession and also acts as a watchdog for maintaining the protocols and justice for and by the professionals. The general theme is to standardize the valuation in line with International standards.

The Valuation Process under CIRP goes in the below Manner:

a) Appointment by Interim Resolution Professional / Resolution.

- b) Valuation by depending on the Physical Inspection and discussion with Management and RP alongwith the Workings as per the standards.
- c) Report once completed, issuing the same.

For preparation of the report, we shall keep in view the following Standards for referring :

- Rule 18 of the Companies (Registered Valuers And Valuation) Rules, 2017
- ICAI Valuation Standard 202 - Reporting and Documentation
- International Valuation Standards (IVS) 2020-IVS 103 Reporting.

Challenges faced while drafting Report:

- Signed Financial Statements and other source of information procurement
- Co-operation from the Resolution Professional for Factual data and explanation required, if any.
- Signed Management / Resolution Professional Representation Letter.
- Stock Valuation (Raw Material / Finished Stock) for Valuation of Inventories
- Investments in Unlisted companies / Investments in Foreign Companies for calculating the realisability possibility in case of investments of Corporate Debtors.
- DCF Calculation company under CIRP
- Valuation of Intangible Assets like Brand Valuation, Goodwill etc.
- Notice of the current prevailing / Market conditions (Covid-19)
- Urgency at last minute to issue report

GENERAL CONTENT OF A VALUATION REPORT:

The contents of Valuation report have been discussed under Rule -18 Companies (Registered Valuers and Valuation) Rules, 2017, under Rule 18 of ICAI Standards and IVS Standard 103. The Combined reading depicts that the Valuer shall in the report must mention these minimum requirements:

- (a) background information of the asset being valued;
- (b) purpose of valuation and appointing authority;
- (c) identity of the valuer and any other experts involved in the valuation;
- (d) disclosure of valuer interest/conflict, if any;
- (e) date of appointment, valuation date and date of report;
- (f) sources of information;
- (g) Inspections and/or investigations undertaken;
- (h) procedures adopted in carrying out the valuation;
- (i) valuation methodology;
- (j) major factors that influenced the valuation;
- (k) Restrictions on use of the valuation report, if any;
- (l) conclusion
- (m) caveats, limitations and disclaimers.

With more opportunities there also has been more stringent and constructive rules in the Valuation of Assets, Securities or Business. Valuers can now explore the other areas like valuation done for lending projects by the Banks, or rendering the Governmental institutions apart from playing the pertinent character.

The rationale behind the change is to strengthen the governance and transparency in valuation method and to maintain the consensus among the professionals serving the industry, professionals, shareholders and government. In this era now the Registered Valuers are required in the various zones like valuations for further issue of shares, in case of merger, compromise and Arrangements, In case of Corporate Debt Restructuring, valuation of the interest of dissenting member of the transferor company, report for the valuation done in case of the Assets of the company under voluntary winding up.

In this scenario, it can be said that although the scope of growth is enhanced for the Registered Valuers, as we say that Authority and responsibilities goes hand-in-hand, the RVs shall be looked upon with more expectations and to achieve all the possibilities under the law. ■

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The Expert Advisory Board formulated by the Institute comprising 20 members is a conglomeration of experts from various fields including Corporate laws, Securities laws, legal advisory, finance, media and other relevant areas with rich Industry experience. The Board shall provide the advice and guidance in various matters pertaining to Corporate & Security Law.



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52nd FOUNDATION DAY
Governance: From Grassroots to Global
4th October, 2020



“OPPORTUNITIES DON’T HAPPEN, YOU CREATE THEM - A SUCCESS STORY”

By CS PRAGATI MOUR
Practising Company Secretary, Guwahati



I achieved my peerless CS membership in January 2015 and in May 2015, I attained an ample opportunity to start my juncture in a largest NBFC-MFI of North Eastern India, RGVN (North East) Micro Finance Limited. Being allied with an RBI regulated organization at the dawn of my career as a newbie in a leading role; responsible for controlling and managing the overall secretarial compliances, I got tremendous opportunities with extra-ordinary work exposure thereby witnessing unfamiliar challenges every day. Within few months of my tenure, the Company’s crowning triumph was receipt of the in-principle approval from the Reserve Bank of India in October 2015 to set up a Small Finance Bank in North East India, a very unique opportunity, within a span of 18 months.

The Reserve Bank of India’s objective of licensing/setting up of small finance banks is to further financial inclusion by undertaking basic banking activities of accepting deposits, supply of credit to un-served and underserved sections including small business units, small and marginal farmers, micro and small industries and other unorganised sector entities subject to fulfilment of various prudential norms and regulations of RBI.

With an inheritance of the in-principle approval, I started preparing myself with strong conviction for bigger opportunities, i.e. “transformation phase” from an NBFC into Small Finance Bank, christened as North East Small Finance Bank.

At the beginning, being a fresher Company Secretary, heading and shouldering the responsibility of a Secretarial Department single-handed without any team of Company Secretaries was one of the unnerving notion for me. The thought of sailing through or not every passing day, the ifs and buts, an extensive planning for the road ahead, building up of tension, strong pressure from the superiors, extreme fear of committing mistakes and maintaining the culture of uncompromising strong corporate governance daunted me intensely. I battled on multiple spheres and confronted a new set of challenges - the biggest being of how to deal with each and every complexities on my own.

This stint has imbibed in me the qualities required to be a complete professional while overseeing various Corporate Secretarial activities viz listing of debentures, SEBI Listing Regulations 2015, Companies Act, 2013, Banking & RBI regulations, numerous Board/Committee/General meetings, ROC compliances, handled legal due diligence by various Tier - 1 law firms, secretarial audit, reviewing policies, private equity allotment to the tune of more than Rs. 100 crore, fund raising documentation amounting to around Rs.700 Crore, slump sale etc and

the most important ; the Small Finance Bank guidelines under the guidance & mentorship of experts of Big 4 accounting firm, E&Y & Tier - 1 law firm of India.

