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212th Edition



SIRC-Mysuru Chapter e-Magazine

Vision

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

Motto

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From the Desk of Chairman

CS Vijaya Rao
Chairperson
Mysuru Chapter

Dear Professional colleagues,

Dec 8th, 2021 is a dark day for all Indians. Our deep condolences to Chief of Defence Staff Gen Bipin Rawat, his wife and 11 others became martyrs after the Mi-17V5 helicopter crashed in the southern state of Tamil Nadu. One survivor captain Varun Singh also became martyr today and we express our deep condolences.

It is that time of the year where students feel stressed, and members feel glad they are through with this. Yes, I am talking about the exam time. As it is around the corner, I thought I will talk about that through this editorial.

I remember a story which I read long time back. *There was a seminar where the speaker was addressing the students. He took a \$20 bill and asked all the students, who wants to have this? Everyone raised their hand. Then he crumbled the bill and asked everyone, again all raised their hand. Later he put that bill on the ground, stepped on it again asked the same question. Everyone was still interested in having that money. So, he told the students that no matter what I did with this bill you all still wanted it, because you know that just because of the condition of the bill its value doesn't decrease. You know the value of that. Like that you value yourself. Despite of all the stress, obstacles, failure your value doesn't go down. Which is very true.* We have to value ourselves. All problems are temporary. You be yourself and just focus on your goal. As you have worked hard all through the year and it is the time to just relax going over what you know. Don't try to learn new things. Your effort is important just value that and focus. Everything else is immaterial at this point. Whatever the result that is ok. Just because of the obstacles, failures, or whatever it could be, your value doesn't go down.

Captain Varun Singh, On September 18 had written a letter to his school Principal addressing the students. The gist of the letter is it is ok to be an average student or ok to fail, but never lose hope, keep trying you will succeed in whatever you want to do.

All I want to say is you have put your 110% effort; now confidently go to the exam you will come up with shining colours and All the best to all of you who are writing the exam.

As just we were feeling happy that we are getting out of Pandemic and slowly started our usual life, Covid is again surfacing, and cases are increasing. So don't forget to follow the Covid norms and be safe, stay safe.

Thanking you



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Company Secretaries of India**

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Chapter Activities

1. Career Awareness Programme

Chapter organized one career awareness programme during the month. The details are as follows.

S. No	Date	College Name	Resource Person	No of Students
1	11.11.21	Vidya Vikas First Grade College, Mysuru	CS Harsha A, Vice Chairperson	200

2. Students Study Circle Meeting

Chapter organized 2 online Student's study circle meeting during the month of November 2021. The details are as follows.

S. No	Date	Topic	Speaker	No of Students
1	16.11.2021	Meetings under Companies Act 2013	CS Rajesh N., PCS	40
2	26.11.2021	Yes, We Can!!! - Motivational Speech for the exam	CS Pracheta M., PCS	25

3. Webinar on Overview of Corporate Restructuring and Emerging Opportunities

On 09.11.2021, Chapter in association with Visakhapatnam Chapter organized a webinar in the topic Corporate Restructuring and Emerging Opportunities. CS Amar R Kakaria, Director - Fusion Advisors Pvt. Ltd., was the speaker for the session. After the speech a panel discussion has been held on the topic. CS Makarand Lele, Past President-ICSI, CS Dattatri H M., Past Chairman-Bengaluru Chapter, CS Kush Gupta, Vice Chairman-Navi Mumbai Chapter, CS Rajvirendra Rajpurohit, Founder-R S Rajpurohit & Co., were the panelists for the session. CS Vijaya Rao, Chairperson welcomed the gathering and moderated the panel discussion. CS Pavitra Madhvesh moderated the session. CS Swaroopa Meruva, Chairperson-Visakhapatnam Chapter Proposed the vote of thanks. Around 40 Members & Students participated in the session



Over a Cup of Coffee With...

Abridged and Edited



FCS Amita Desai

Bcom . FCS and IP
Founder – Amita Desai & Co., Firm of PCS



Concept & Compilation:

CS Pracheta M

Practicing Company Secretary



CS Dr Shobha Sridhar

Practicing Company Secretary

CS Pracheta: Why CS? Who inspired you to join CS course? Please share your journey.

CS Amita Desai - First, let me thank you both the ladies, Dr. Shobha and CA CS Madam Pracheta, to give me this opportunity to exchange our thoughts. Thank you very much Mysore Chapter also. Mysore Chapter has published some of my articles in e-magazine of the Chapter and for that I remain obliged. I saw many women actively participating in Mysore Chapter like Madam Vijaya Rao and Madam Parvathi. You all are doing great work for ICSI.

Before we start, I would like to have my deep gratitude to my Alma Mater ICSI. This degree of CS has given me respect, dignity, and financial independence. In tough time I could survive only due to this Title “Company Secretary”.

To reply to your question why CS and who inspired me to do CS, I have to go back to 30-35 years.

My father was my pillar of strength. He was from a small village, he studied Civil Engineering at Ahmedabad, earning himself by selling Oil. He has shown us the importance of education which has changed his life. He was always saying that as girls, we all three sisters should have education for financial independence. My father believed in hard work. I grew up watching him and aspired to be like him - resolute and self-reliant.

I did B. Com from N M College one of the prestigious colleges in suburbs of Bombay. I also got a rank from Bombay University. During my college, I used to take tuitions for students till class X. That was when I started earning. I also helped my father in managing his business. This was when I developed the business acumen. In 1985, I completed my B.Com degree and was looking to study further.

I was good in theory but bad in mental math's, due to which CA or Cost Accounting was ruled out. I was not keen to do MBA. Around 1984 in N M College, oral coaching for CS started and we few friends attended some lectures and I found it very interesting. I had also enrolled for LLB.

Unexpectedly, my wedding dates (which were planned after my exams) got preponed to March 1988. I could not appear for my Law exams. After marriage, I started wholesaling business of everyday items like chocolates, biscuits, etc. ‘AmiDeep Agencies’ (derived from Amita and Sandeep, my husband). The business started off really well. Within just 6 months of establishing it, I bought a tempo for delivering goods, hired 4 salesmen and the business was prospering. I was working really hard. I was gifted with a baby boy in a year after marriage.