As a fresher, I ensured high standard of corporate governance in letter and spirit without having any experience and background on the above spaces. It was truly empowering to work directly with the multi-talented and highly professional Board of Directors, Chairman, Managing Director and shareholders at the debut of my career. The role of a Company Secretary is not only limited to legal interpretations but also includes interaction with the stakeholders and top management. I gave in my best efforts to capitalize existing opportunities and with my quick grasp power, learning attitude, zeal, passion, dedication and commitment, I succeeded in completing all the tasks in my areas of practice and finally achieved my target when the Company was awarded final license from Reserve Bank of India to set up a Small Finance Bank in March 2017 after 18 months of relentless hard work and had eventually transformed into North East Small Finance Bank, the first Small Finance Bank of North East India, on 16th October, 2017.

Thus, I feel that success lies in the motivation that helps you keep marching towards your dream, to break from the comfort zone to challenge your potential. I make my fortune thanks to the teachings of Board of Directors and also for entrusting the huge responsibility to a budding Company Secretary for transforming an NBFC-MFI into a Small Finance Bank without any support of full-time senior Company Secretary or junior trainees in Secretarial domain. I extend my special gratitude to MFI industry veteran Mr. Brij Mohan, Ex-Chairman of RGVN (North East) Microfinance Ltd and one of the promoter of North East Small Finance Bank & Ms. Rupali Kalita, MD & CEO, North East Small Finance Bank for giving me an opportunity to develop my skills and gaining in-depth knowledge of something I knew almost nothing when I began. I would also remain grateful to my senior colleagues who taught me the technology - the tactics and tools - to translate the information into results.

On a concluding note, with an intention to motivate our budding members to take steady steps on the corporate ladder, I would like to vocalize based on my experience that if we are determined in our aims, all powers of Universe starts conspiring to remove the obstacles and open the glories path of success. Therefore, let us have full faith in our capabilities and give our best efforts with an unyielding spirit rather than doubting our abilities. ■

ATTENTION MEMBERS

To publish the ICSI-EIRC Newsletter more informative, members are requested to contribute the Article on current topics / Check-Lists / Corporate and Legal Updates / Juridical Pronouncements etc. to Shri Tamal Kar, Assistant Director at : tamal.kar@icsi.edu

LIQUIDATION AS A GOING CONCERN

By VISHAL GUPTA
Registered Valuer



IBBI vide notification dt. 25 Jul 2019 inserted Regulation 32A in the Liquidation Regulations whereby the Liquidator may sell the Corporate Debtor, or the business thereof, as a going concern. This was supposed to be a welcome move, as it is generally known that the economic value of a going concern business is higher than the value of assets. Hence, this move was supposed to increase the economic worth of national assets under Liquidation.

However, it has been repeatedly mentioned in the Regulation that under such a mechanism, the “**assets and liabilities**” of the business will be sold as a going concern, which opens a Pandora’s Box for the buyers under such a scheme.

As per the data published by IBBI, as of 30 Jun 2020, 957 cases had resulted in liquidation with a total liquidation value of Rs. 40 kCr. Against this, the total claims were Rs. 5.46 lac Cr, i.e. the total liquidation value of the 957 cases in liquidation was a mere 7% of the total claim amount. If these companies were to be sold as going concerns, what would happen to the remaining 93% of the claims being Rs. 5.07 lac Cr? Does the company as a going concern get sold with all those liabilities? Assuming the proceeds of this liquidation value are distributed among the creditors in the Waterfall mechanism of Section 53 of the IBC, what action would the creditors take to recover these remaining dues, which have been sold to a new buyer? Are we staring at another round of CIRP for these remaining dues?

The Corporate Debtor in liquidation is already one which has gone through the process of insolvency and has failed to find a resolution. If the Corporate Debtor is left again in the economic playing field with 93% of its liabilities, it is highly unlikely that it’ll survive and won’t fall into the trap of insolvency again.

Our view is that once the liquidation process is initiated and completed, either by sale of assets or sale of business or sale as going concern, and the proceeds have been distributed to the claimants as per Section 53 of the IBC, the Liquidator cannot take responsibility for any pending claims. The liabilities of the Corporate Debtor are already converted to claims under the CIRP and Liquidation processes. The liabilities, if unclaimed or unsettled, cannot turn

live again because their claims had not been submitted in the insolvency or liquidation processes.

But more important than that, the sale of liabilities under liquidation as a going concern is in complete violence to Section 53 itself, which speaks of settlement of claims under liquidation. If the liabilities were to come live once again even after receiving proceeds from liquidation, then the liquidation process itself is deemed to have been failed. However, one may still argue that in case of liquidation as a going concern, Section 53 of the IBC does not apply and the proceeds of liquidation shall simply be used to reduce the liabilities rather than to settle them completely.

It should also be understood that at certain times, the assets are inherently linked to certain liabilities and their separation is not possible for a going concern. Examples include long-term supply contracts where the goods are to be called off over a period as required, certain infrastructure contracts which require submission of performance guarantees, indemnification obligations etc. These are pecuniary liabilities which are essential for the operations of the going concern. Such liabilities cannot be settled under Section 53 of the IBC if the Corporate Debtor is to be sold as a going concern.

In conclusion, the transfer of liabilities in liquidation as a going concern does not do justice to the spirit of the IBC. However, there is a need of clarity from the IBBI whether the liabilities are necessary to be required to be transferred during sale as a going concern. Meanwhile, all eyes will be on the future course of legal proceedings on this issue. The Adjudicating Authority may take a view that is contrary to ours, which it has the right to do and settle the matter. However, the same Adjudicating Authority may make use of its generic powers under Section 60(5) of the IBC to clear the matter and bring a unique opportunity of liquidation as going concern giving a real resolution to the strained Corporate Debtor. ■

¹ <https://www.ibbi.gov.in/uploads/whatsnew/a98a313021b1250be5ca3b9301626f25.pdf>

FACILITY OF E-CREDIT HOURS

With a view to facilitate the members to comply with the ICSI (Guidelines for Compulsory Attendance of Professional Development Programmes by the Members), 2019 and complete the credit hours before the current block of three years ending on March 31, 2019, the Council has decided to grant the credit hours through e-learning programmes/webinars, online exam and certification courses etc.