Once again destiny has written something else for me, at the young age of 49, suddenly my father passed away. I was completely shattered. My pillar of support left me. I closed down my business AmiDeep Agencies and as a tribute to my father, I decided to start my studies, after a gap of 5 years from my graduation. I enrolled for CS and in first attempts I cleared all my exams with the support of my cute little angel, my son and supportive family.

I cleared CS exam in 1994 and by then all my friends who have started in 1986 were settled in employment as CS. I knew I have lost few important years of my career. Much later, I have realised that number of attempts or your age has nothing much to do with your success.

CS Pracheta: You believe in “judicious mix of personalized service and professional standards”. You recently celebrated silver jubilee of your setting up your firm. How have these 25 plus years been?

CS Amita Desai: It has been a wonderful journey, with all ups and downs, challenges, problems and solving it; it's been a kind of roller coaster ride on personal front but kept personal and professional life balanced with attentive mindset. I was diagnosed with a life-threatening disease, but with the God's grace, guidance of Gurus for Mental strength and focused attitude, I survived the deadly disease.

I started practice in FERA and in FEMA, got MSME clients and we tried to add value and guide the clients in none core areas also like drafting of agreements, FIPB approvals, setting up subsidiaries in India or overseas as WoS with approval from RBI. We have our clients who are with us since 1995 and that's what I consider as our success. Success is not money, position, power, possession or any material things. Success is your peace of mind and goodnight sleep.

I am blessed to have family, friends and guide to develop mindset to see the POSSIBILITIES and convert it into OPPORTUNITIES. I proudly say that we have never compromised on our Firms value, principles and governance. If you sustain such TEST, you will come out as a winner. I have found that there is huge gap in providing quality services between a SOLICITOR FIRM and ADVOCATE and there we as CS are the best fit for MSMEs. We have drafted many agreements, formed WoS overseas by drafting unique MoA and AoA with the help of Indo German Chamber of Commerce and many other countries Chamber of Commerce, we have drafted various codes, policies, ESOP plans etc.

Landmark years in my practice

- **Year 2003-** From a 15x15 sq. ft. room in my house, we have shifted to an office of 500 sq. ft. with a dedicated team of 12 members.
- **Year 2011-** We moved to a 650 sq. ft. office with 15-people team
- **Year 2015-** We moved in a 1500 sq ft. office located in a large commercial building.

CS Shobha: You are a great orator and prolific writer. How did this journey start and what attributes are required to be a good orator especially on topics of professional interest? What would your advice be to our professionals who would want to take up writing in a professional way?

CS Amita Desai: My mother has instilled habit of reading, in us. She did her BA & B.Ed in early sixties which is rare in our Gujarati- Jain Community. Our upbringing was by parents, who were learned and valued freedom with responsibility.

I find books as my best friends, teachers, guide, guru and companion. I enjoy reading on subjects like History, Law, Philosophy and Travel. I have read few books which have had lasting impact on me. I have tried to implement those

learning in my everyday life and living. I also enjoy reading more on wisdom, freedom, rational mind, psychology & compassion. That's how I understand how to live and enjoy life as a gift of God. I enjoy reading books of OSHO, Dr. Wayne Dyer, Louise Hay, Dr. Deepak Chopra and Blogs of Dr. Harish Shetty a Psychiatrist from Mumbai. All these reading shape us and our attitude and approach towards life.

And when you read, you develop your own thoughts and feel like writing it. I am writing since I was 33. I write on different topics in Gujarati and English. I started writing and making journal at early age as I wanted to find how my thoughts and understanding on the same subject may change with time. So, the journey of my writing is very old.

I don't think I am a great orator or writer. I speak or write from my heart after detailed research of professional subject. I try to remain relevant on the topic and connect with situation and my audience. I realized that in spite of having great knowledge if you cannot articulate and communicate effectively, you won't be successful with any relation be it family, friends, senior, juniors or anyone.

I keep learning, to keep myself young and relevant. I recently did a short course on Story Telling with British Council and learnt so many new ideas, how to communicate a message with Impact.

CS Pracheta: Do you feel women face multiple additional challenges in their pursuit of professional growth in comparison to our men? Did you face any special challenge in your career? What is your advice to women who want to be successful professionals?

CS Amita Desai: Yes, unfortunately we still have such challenges, not just in India but globally and in any profession. Women need great support from immediate family for her career and growth.

Understanding family and spouse is the foundation on which career can be built with joy. For this, the women also need to have certain responsibility. More freedom comes with more responsibilities. You need to be honest, loyal, truthful, transparent and above all, a habit of open discussion with family is a must. If your family loves you, they will understand what you enjoy and be part of your decision. Again, your own wisdom and effective communication with family is very important. Such things can't be taught, one has to learn on their own. I find women are more capable than men in many ways, be it stand for family, risk taking capacity in business or delivering baby taking risk of her own life. Women are worshipped like Devi in India.

Fortunately for me, gender never played important role. I started my career late in my 30s with one year old boy and so people took me seriously and also gave me respect due to my age. Every woman needs to have her inner strength. My two cents for any women is (a) Take a stand and be bold enough to face its consequences too, good or bad and (b) Don't play victim card or gender card. If you allow someone to pass over you, people will do that. Sometimes you need to draw a circle around you without being arrogant, so people won't cross that.

'STOP EXCUSES' a wonderful book by Dr Wayne Dyer talks about no cribbing, no crying but understand without your faults also something happens to you, now you have choice TO CRY or TO TAKE RESPONSIBILITY. This choice gives you power.

CS Shobha: You believe in giving back to the Society. We have seen and heard about your inspiring contributions to so many social causes - especially during the pandemic. Can you please share this journey of yours?

CS Amita Desai: Closely seen death of near and dear ones at young age. I started life 2.0 in year 2000 when I have undergone Cancer Surgery. Again after 2009, my life 3.0 started when realized how helpless we are when life threatening disease comes to us or our dearest one. No knowledge, money or love, can be of any help to save them. I have experienced and not just read or learnt these two things (a) We are minuscule in this cosmos and (b) Nothing is permanent. These are teachings of life and nature. So have gratitude what we have and consider self as channel partner of cosmos, allow things to happen through you. Be like a river and flow.

I have joined hands in 2011 with UPLIFT Foundation and did few works for cancer patients staying on road outside TATA Memorial Cancer Hospital. Later, we realized very few NGOs are working in periphery of Mumbai. With the guidance of close friend who is giving sewa to Satya Sai Baba Trust, we visited a Tribal School around 100 km from Mumbai at Shahpur on Mumbai Nashik Highway. Since then, we are doing work at Susharwadi Ashram shala a boarding school for 350 tribal kids from standard 1 to 10.

During pandemic, UPLIFT Foundation has distributed 1 MN Mask to auto rickshaw drivers and in Dharavi slum area. *The HAPPINESS may be in possession; but in dis-possession there is JOY* Care, Compassion & Connect are three Cs to live life meaningfully.

CS Pracheta: *You are playing many roles - as a busy professional, a well-known speaker, a philanthropist and many more. How do you manage time for various activities of yours? Also, tips for work life balance.*

CS Amita Desai: We see many successful people around us like, my Role Model is ZIA MODY, Partner of AZB, Firm of Lawyers and Solicitor. She works in three shifts for her Firm, she has family, kids, friends, employees, clients, travel and most challenging is reading every new law and regulations to keep herself up to date with knowledge, she seems to be managing all in a great way.

We talk about Army and see that the discipline makes them successful in their most challenging duties. Once we understand Time is the most precious asset than Money, we choose wisely how we spend our time. For past 30 years I haven't watched TV, although I read and update myself with news. I don't like to waste my single minute, instead see if I can invest it in learning new things, making new things. For entertainment and relaxation, I enjoy drawing mandala, travel, listening to music and meet destitute people, so I constantly get reminder what I have and for what I should have gratitude. I am still learning how to manage my Time with consistency and address physical, emotional and mental wellness. We all are students and evolving every day by learning from our surroundings. Best is to spend time with people who inspire you and are positive. Just be aware where your time goes. Everyone has 24 hours a day, divide it in 8-8-8, out of that 3 to 4 hour we get, which we choose how to spend it. Those are the differentiator in your career.

CS Shobha: *What according to you are the core values that have shaped your outlook towards life and profession?*

CS Amita Desai: Acceptance of situation and take responsibility to respond, as what is in your control. Outside factors are never in your control but how to respond is in your control- Bottomline, 'Keep the remote of your control with you.'

Never Give Up, take challenges, add value to clients, be proactive and have a problem-solving attitude- No one has come learnt, it may be first time for everyone for any work, give your 100% and in doubt take help but never give up.

Love yourself first then only you can spread love- Have compassion, nonjudgmental attitude. People change and evolve so don't take decision basis your past experience with the person

CS Shobha: What is your message to the students at large who have joined this course?

CS Amita Desai: Read - read- read and learn-learn-learn. –Ask questions. Law is logical and simple. You must have questioning mind and rational (not emotional) understanding. Learn good drafting. Remember any professional is a student lifelong. You add value to industry, and you will get your place. We must have right skill, up to date knowledge and power of effective communication along with mindset / attitude to never give up, we will certainly find our place in the industry.

There are approx. 12 Lac Active companies, out of which not more than 6000 are listed companies, which have huge contribution to GDP of the country. However, rest of the companies are unlisted public or private limited companies, may be MSMEs but they all need Compliance and Governance Professionals like CS. PCS are risk takers and entrepreneurs. They guide, handhold start-ups, MSMEs and MNCs for proper compliances and good governance. They are not just for form filing, they are advocators and spreading awareness about benefits of best compliances and good governance to economy.

We cannot demean PCS as just for filing of forms. There are many areas where PCS has added value like the Companies act, FEMA, Securities Market, IBC, Competition Commission, appearance before Tribunals, advisor for OPC or LLP, practice as CSR consultant, Cyber Security, RERA, GST, Mediation and Arbitration, Intellectual Proprietary Right etc. Now Social Stock Exchange and Gold Stock Exchange are also coming up which will give new opportunities to professionals. There are many new areas to guide by professional on Education Policy, Drone Policy, Data Protection Policies and many more coming.

Last before we wrap up, students, be a good listener, sharpen your skills including soft skills, learn good manners and etiquette, have effective communication skills, be a good leader with team building and compassion. My sincere request to all students and CS to spend minimum 1-2 hours in updating self with new law, regulations, judgements etc.

Thank you, Dr Shobha, and Pracehta to give me this opportunity to share my experience and thoughts. You both are doing great work for our fraternity.

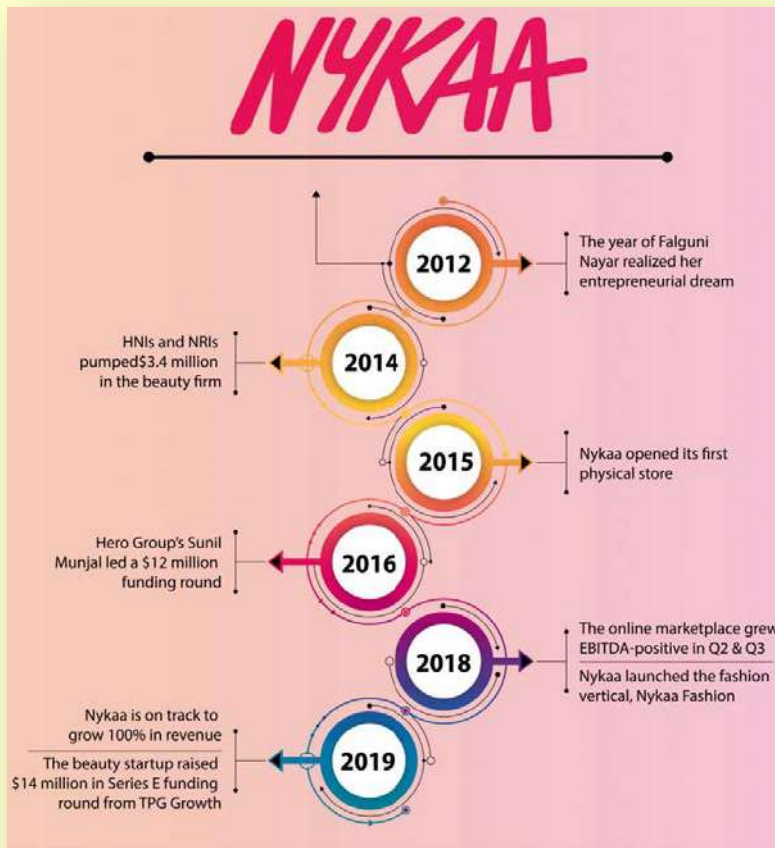
NYKAA Script's History

A Case of Women Empowerment



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About NYKAA

Nykaa was established in the year 2012 as an ecommerce website for beauty and wellness. It is an online retailer for beauty products.