ICSI (CONTINUOUS PROFESSIONAL EDUCATION) GUIDELINES, 2019

The ICSI (Continuous Professional Education) Guidelines, 2019 replace the erstwhile Guidelines for Compulsory Attendance of Professional Development programmes by the Members and have come into force from 1st April, 2020. Under these guidelines it shall be mandatory for all the members irrespective of whether they are in practice or otherwise, to secure 20 CPE Credits in a year through structured and unstructured learning program. However, no carry forward or excess Program Credit Hours from one year to another year will be allowed.



**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

COMPANY SECRETARIES EXAMINATIONS, DECEMBER, 2020 SESSION

TIME-TABLE

EXAMINATION TIMING : 2:00 P.M. TO 5:00 P.M.

Date and Day	Executive Programme (Old Syllabus)	Executive Programme (New Syllabus)	Professional Programme (Old Syllabus)	Professional Programme (New Syllabus)		
21.12.2020 Monday	Cost and Management Accounting (Module-I) (OMR Based)	Jurisprudence, Interpretation and General Laws (Module-I)	Advanced Company Law and Practice (Module - I)	Governance, Risk Management, Compliances and Ethics (Module - I)		
22.12.2020 Tuesday	Industrial, Labour and General Laws (Module-II) (OMR Based)	Securities Laws and Capital Markets (Module-II)	Information Technology and Systems Audit (Module - II)	Secretarial Audit, Compliance Management and Due Diligence (Module - II)		
23.12.2020 Wednesday	Tax Laws and Practice (Module-I) (OMR Based)	Company Law (Module-I)	Advanced Tax Laws and Practice (Module - III)	Corporate Funding and Listings in Stock Exchanges (Module - III)		
24.12.2020 Thursday	Company Accounts and Auditing Practices (Module-II)	Economic, Business and Commercial Laws (Module-II)	Secretarial Audit, Compliance Management and Due Diligence (Module - I)	Advanced Tax Laws (Module - I)		
25.12.2020 Friday	NO EXAMINATION	NO EXAMINATION	NO EXAMINATION	NO EXAMINATION		
26.12.2020 Saturday	Company Law (Module-I)	Setting up of Business Entities and Closure (Module-I)	Financial, Treasury and Forex Management (Module - II)	Corporate Restructuring, Insolvency, Liquidation and Winding - up (Module - II)		
27.12.2020 Sunday	Capital Markets and Securities Laws (Module-II)	Corporate and Management Accounting (Module-II) (OMR Based)	Drafting, Appearances and Pleadings (Module - III)	Multidisciplinary Case Studies (Module - III) [Open Book Exam.]		
28.12.2020 Monday	Economic and Commercial Laws (Module-I)	Tax Laws (Module-I) (OMR Based)	Corporate Restructuring, Valuation and Insolvency (Module - I)	Drafting, Pleadings and Appearances (Module - I)		
29.12.2020 Tuesday	NO EXAMINATION	Financial and Strategic Management (Module-II) (OMR Based)	Ethics, Governance and Sustainability (Module - II)	Resolution of Corporate Disputes, Non-Compliances and Remedies (Module - II)		
30.12.2020 Wednesday	NO EXAMINATION	NO EXAMINATION	Elective 1 out of below 5 subjects (Module - III) [Open Book Exam.]			
			(i)	Banking Law and Practice	(i)	Banking - Law and Practice
			(ii)	Capital, Commodity and Money Market	(ii)	Insurance - Law and Practice
			(iii)	Insurance Law and Practice	(iii)	Intellectual Property Rights - Laws and Practices
			(iv)	Intellectual Property Rights - Law and Practice	(iv)	Forensic Audit
			(v)	International Business - Laws and Practices	(v)	Direct Tax Law and Practice
			(vi)	Labour Laws and Practice		
			(vii)	Valuations and Business Modelling		
			(viii)	Insolvency - Law and Practice		

Note: The Institute reserves 31st December, 2020, 1st, 2nd and 3rd January, 2021 to meet any exigency.

Guidelines for grant of Financial Assistance from CSBF as amended upto 26th June, 2020

Particulars		Upto the age of 60 years	Above the age of 60 years
1.	In the case of Death of		
a)	Member of the Fund	Rs. 10,00,000 to dependent named at Serial No. 1 in Form A and in case of his/her non-existence to dependent named at subsequent Serial No. in order, as covered under the Group Life Insurance of SBI Life Insurance Co. Ltd.; subject to submission of the death certificate, identity, and relation proofs as approved by the Secretary of the Fund.	Upto Rs. 3,00,000/- in deserving cases to dependent named at Serial No. 1 in Form A and in case of his/her non-existence to dependent named at subsequent Serial No. in order on receipt of request from the dependents of the deceased members to be approved by the Managing Committee of the Fund subject to submission of the death certificate, identity, relation proofs of the dependents and income proof from dependents as approved by the Secretary of the Fund. Provided that the Financial Assistance @ Rs.10,000/- per annum may be provided to members after completing the age of 75 years of age till they are alive on receipt of request from the member subject to the condition that in such cases no financial assistance would be available to dependent after the death of the member and an undertaking to this effect would be taken from the member.
b)	Non-Member	Upto Rs. 75,000 in deserving cases as approved by the Chairman of the Fund.	
2.	Reimbursement of Medical Expenses		
a)	Members of the Fund/their dependents	Upto Rs.75,000/- in deserving cases on receipt of request from the members as approved by the Secretary of the Fund.	
b)	Non-Members	Upto Rs.50,000/- in deserving cases as approved by the Chairman of the Fund.	
3.	Education Allowance (For Members of the Fund Only)	Upto Rs. 50,000/- per child - One Time (maximum for 2 minor children) as approved by the Secretary of the Fund.	
4.	The Committee further laid down the following guidelines for the reimbursement of medical expenses.		
(i)	The member should have completed at least three years of membership as on the date of sickness in respect of the expenses for which claim is filed.		
(ii)	An undertaking be obtained from the member that he has not applied for/received reimbursement from any other source.		
(iii)	The member should be asked to submit a self declaration about his annual income in the preceding financial year.		
(iv)	The member not fulfilling the above guidelines would be treated as non-member and the medical expenses would be reimbursed up to the maximum of Rs. 30,000/- only.		
5.	The members above the age of 60 years may be admitted to the Fund. However, in the event of their death, financial assistance would be released @ Rs. 40,000/- for every completed year of membership or part thereof in excess of six months subject to a minimum of Rs. 50,000 and maximum of Rs. 3,00,000.		
6.	Any claim lodged after 3 years of death shall be placed before the committee for consideration.		
7.	(i) "Dependent" is defined as –		
	Dependent of the member of the fund includes wife or husband as the case may be, dependent children, including step children and wholly dependent parents.		
	The term 'dependent children' is defined further, as under: -		
	(a) Son : till he starts earning or attains the age of 25 years or gets married, whichever is earlier;		
	(b) Daughter : till she starts earning or attains the age of 25 years or gets married, whichever is earlier; and		
	(c) Disabled Son or Daughter suffering from permanent disability of any kind physical or mental): No age limit."		
	(ii) "Deserving cases" is defined as -		
	Deserving cases shall further be subject to the condition "Having annual income less than Rs. 7,50,000/-"		