It was founded by IIM - Ahmedabad alumnus Falguni Nayar, an investment banker. She has a vast experience and has served Kotak Mahindra Bank in the capacity of a Managing Director. At 50, she resigned from her job and decided to pursue her dream of entrepreneurship; she wanted to create something new. Though she explored various options, the limited choice which is offered in the beauty segment propelled Falguni Nayar to venture into this space.

The name 'Nykaa' had been picked from the ancient Sanskrit word 'Naayakaa' meaning heroine or 'one in the spotlight'.

Right from inception, Nykaa was facing stiff competition from Amazon and Flipkart which were already in the online space. However, Nykaa's success came from the fact that it was a specialised retailer dealing with cosmetics - a far cry from Amazon and Flipkart which sold any product under the sun. In fact, it wouldn't be wrong to say that Nykaa is one of the very few companies which follows an inventory model.

Inventory Model of e-Commerce

Nykaa adopted the inventory model. In this model, products are purchased from brands and distributors and then they are directly sold to the customers. They collect all the items at one place in an inventory and process the orders according to the available stock. Products are not listed by the third parties. Adopting this model, Nykaa has grown from strength to strength and has eventually become the largest e-commerce site for beauty products. The company has warehouses in Mumbai, Bengaluru and New Delhi.

The success of this brand can be owed to budget-friendly products and the convenience of having them delivered at home. Nykaa developed a strategy which involved building on technology and effective marketing which include using digital tools to promote the products. In 2015, the company expanded from online-only to an omnichannel model and

began selling fashion products. It had set up stores across various cities in India thus offering both online and offline sales.

Hence, though Nykaa started its journey as an e-Commerce store, it gradually stepped into 'brick and mortar' to provide an omnichannel presence for its customers.

Initially, Nykaa's focus was on beauty and personal care products but in the year 2018, the brand created a place in customer's wardrobes as well by launching Nykaa Fashion. It is known to be its next biggest frontier. Nykaa Fashion is the e-Commerce platform that offers apparel from hundreds of brands online. Nykaa's marketing strategy has been to 'deliver value'. This strategy aims at satisfying customers at all levels.

NYKAA during Lockdown

The Indian economy largely plunged to new lows in the recent past, owing to the lockdown induced by the COVID19 pandemic. Let's see how Nykaa fared during those tough times.

The Company was operational during the lockdown too. In March 2020, when lockdown was imposed, the Government allowed only the delivery of essential goods. Essentials include shampoos, haircare and skincare products. In this way, Nykaa delivered personal care products, thereby recording turnover. This is to say that revenue of Nykaa was never reduced to zero. However, the physical stores had to be shut down and only the online platform was operating.

With companies like Big Basket entering into the food segment, it was expected that Nykaa too would follow suit. But Nykaa was clear in its business strategy and thus did not follow other Companies. During the lockdown, Nykaa launched a range of hygiene essentials like masks, hand sanitisers and PPE kits and thermometers.

At around the same time, 'Atmanirbhar Bharat' became a popular ideology and 'Vocal for Local' became a catchphrase. Keeping this in mind, Nykaa started supporting the Indian owned and managed brands on its platform.

Funding

The cycle of a start-up starts with the generation of an idea and taking steps to making it work. Towards this end, huge funds are required wherein the startup goes through various rounds of funding. Before going for an IPO, valuation of the Company is done.

Here, it would be beneficial to look at the situation of woman entrepreneurs across the globe. Bumble, a dating app was founded by a woman entrepreneur Whitney Wolfe Herd. She became the self-made youngest woman billionaire in the world after having taken her Company for an IPO. But this one incident is not reflective of the woman entrepreneurs' scenario. Coming to India, a survey report by the Reserve Bank of India (RBI) suggests that only 5% of start-ups in India were founded by sole female entrepreneurs.

Funding is never easy. Venture capital funding becomes essential for the growth of these start-ups. Such funding enables the founder to raise a large amount of capital, get leadership guidance, advice and networking opportunities, among other things. Both monetary and non-monetary needs are met. However, venture capital support for women-owned businesses continues to be dismal. Falguni Nayar, too, in her initial years found it hard to raise VC funding.

Nykaa has raised a total of \$145.9M in funding over 10 rounds. The investors include TVS Capital, Hero Enterprise chairman Sunil Kant Munjal and Sharrp Ventures, the family office of Marico founder Harsh Mariwala.

If we go into year wise details, we can see that as part of its first funding round in 2014, funds worth 20 crores were raised from several investors. In 2015, Nykaa raised 60 crores from TVS Capital. In 2016, Nykaa raised about 100 crores from Max Ventures and Industries Ltd, the Munjal Family Office, Yogesh Mahansaria and Harsh Mariwala. While TVS motors is one of the initial investors, it is interesting to note that bollywood celebrities Katrina Kaif and Alia Bhatt too have invested in this Company - they made their investments through secondary funding in 2020.

After their funding round on May 8, 2020 which was for \$13 million, the Company made its way into the unicorn club with valuation of over \$1.2 billion. Unicorn club means billion-dollar valuation. Nykaa has become the first woman-lead Indian enterprise to enter the unicorn club. The funding was made by Steadview Capital, one of the leading investors of the Company.

It is very encouraging to note that a woman-lead company has found a place in the unicorn club. This success story should enthuse and encourage women entrepreneurs to come forward and give teeth to their dreams. In late November 2020, Fidelity Management & Research Company invested an undisclosed amount in the platform.



NYKAA IPO

Nykaa became the first Indian company in the beauty segment to make such a dream debut at the stock exchange. Also, it is the first woman-founded Unicorn to list on the bourses. Nykaa IPO has opened for public subscription on 28th of October 2021 and the three-day share sale closed on the 1st of November 2021. Nykaa's initial public offering (IPO), with a price band of ₹1,085-1,125 a share, has opened for public subscription.

Coming to numbers, the IPO was subscribed 81.78 times on the last day of subscription. The stock started trading at a premium of over 82 per cent at Rs 2,054 per share on the NSE as compared to its IPO issue price of Rs 1,125 a piece.

The IPO received stupendous response from the investors once it was introduced for subscription. The platform was listed on BSE and NSE on November 10 after which it found its place in the ₹1 lakh crore market capitalisation club. Falguni Nayar scripted history! She is one among the 24 odd women around the world who have managed to scale their business to a successful IPO.

Nykaa's success is also special because of the fact that it is not a tech-based start-up but deals in the beauty and wellness segment. It is generally the tech start-ups that make news but here we have a beauty-based e-commerce Company founded by a woman making history on the Dalal street. A perfect case of Women Empowerment.

It should also give a cue to investors that gender does not determine a Company's fortunes.

Certain Points to be Taken Care in Financial Year 2020-21 with Regard to the Amendments to Schedule III to Companies Act, 2013



CS BHARGAVI MEDISETTY

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The Ministry of Corporate Affairs vide notification dated 24 March 2020 amended Schedule III to the Companies Act, 2013. On the same day, the MCA also separately notified Companies (Accounts) Amendment Rules, 2021.

The notifications related to the amendments to Schedule III, which incorporates various additional disclosure requirements while preparing the financial statements of a company which are covered under the three divisions of Schedule III to the Companies Act, 2013 i.e.

1. *Division I - Guidelines for entities whose financial statements are required to comply with the Companies (Accounting Standards) Rules, 2006.*
2. *Division II - Guidelines for entities whose financial statements are required to comply with the Companies (Indian Accounting Standards) Rules, 2015.*
3. *Division III - Guidelines for Non- Banking Financial Companies (NBFCs) whose financial statements are required to comply Companies (Indian Accounting Standards) Rules, 2015.*

These amendments appear to be made in response to the amendments covered in the revised Companies (Auditors and Report Order) 2020 (or CARO report) which is applicable starting from 1 April 2021 i.e. financial year ending on 31 March 2022. The changes to Schedule III have now aligned with the financial reporting by the companies in their financial statements to those of auditor reporting requirements in revised CARO.

Whether applicable for financial statements for FY 2020-21?

The notification states that the Amendments to Schedule III shall be effective from the 1st day of April 2020. It is not adequately clear whether this means the financial statements issued after 1 April 2021 (including for FY 2020-21) shall be covered by the amendments or would it be applicable for financial statements prepared for accounting periods after 1 April 2021 (i.e., for FY 2021-22 onwards).

The wording of the notification is clearly different from that of the other notification requiring audit trail for accounting software, which states as “Provided that for the financial year commencing on or after the 1st day of April, 2021....”.

Logically, since the requirements of the amendment to Schedule III is mainly to align the requirement under CARO 2020, which is effective for financial year ending on 31 March 2022, it shall be applicable for FY 2021-22 onwards and shall not cover financial statements for FY 2020-21.

However, there are certain points which in my view are important to understand even for the period ending on 31st March 2021 i.e., FY 2020-21. This article looks into points to be taken care in FY 2020-21 with regard to these notifications. Certain Points to be taken care in Financial Year 2020-21 as well with regard to these notifications

Below are the points which are very important not only for Professionals but also for the Company Directors and Key Managerial Persons.

1) Requirement to disclose in the Balance sheet about the ageing of the Trade payables.

Trade Payables: An ageing schedule in respect of trade payables shall be provided for the period covering less than one year, 1-2 years, 2-3 years, and more than 3 years in the following format:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME					
(ii) Others					
(iii) Disputed dues- MSME					
(iv) Disputed dues- Others					

If no due date of payment is specified, the date of the transaction shall be considered for the purpose of this disclosure. Unbilled dues shall be disclosed separately by the Company.

This disclosure may have implications on litigations under the Insolvency and Bankruptcy Code, 2016. It is an established legal position that an application for initiating Corporate Insolvency Resolution Process (CIRP) under IBC cannot be admitted if there exists a dispute in respect of the quality or any other matter of the goods or service provided. Therefore, this classification of whether the trade payable is a 'disputed due' or not may have a bearing in such matters. Another aspect is with regards to ageing of the trade payables, which may have implications for assessment for limitation under Limitation Act, 1963 for such proceeding under IBC.

Now when the Trade payables would be disclosed in March 2022 then trade payables ageing should be disclosed also for the March 2021, because what all disclosures has to be made in financial statements, they are to be made for current year as well as for previous year. Since the disclosure of how much amount of trade payables are there which are payable beyond three years for period ending March 2021 as well as for March 2022, so it should be taken care for FY 2020-21 trade payable and ageing thereof because the same should be given for period ending March 2022.

2) Similarly Trade receivables, debtors also require ageing.

Trade Receivables: An ageing schedule is required to be provided in respect of Trade Receivables shall be provided for the period of less than 6 months, 6 month - 1 year, 1-2-year, 2-3 year and more than 3 years in the following format:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 years	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables- considered good						
(ii) Undisputed Trade Receivables- Considered Doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

If no due date of payment is specified, the date of the transaction shall be considered for the purpose of this disclosure. Unbilled dues shall be disclosed separately by the Company.

Said disclosures which are given for the year ending March 2022, but when we are finalising the balance sheet for 2022 the details of year ending on March 2021 will also to be given so it is advised to check when corresponding figures will be given in March 2022 the comparison must be available for all the stake holders.

3) Ageing of Capital Work -in - Progress

- a. For Capital-work-in progress, following ageing schedule shall be given:
CWIP aging schedule - (Amount in Rs.)

Intangible assets under development	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress Projects temporarily suspended					

** Total shall tally with tally with CWIP amount in the balance sheet.*

- b. For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**: - (Amount in Rs.)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1 Project 2				

***Details of projects where activity has been suspended shall be given separately.*

4) Intangible assets under development:

- a. For Intangible assets under development, following ageing schedule shall be given:
Intangible assets under development aging schedule - (Amount in Rs.)