NEWS & EVENTS

Online Masterclass session on GST held on Tuesday, 1st September, 2020



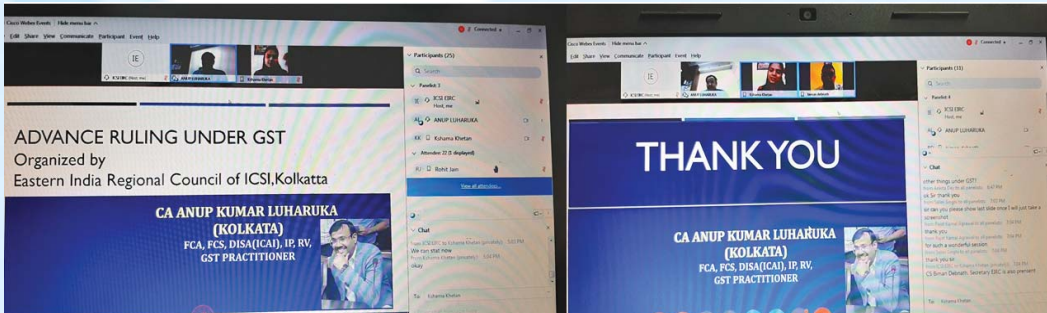
CA Bikash Agarwal, Practising Chartered Accountant was the Guest Speaker and deliberated on "Input Tax Credit, Tax Invoice, Credit & Debit Notes, Accounts & Records". CS Anshuman Jain, Treasurer, NE Chapter was the moderator for the session.

Online Masterclass session on GST held on Wednesday, 2nd September, 2020

CA Amrit Mohanty, Practising Chartered Accountant was the Guest Speaker and deliberated on "Returns including e-filing, Payment of Tax, Refund". CS Kshama Khetan, Practising Company Secretary was the moderator for the session.



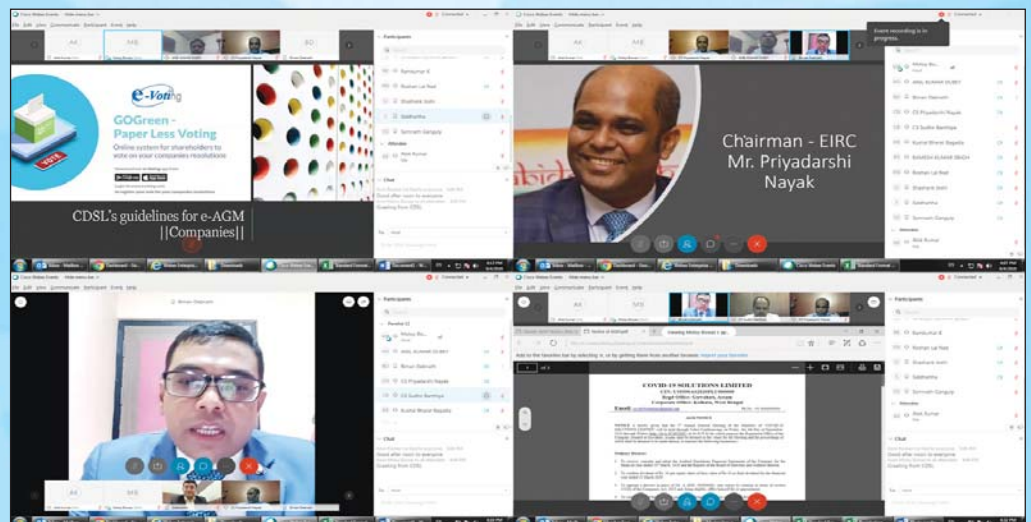
Online Masterclass session on GST held on Thursday, 3rd September, 2020



CA Anup Kumar Luharuka, Practising Chartered Accountant was the Guest Speaker and deliberated on "Audit, Inspection, Demand & Recovery, Appeal & Revisions, Advance Ruling". CS Kshama Khetan, Practising Company Secretary was the moderator for the session.

Live Mock e-AGM held on Friday, 4th September, 2020

CS Priyadarshi Nayak, Chairman; CS Sudhir Kr. Banthiya, Vice Chairman; CS Biman Debnath, Secretary; CS Rajesh Mittal, Treasurer; CS Anil Kumar Dubey and CS Rajesh Chura, Members, EIRC; CS Siddhartha Murarka, Ex-officio Member, EIRC and Chairman of Chapters under EIRC participated in the live mock e-AGM organised with the technical support of CDSL.