Intangible assets under development	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress Projects temporarily suspended					

** Total shall tally with the amount of Intangible assets under development in the balance sheet.*

- b. For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given: - (Amount in Rs.)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1 Project 2				

*****Details of projects where activity has been suspended shall be given separately.***

When the Capital Work - in- progress say intangible asset in development since when it is pending should be stated which means comparative figures should be given, thus to be taken into consideration in March 2021 as well.

5) Relationship with Struck off Companies:

A very new and specific details to be given in the notes to accounts for the relationship of your company with the companies which are struck off whether it is as a:

- Shareholder
- Debtor
- Creditor
- the said company is your shareholder

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details: -

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities		
	Receivables		
	Payables		
	Shares held by struck off company		
	Other outstanding balances (to be specified)		

Thus, when details would be given for period ending on March 2022 the details would also be required for the period ending on March 2021 as well so it should be prepared this year itself.

6) Similarly, when the financial statements would be given by the company in the notes with regard to documents and the current assets details quarterly which are being provided to the banks in the case of availing of loan the said documents and figures are to be in agreement with the books of accounts and if not the reconciliation should be provided for both the years ending with March 2022 and March 2021 as well.

7) Ratios to be disclosed

- a. Current Ratio,
- b. Debt-Equity Ratio,
- c. Debt Service Coverage Ratio,
- d. Return on Equity Ratio,
- e. Inventory turnover ratio,
- f. Trade Receivables turnover ratio,
- g. Trade payables turnover ratio,
- h. Net capital turnover ratio,
- i. Net profit ratio,
- j. Return on Capital employed,
- k. Return on investment.

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year which implies ratios should be prepared for March 2021 as well for such comparison.

8) Rounding Off

Currently rounding off in the case of a company which is following Companies Accounting Standard 2006 the rounding off is optional, we have seen certain balance sheets which are given in paisa as well but for March 2022 it is mandatory.

Any company whose turnover is less than 100 crores it will have to mandatorily round it off to either Hundreds/Thousands/Lakhs/Millions/Crores/Decimals thereof.

Any company whose turnover is more than 100 crores it will have to mandatorily round it off to either Lakhs/Millions/Crores/Decimals thereof.

It would be helpful if we start the same in this year itself and it should be taken care with regard to accounting software which should have audit trail and at the same time it should be considered by the service provider like Tally as well

Conclusion

Disclosures required to be made in the Financial Statements ending March 2022 must provide comparative figures ending March 2021. When the corresponding previous figures are required to be given in that year, which needs to be prepared this year itself.

Both the professionals who are doing the audit as well as the Promoters, Directors and management who are conducting their business will have to take care if those are having relationship with the struck off companies that will have to be disclosed, the variations between the statements given to the bankers with the books prepared for March 2021 should be checked upon, at the time of disclosure in March 2022 we won't be able to do anything which is already disclosed in March 2021 so that we cannot not take that back. I hope professionals, directors and promoters should be prepared to make their disclosures in a very appropriate manner for various stakeholders.

Opportunities For Professionals in MSME and Start- Ups



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A professional having expertise is always hungry and ready to grab the opportunities. Professionals including Company Secretary (CS) Chartered Account (CA), Cost Accountant (CMA), Lawyers etc., are the pillars of Corporate Advisory, Compliances and Managements to an Entity / Establishment. They are ready to understand the difference between barriers and opportunities and turn both into benefits / advantages.

Let's discuss about ample opportunities for professionals in MSMEs & Start- Ups.

MSME In India:

MSME refers to Micro, Small and Medium Enterprises. MSMEs are playing vital role in Indian Economy. It governs under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

Micro, Small and Medium Enterprises Development Act (MSMED Act) was notified in the year 2006. Before 2006, small scale registration certificate used to be issued by respective District Industries Centers (DICs).

During Union Budget 2020, Finance Minister Ms. Nirmala Sitharaman allocated Rs 900 crore debt-funding for MSMEs, stating that the sector is pivotal to keep the wheels of Indian economy moving.

Few Key Benefits:

- Easy to form
- Help in industrialization of rural & backward areas
- User friendly registration procedure
- Promote and support small business
- Marketing financial assistance to the entrepreneurs
- constitutes a major source of employment

Role of Professional:

1. **Registrations:** Professional can help Entrepreneurs / Business Establishments to get registered under the MSMED Act, 2006 and advise them on MSME Investment, Benefits and Compliance Matters. There is no Statutory Fees for registration and the same has to be informed to the Entrepreneurs / Business Establishments.
2. **Update / Modification:** Post Registration, need may arise to update the Certificate. Professionals has to give proper advisory and professional support to get it done.
3. **Advisory:** Advisory is the core expertise of Professionals which comes from experience, knowledge, applications of mind and situation handling mindset. A good advisory may lead to a business to reach heights.
4. **Drafting of Contracts:** Drafting is an art of presenting your thoughts into words. writing out the terms and details of the contract, in order to outline the legal obligations of the two parties.

Registration under MSME Act as MSME, there is a benefit which helps to resolve the liquidity problems. MSME has protection against delay in payment from buyers and right of interest on delayed payment. Payment within 45 days (Maximum). Failing which buyer / is liable to pay compound interest as prescribed. Professional has to draft the clause while making any contract

5. Help in IPR (Intellectual Property Rights)

Post Registration as MSME, Professionals have to help Entities / Establishments to get various subsidies under patent registration.

6. Concession of Electricity Bill:

Professionals should advise to claim Concession of Electricity Bill by making application to electricity department along with MSME Registration Certificate (Subject to decision of authority).

Professional Support to MSME to get Funding / Loans

Cash and Liquidity is the basic need for every business to run. A micro or small or medium enterprise can easily be set up for self-employment. The major eligibility criteria are return on the investment and profitability of the project proposed to be set up Following are the few ways through which professionals shall support.

- To choose the most suitable source of funding
- To approach financial institutions to get funds keeping in view their specific schemes.
- Evaluate and compare the terms and conditions, including rate of interest and repayment period of loan offered by the different financial institutions
- Select the financial institution, which offers funds at minimum interest rate as per Entrepreneur's repayment plans.
- Arrange / Prepare set of documents as required for getting Loan.
- Prepare application in prescribed proforma and has to be submitted along with project report including proof of ownership/availability of land/building, proof of residence, collateral securities (wherever applicable) etc.



Atmanirbhar Bharat Package to MSME:

- Rs 3 lakh crores Collateral-free Automatic Loans for Businesses, including MSMEs
- Rs 20,000 crores Subordinate Debt for Stressed MSMEs
- Rs 50,000 cr. Equity infusion for MSMEs through Fund of Funds (FoF)

Without Professionals and their services, it would be very difficult to understand the provisions related to Government Schemes. Also, it is not easy to get fund without getting proper documentations and proper advisories.

Start - Ups and Professionals

Start - ups: an entrepreneurial venture which is typically a newly emerged business that aims to meet a marketplace need by developing a viable business model around a product, service, process or a platform. Start-ups means uniqueness in business idea.

Under the Startup India initiative, eligible companies can get recognized as Startups by Department for Promotion of Industry and Internal Trade (DPIIT), in order to access a host of tax benefits, easier compliance, IPR fast-tracking & more.

“startups can begin anywhere, no matter that the country is developed or not. Startups, may be small or big entities but they play a significant role in economic growth with revolutionary technology and created new industries over time.”

Role of Professionals under Start-ups

Professionals plays a very vital role in Start-ups Sector. At every stage, professional advisory, expertise has required. Under the Startup India initiative, Professionals help eligible companies to get recognized as Startups by DPIIT, in order to access a host of tax benefits, easier compliance, IPR fast-tracking & more. Learn more about eligibility etc.

1. **Registrations of Entities:** Entities may incorporate as a Private Limited Company, a Registered Partnership Firm or a Limited Liability Partnership and are eligible to get register under Start-up India Scheme as Start-up. First Step is to incorporate an entity with professional support.



2. **Registration under Start-up India:** Post incorporation as an entity Entrepreneurs has to make an application to get registered under Start - up India through <https://www.startupindia.gov.in>. Professional advisories and guidance may be sought.

3. **Guidance related to Objects:** Innovative & Scalable is the main criteria to get register with Start - up India Scheme. Start-ups should work towards development or improvement of a product, process or service and/or have scalable business model with high potential for creation of wealth & employment. Without

Professional Guidance it is difficult to draft objects as per the Criteria specified under the Start - up India Scheme.

4. **Compliance under the Laws:** Start-ups are First registered under the various laws like Companies Act, 2013, LLP Act, 2008, and Partnership Act. The role of Professionals is very significant to decode the Complexity of Laws and do all the Compliances in a timebound manner to avoid penal provisions / litigations.
5. **Accounting, Tax and Finance Matters:** For a Start -up, Accounting, Taxation and Finance are the key areas along with Secretarial Compliances. Professionals are playing very significant and crucial role to help smoothen the business operations.
6. **Investment / Fund Raising:** Investment /Fund always needed to run the business and for expansion. Professionals has to ensure the important expenses are being met off at and the startup remains in a situation which is manageable in terms of financial profitability. Professionals has to perform the role of an interface for the

promoters and the venture capitalists. Professionals can also apply to government for Investment / funding for start-ups.

Role of Company Secretaries -Corporate Governance

Company Secretaries, Members of ICSI, are considered as Corporate Governance Professionals. Under section 203 of the Companies Act, 2013, Company Secretary has been defined as KMP's i.e. Key Managerial Personnel, means person who is in - charge of maintaining the high standard of Corporate Governance by abiding laws and regulations in timely complied manner. In other countries, Company Secretary is called as Corporate Secretary as he is responsible to take care of all the compliances with statutory and regulatory requirements.

Company Secretary is also defined as "Compliance Officer" under the SEBI Laws and Regulations. Therefore "Company Secretary" is responsible for all Compliances, applicable to the Company. Company Secretary is required to Comply with all the MSME, Start -ups and other Law Compliances in a time bound manner prescribed by various authorities, and also to keep record of all statutory records and registers as required under the various Laws.

List of few Compliance Matters that can be undertaken by a Company under MSME, Start -ups and Environmental Laws:

- Registration with Authorities.
- Submission of various returns in a time bound manner.
- Maintenance of appropriate registers and records with regard to employees of the organization under various legislations.
- Ensure adequate steps / measures has been taken to prevent from non-Compliance.

compliance check requirements, audit and due diligence in the matters related to MSME, Start -ups and other Laws in the corporate sectors needs a close watch and proper guidance and laws / regulations should be followed by the Company Secretaries / Company Secretaries in Practice. All the records and disclosures should be made properly and kept in the custody of Properly Authorized Officer of the Company, generally Company Secretaries are Authorized for the same.

Conclusion:

"Opportunity is everywhere. The key is to develop the vision to see it."

With this quote of Robin Sharma, we can say that an opportunity is always around us and we just need to have a visions and desire to grab it. A good professional attitude will lead to a better career growth and also it will help an entity / establishment to reach success.

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How to Get back Shares from IEPF?



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As MCA has issued Investor Education and Protection Fund Authority Rules, 2017. As per these rules “Any money as dividend not claimed by investor **within 7 year and 37 days** from the date of declaration of dividend, shall be transferred by the company along with interest accrued, if any, thereon to Investor education and protection fund.

Recently MCA has amended The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2021 Dated 9th November 2021 and effective from same date. Even All Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund. In previous years shares of many persons has been transferred in the name of Investor Education and Protection Fund. As a normal person main issue is how to get recover such shares from the IEPF in their name. In this editorial author shall endeavor to briefly discuss “Process for a general person to claim their shares from IEPF to their names and mistakes which a person should not made while applying for the same”. By using the below mentioned process a General Person himself/ through any professional guidance can apply for refund of shares from IEPF to their names.

I. Whether Shareholder can claim transfer of shares/Dividend from Investor Education and Protection Fund.

Yes, any claimant of shares transferred to IEPF shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as discussed below.

Process to get refund shares from IEPF:

Any person, whose shares, unclaimed dividend, matured deposits, matured debentures, application money due for refund, or interest thereon, sale proceeds of fractional shares, redemption proceeds of preference shares, etc. has been transferred to the Fund, may claim the shares under provision to sub-section (6) of section 124 or apply for refund under clause (a) of sub-section (3) of section 125 or under proviso to sub-section (3) of section 125, as the case may be, to the Authority read with Rule 7 Refund to claimants from Fund

In respect of a Company, how many claim form can be file by the claimant in a financial year.