CHAPTERS' NEWS

BHUBANESWAR CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
05/09/2020	Celebration of Teachers' Day (Guru Diwas)	–	Virtual Platform	28
12/09/2020	ICSI Teachers Conference / Faculty Development Programme on "Empowering Educators"	Prof. Mahadeo Jaiswal, Director, IIM, Sambalpur	Virtual Platform	More than 100 teachers
12/09/2020	Webinar on Dematerialization of Shares and Form PAS-6 and Recent Updates in Companies Act & 39th Foundation Day Celebration	Dr. Sasmit Patra, Hon'ble Member of Parliament (Rajya Sabha)	Virtual Platform	90
23/09/2020	Meeting with Sri Sri University on Academic Collaboration MoU	–	Virtual Platform	5
23/09/2020	Meeting with GIET University on Academic Collaboration MoU	–	Virtual Platform	8
30/09/2020	MoU Signing Ceremony on Academic Collaboration between ICSI – Birla Global University, Bhubaneswar	–	Virtual Platform	

CHAPTER'S WORKSHOP AT A GLANCE



Celebration of Teachers Day / Guru Diwas on 5th September 2020



ICSI Teachers Conference / Faculty Development Programme on "Empowering Educators" on 12th September 2020.



Webinar on Dematerialization of Shares and Form PAS-6 and Recent Updates in Companies Act & 39th Foundation Day Celebration on 12th September 2020.

DHANBAD CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
05.09.2020	Webinar	Atma Nirbhar Bharat & Virtual AGM CS Ashish Garg, President, ICSI (Chief Guest) CS Deepak Kumar Khaitan, Council Member, ICSI (Guest of Honour) CS Siddhartha Murarka, Council Member, ICSI (Guest of Honour) CS Anil Kumar Dubey, Member, EIRC of ICSI (Speaker)	Online	42 (Forty-Two)
12.09.2020	Study Circle Meet	Investor Education and Protection Fund (IEPF) Speaker : CS Rahul Roy, Secretary, Dhanbad Chapter, EIRC of ICSI	Online	09 (Nine)
Total No. of Career Awareness Programmes organised during September, 2020				01

CHAPTER'S WORKSHOP AT A GLANCE



CS Ashish Garg, President, ICSI, addressing.



CS Deepak Kumar Khaitan, Council Member, ICSI, addressing.



CS Siddhartha Murarka, Council Member, ICSI, addressing.

NORTH EASTERN (GUWAHATI) CHAPTER

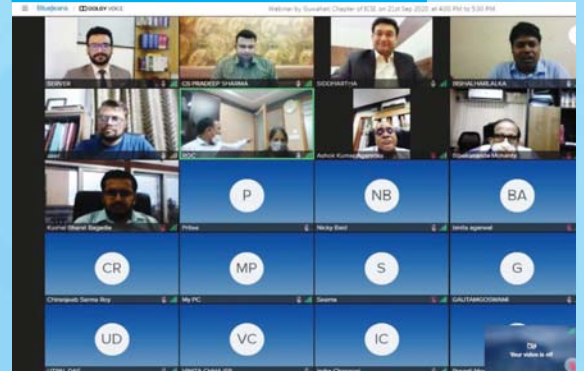
Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
05.09.2020	5th Webinar	Chief Guest: CS (Dr.) Shyam Agrawal, Past President, ICSI Guest of Honour : CS Priyadarshi Nayak, Chairman, EIRC of ICSI Speaker: CS Sudhakar Saraswatula, Vice-President, Corporate Secretarial & Reliance Industries LTD. Inaugural Address: CS Bishal Harlalka, Chairman, NE Chapter of EIRC of ICSI Moderator: CS Pradeep Sharma, Secretary, NE Chapter of EIRC of ICSI	Online	76 (Seventy Six)
12.09.2020	7th Online CAP for the Students of KV HPCL, Jagiroad	Chief Guest: CS Vikash Kr. Jain, Past Chairman, NE Chapter of EIRC of ICSI Guest of Honour : Mr. Sushil Kr Dhiman, Principal, KV Jagiroad Special Invitee: Ms. Ranjana , PGT. Biology, KV Jagiroad. Speaker: CS Richeeta Somani, Member, NE Chapter of EIRC of ICSI Moderator: Mr. Chiranjeeb Sarma Roy, Office in-charge, NE Chapter of EIRC of ICSI	Online	100 (One Hundred)
12.09.2020	8th Online CAP for the Students of KV EAC, Upper Shillong	Chief Guest: CS Pravin Kr. Chhajer, Past Chairman, NE Chapter of EIRC of ICSI Guest of Honour: Ms. Kumari Susmita, KV EAC , Upper Shillong Special Invitee: CS Jyoti Chettri, Member, NE Chapter of EIRC of ICSI Speaker: CS Anshuman Jain, Treasurer, NE Chapter of EIRC of ICSI Moderator: Mr. Chiranjeeb Sarma Roy, Office in-charge, NE Chapter of EIRC of ICSI	Online	50 (Fifty)
21.09.2020	6th Webinar	Chief Guest: Sh. B. Mohanty, Regional Director, MCA, NER Guest of Honour: Md. Shakeel, Deputy Director, MCA, NER Guest of Honour: Dr. Ramesh Kumar, Registrar of Companies, MCA, NER Keynote Speaker: CS Siddhartha Murarka, Council Member, ICSI Guest Speaker: CS Divesh Goyal, Practicing Company Secretary Inaugural Speech: CS Bishal Harlalka, Chairman, NE Chapter of EIRC of ICSI Moderator: CS Pradeep Sharma, Secretary, NE Chapter of EIRC of ICSI	Online	50 (Fifty)
22.09.2020	9th Online CAP for the Students of The Assam Royal Global University, Guwahati	Chief Guest: Dr. Sudip Chakraborty, Deputy Dean, The Assam Royal Global University. Special Address: CS Sudhir Kr. Banthiya, Vice-Chairman, EIRC of ICSI Special Invitee: Mr. Bikash Kr. Jain, Asst. Prof., KC Das Commerce College Speaker: CS Richeeta Somani , Member, NE Chapter of EIRC of ICSI Moderator: Mr. Chiranjeeb Sarma Roy, Office in-charge, NE Chapter of EIRC of ICSI	Online	100 (One Hundred)
25.09.2020	Online Teacher's Conference	Chief Guest: Dr. Sudip Chakraborty, Deputy Dean, The Assam Royal Global University. Special Address: CS Sudhir Kr. Banthiya, Vice-Chairman, EIRC of ICSI Special Invitee: Mr. Bikash Kr. Jain, Asst. Prof., KC Das Commerce College Speaker: CS Richeeta Somani , Member, NE Chapter of EIRC of ICSI Moderator: Mr. Chiranjeeb Sarma Roy, Office in-charge, NE Chapter of EIRC of ICSI	Online	100 (One Hundred)
28.09.2020	12th Online CAP for the Students of Khagarijan College, Nagaon, Assam	Chief Guest: Dr. Ramesh Nath, Principal, Khagarijan College, Nagaon Special Address: CS Pravin Kr. Chhajer, Past Chairman, NE Chapter of EIRC of ICSI Special Invitee: Mr. Dhanesh Sharma, Asst. Prof., Dept. of Commerce, Khagarijan College, Nagaon Speaker: CS Anshuman Jain, Treasurer, NE Chapter of EIRC of ICSI Moderator: Mr. Chiranjeeb Sarma Roy, Office in-charge, NE Chapter of EIRC of ICSI	Online	45 (Forty five)

CHAPTER'S WORKSHOP AT A GLANCE

5th Webinar Photographs



7th Online Career Awareness Programme



NORTH EASTERN (GUWAHATI) CHAPTER

8th Online Career Awareness Programme



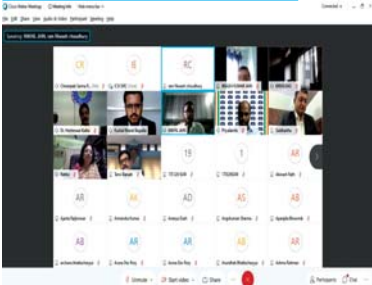
6th Webinar Photographs



9th Online Career Awareness Programme



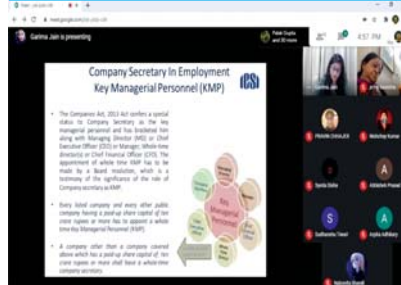
Online Teacher's Conference



10th Online Career Awareness Programme



11th Online Career Awareness Programme



12th Online Career Awareness Programme



HOOGHLY CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
12.09.2020	7th Webinar on "Settlement Schemes by MCA & SEBI and Recent Amendments to Companies Act 2013"	"Settlement Schemes by MCA & SEBI and Recent Amendments to Companies Act 2013" CS Aditya Purohit (Past Chairman, Hooghly Chapter) Company Secretary, Salarpuria Group	Webinar on BlueJeans	20
Total No. of Career Awareness Programmes organised during September, 2020				04

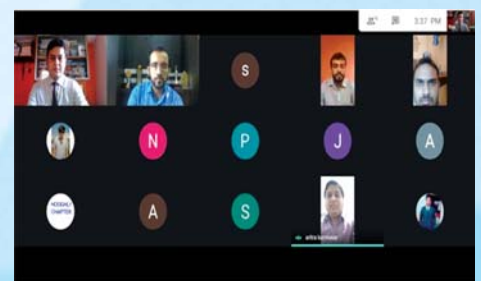
CHAPTER'S WORKSHOP AT A GLANCE



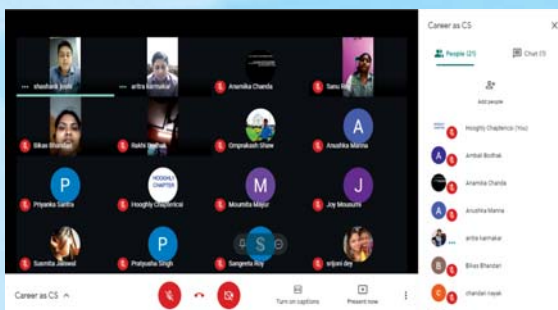
CS Aditya Purohit, Company Secretary, Salarpuria Group, addressing



Career Awareness Programme at Mother Memorial School, Konnagar



Career Awareness Programme at Ratnakar North Point School, Howrah



Career Awareness Programme at Howrah Jogesh Chandra Girls' School, Howrah



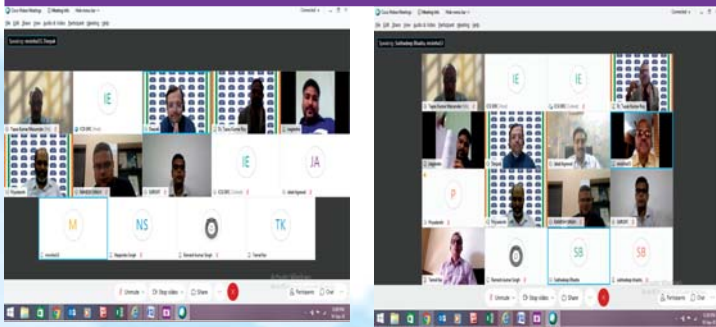
Career Awareness Programme at Xavier's English School, Konnagar

JAMSHEDPUR CHAPTER

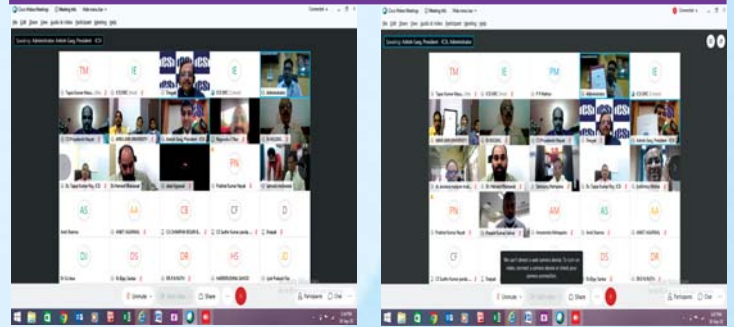
Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
18.09.2020	MoU with Netaji Subhas University, Jamshedpur	Guests from ICSI CS Deepak Kr. Khaitan, Council Member, ICSI CS Priyadarshi Nayak, Chairman, EIRC CS Ramesh Kumar Singh, Chairman, Jamshedpur Chapter Dr. Tapas Kumar Roy, Regional Director (EIRO) Guest from Netaji Subhas University Dr. M.R. Sinha, Vice-Chancellor; Prof D Some, Dean (Academics) Shri Nagendra Singh, Registrar; Prof. Subodip Bhadra, Moderator	Virtual Mode	16
30.09.2020	MoU with Arka Jain University, Jamshedpur	Guests from ICSI : CS Ashish Garg, President, ICSI CS Nagendra D. Rao, Vice-President, ICSI CS Deepak Kr. Khaitan, Council Member, ICSI CS Priyadarshi Nayak, Chairman, EIRC CS Ramesh Kumar Singh, Chairman, Jamshedpur Chapter Dr. S.K. Jena, Director; Dr. Tapas Kumar Roy, Regional Director (EIRO) Guest from Arka Jain University Dr.S.S. Razi, Vice-Chancellor; Shri Amit Shrivastav, Director Shri Jasbir Dhanjal, Registrar; CS Jigar Rupani, Asst Professor	Webinar on BlueJeans	20

CHAPTER'S WORKSHOP AT A GLANCE

MoU signed with Netaji Subhas University on 18th September, 2020



Mou Signing Ceremony with Arka Jain University on 30th September, 2020

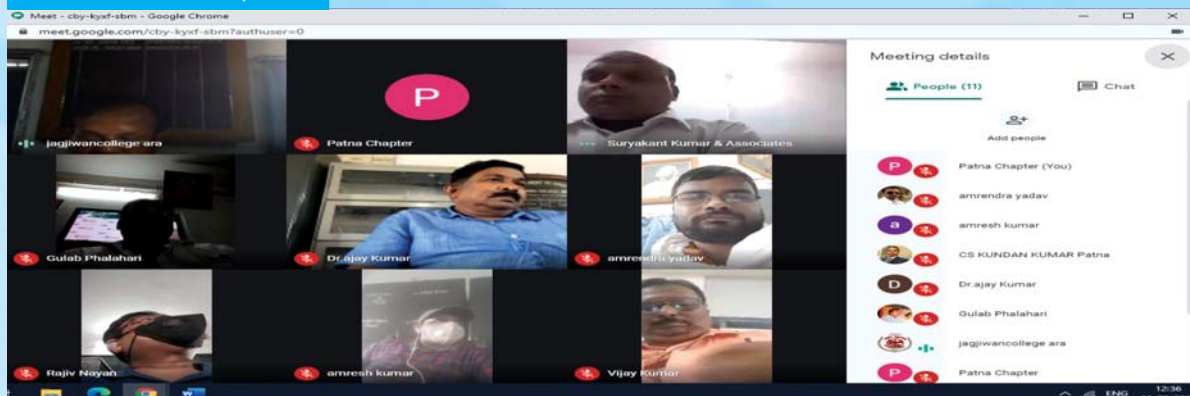


PATNA CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
11.09.2020	Celebration of Teachers Day 2020	Dr. Jawahar Lal Jaggiwan College, Arrah Topic : Empowering Educators	Patna Chapter (Online)	11

CHAPTER'S WORKSHOP AT A GLANCE

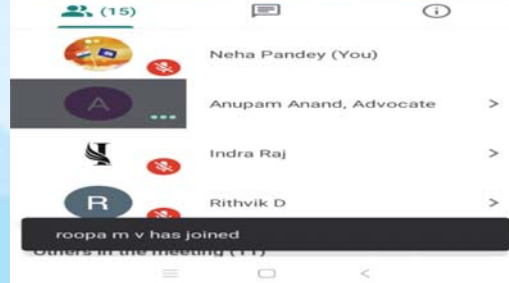
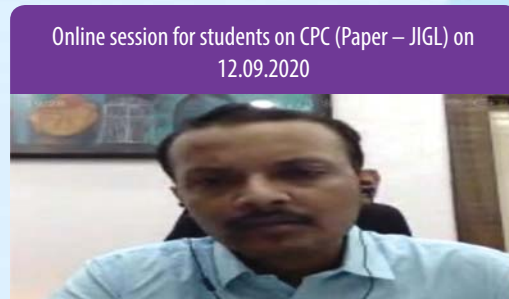
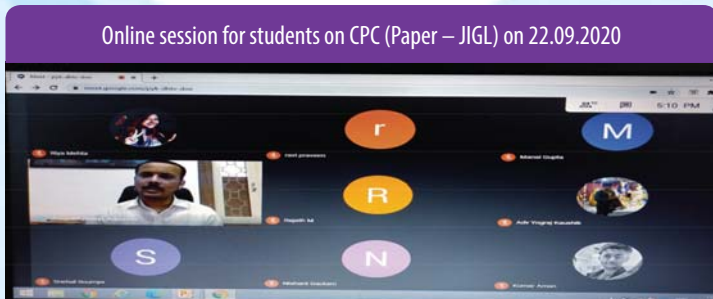
Celebration of Teachers Day 2020



RANCHI CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
10.09.2020	Online Teacher's Conference	(i) CS Ranjeet Pandey, immediate Past President, ICSI (ii) CS Siddhartha Murarka, Council Member, ICSI (iii) Dr. Raman Jha, Vice-Chancellor, Amity University, Ranchi	Ranchi Chapter of EIRC of ICSI	20
11.09.2020	Online demo class for CSEET new batch	CS Neha Pandey, Chairperson, Ranchi Chapter of EIRC of ICSI	Ranchi Chapter of EIRC of ICSI	06
12.09.2020	Webinar on 'Virtual General Meeting'	(i) CS (Dr.) Mamta Binani, Past President, ICSI (ii) CS Anil Kumar Dubey, Member, EIRC of ICSI	Ranchi Chapter of EIRC of ICSI	18
13.09.2020	Lecture session for students on CPC (paper JIGL)	Shri Anupam Anand, Advocate, Jharkhand High Court	Ranchi Chapter of EIRC of ICSI	19
22.09.2020	Career Awareness Programme	(i) CS Neha Pandey, Chairperson, Ranchi Chapter of EIRC of ICSI (ii) Dr. Raman Ballabh, Faculty from IICA	Cambridge Institute of Technology (MBA Dept.)	47
22.09.2020	Lecture session for students on CPC (paper JIGL)	Shri Anupam Anand, Advocate, Jharkhand High Court	Ranchi Chapter of EIRC of ICSI	11

CHAPTER'S WORKSHOP AT A GLANCE



COMPLIANCE SOFTWARE FOR PRACTISING COMPANY SECRETARIES

The Institute of Company Secretaries of India while understanding the need for a dedicated Compliance Software for the Practising Company Secretaries to manage their practice operations and serve their clients efficiently with the help of Information Technology has entered into a collaboration with Complinty for providing integrated Compliance Software.

REVISED EFFECTIVE DATE FOR APPLICABILITY OF ICSI AUDITING STANDARDS

In view of the developments arising due to the spread of Covid-19 pandemic, the mandatory applicability of ICSI Auditing Standards CSAS-1 to CSAS-4 is hereby extended for Audit Engagements accepted by the Auditor on or after 1st October, 2020.

SILIGURI CHAPTER

Date	Name of the Programme	Topic with Speaker	Venue	Total Participants
11.09.2020	Online Teachers' Conference	Education in times of Covid Prof. Sutapa Saha Experiential Learning CS Deepak Kumar Khaitan, Council Member, ICSI	Siliguri Chapter	25

CHAPTER'S WORKSHOP AT A GLANCE

Online Teachers' Conference on 11.09.2020



CS Deepak Kumar Khaitan, Council Member, ICSI, addressing the participants



CS Nagendra D. Rao, Vice-President, ICSI; CS Deepak Kumar Khaitan, Council Member, ICSI, addressing the participants



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भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

COMPUTER-BASED EXAMINATION FOR FOUNDATION PROGRAMME DECEMBER, 2020 SESSION

TIME-TABLE

Day and Date of Examination	Subjects	Batch No.	Examination Timings	
			From	To
Saturday, 26th December, 2020	Paper-1 Business Environment and Law AND	I	9.30 A.M.	11.00 A.M.
		II	12.00 Noon	1.30 P.M.
	Paper-2 Business Management, Ethics and Entrepreneurship	III	2.30 P.M.	4.00 P.M.
		IV	5.00 P.M.	6.30 P.M.
Sunday, 27th December, 2020	Paper-3 Business Economics AND	I	9.30 A.M.	11.00 A.M.
		II	12.00 Noon	1.30 P.M.
	Paper-4 Fundamentals of Accounting and Auditing	III	2.30 P.M.	4.00 P.M.
		IV	5.00 P.M.	6.30 P.M.

CSEET Passed Students from Eastern Region



Shivank Maheshwari
Total : 115



Irshita Ishani
Total : 160



Aditi Gupta
Total : 162



Shampa Sengupta
Total : 115



Mansi Anil Bijitkar
Total : 130



Radhika Khunteta
Total : 140



Roshni Lahoti
Total : 120



Pamarthy Raghu Kumar
Total : 107



Muskaan Juneja
Total : 122



Tuhin Kanjilal
Total : 131



Navya Aggarwal
Total : 129



Isha Vipin Sapre
Total : 107



Sourav Batabyal
Total : 139



Priyanshi Sharma
Total : 118



Srishti Awasthi
Total : 127



Amarjot Singh Sethi



Vidya S Nair
Total : 151



Vijith Nair
Total : 112



Rohit Sharma
Total : 112



Shreekrishna Jamakhandikar



Ronak Khajanchi



Shruti Sheel
Total : 122



Karan Nahata



Akshay Kumar



Sunena Hariharan

CSEET Faculties of ICSI-EIRC



Ms. Arundhati Ghosh
Subject : Business
Communication



CS Vikram Agarwal
Subject : Legal aptitude



CS Abishek K Agarwal
Subject : Logical
Reasoning



CS Govind Dewan
Subject : Economic and
Business Environment



CS Mohit Agarwal
Subject : Presentation
and Communication
Skills



CS Anil Dubey
Subject : Current Affairs



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**EASTERN
INDIA
REGIONAL
COUNCIL**

Single Placement Portal for ICSI, its Regions & Chapters

**PLACEMENT
ASSISTANCE**

**POST → SEARCH → APPLY
TO JOBS & TRAININGS**

at



PLACEMENT PORTAL

Register at :

<https://placement.icsi.edu>



The link of the portal is

<https://placement.icsi.edu>

The ICSI Placement Portal is the central point of contact for Recruiters across India and abroad to connect with our members and students and vice-versa.

Existing Placement Page from EIRC Child Portal has been removed and no separate advertisements would be published on the EIRC Child Portal.

Henceforth, all openings for Jobs and Trainings will only be at ICSI Placement Portal, where an Organization would create its own profile/ user account and post Training and Jobs for students and Members to apply, respectively at

<https://placement.icsi.edu/corporate>



For any guidance, clarifications, if any, please contact:

Shri Tamal Kar, Assistant Director
The Institute of Company Secretaries of India
ICSI-EIRC HOUSE, 3A, Ahiripukur 1st Lane,
Kolkata – 700 019
Email: tamal.kar@icsi.edu; eiro@icsi.edu;
Ph: (033) 2290 2178 / 2290 1065

ICSI Vision

"To be a global leader in promoting good corporate governance"

ICSI Motto

सत्यं वद। धर्मं चर। **इच्छते तेन त्रुतेः शब्देन तेन इच्छते**

ICSI Mission

"To develop high calibre professionals facilitating good corporate governance"

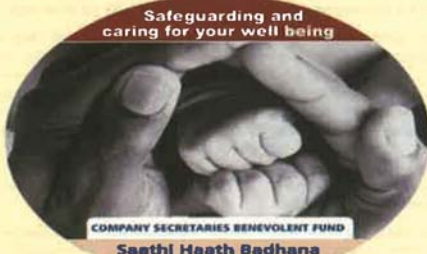


**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

VISION
"To be a global leader
in promoting good
corporate governance"

ICSI Motto
सत्यं वद। धर्मं चर। इष्टकं कुरु। त्वाकं। श्रेयते। ह्यु। कुरु। इष्टकं।

MISSION
"To develop high calibre
professionals facilitating
good corporate governance"



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