The claimant shall file only one consolidated claim in respect of a company in a financial year. Claimants have to very conscious while filing the form, because for a company he will get only one chance in a financial year.

In case of claimant is legal heir or successor or nominee of the registered share holder. In this case whether they can directly apply to IEPF for refund of shares or dividend?

In case, claimant is a legal heir or successor or administrator nominee of the registered security holder, he has to ensure that the transmission process is completed by the company before filing any claim with the Authority.

Step- I Claimant to Authority

Claimants have to make application to MCA in e-form IEPF-5 by mentioning following details:

- i. Particular of Applicant
- ii. Particular of Company
- iii. Details of Shares to be claimed
- iv. Details of amount claimed
- v. Year wise details of securities/deposits
- vi. Aadhaar Number or Passport/OCI/PIO Card No. (in case of NRI/foreigners)
- vii. Details of Bank account (Aadhar linked, in case applicant is not NRI/foreigner) in which refund of claim to be made

II. Whether any documents required to be attached in the form IEPF - 5?

No need to attach any documents in the form.

NOTE:

- I. Claimant have to download the **form IEPF - 5** from the website of <http://www.iepf.gov.in/>
- II. After download have to fill the above-mentioned information.
- III. After that claimant has to upload the form on website of IEPF only.

Step- II Claimant to Company

The claimant after filing the refund claim in this form online, shall send the attachments prescribed below to Nodal Officer (IEPF) (details about nodal officer given below) of the company at its registered office in an envelope marked “claim for refund form IEPF Authority” for initiating the verification for claim:

- I. Original Physical Share Certificate/ bond/ Debenture Certificate
- II. Indemnity Bond (original) with claimant signature
 - a. On a non-judicial Stamp Paper of the value as prescribed under the Stamp Act if the amount of the claim is Rs.10, 000 or more.
 - b. On a plain paper if the amount claimed does not exceed Rs.10,000.
 - c. In case of refund of shares, on a non-judicial Stamp Paper of the value as prescribed under the Stamp Act.
- III. Advance Stamped receipt (original) with signature of claimant and two witnesses
- IV. Copy of Aadhaar Card (For Indian Nationals)
- V. Print out of duly filled claim form (IEPF-5) with claimant signature
- VI. Copy of acknowledgement
- VII. Cancelled Cheque leaf
- VIII. Copy of Passport, OCI and PIO card in case of foreigners and NRI

Step- III Appointment of Nodal Office Company Compliance

Every company which is required to credit amounts or shares to the fund or has deposited the amount or transferred the shares to the Fund shall nominate a Nodal Officer, who shall either be a Director or Chief financial Officer or Company

Secretary of the company, for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority:

- a company may appoint one or more Officer as Deputy Nodal Officer to assist the Nodal Officer for the purposes of verification of claim and for coordination with Investor Education and Protection Fund Authority;
- the Nodal Officer shall be solely liable for all actions of any officer appointed as Deputy Nodal Officer;
- In case a company fails to appoint Nodal Officer, every director of the company shall be deemed to be nodal officer and be liable for any failure to comply with requirement of these rules.]

Step- IV Company to Authority

I. Information of Nodal Officer to Authority:

The details of the Nodal Officer and Deputy Nodal Officer duly indicating his or her

- Designation,
- Postal Address,
- Telephone
- Mobile Number and
- Company Authorized e-mail ID

shall be communicated to the Investor Education and Protection Fund Authority in **Form No. IEPF - 2 within fifteen days** from the date of publication of these rules and the company shall display the name of Nodal Officer and his e-mail ID on its website:



Any change in the Nodal Officer or his details

shall be communicated to the Authority through **Form No. IEPF-2 within seven days** of such change along with board resolution thereof.].

II. Information of Nodal Officer to Authority:

- The company shall within 30 days of receipt of claim form, send a verification report to the Authority in the format specified by the Authority along with all documents submitted by the claimant.
- The Company shall attach the scanned copy of all the original documents submitted by the claimant in physical form duly certified by its Nodal Officer along with the e-verification report and a scanned copy of both sides of original physical share certificate or original bond or deposit or debenture certificate/s duly cancelled and certified:
- Delay in submission of Report: If the online verification report is not sent by the company within thirty days of filing of claim, the company may do so by paying additional fee of fifty rupees for every day subject to maximum of two thousand and five hundred rupees:

- the company shall be liable to maintain the original documents submitted to it by the claimant and shall produce such documents whenever required:
- Provided also that for failure to submit verification report of the claim in accordance with these rules, the company and its Nodal Officer shall be punishable as per the provisions of the Act.

NOTE:

In case of non receipt of documents by the Authority after the expiry of 60 days from the date of filing of Form IEPF-5, the Authority may reject Form IEPF-5, after giving an opportunity to the claimant to furnish response within a period of 15 days.

Step- IV Authority to Claimant

After verification of the entitlement of the claimant-

To the Amount Claimed, the Authority and then Drawing and Disbursement Officer of the Authority shall present a bill to the Pay and Accounts Office for e- payment as per the guidelines.

To the Shares Claimed, the Authority shall issue a refund sanction order with the approval of the Competent Authority and shall either credit the shares which are lying with depository participant in IEPF suspense account (name of the company) to the Demat account of the claimant to the extent of the claimant's entitlement or in case of the physical certificates, if any, cancel the duplicate certificate and transfer the shares in favour of the claimant.

Time Period: An application received for refund of any claim under this rule duly verified by the concerned company shall be disposed of by the Authority within 60 days from the date of receipt of the verification report from the company.

If Incomplete Application:

Where the Authority, on examining any application for claim, finds it necessary to call for further information or finds such application or e-form or document to be defective or incomplete in any respect,

the Authority shall give intimation of such information called for or defects or incompleteness, by e-mail on the email address of the claimant and the company, which has filed such application or e-form or document,

Directing him or it to furnish such information or to rectify such defects or incompleteness or to re-submit such application or e-Form or document within **fifteen days** from the date of receipt of such communication, failing which the Authority may reject the claim or e-form No. IEPF-5:

If such information or incompleteness is called from the claimant, he shall file the e-form and shall send such documents as called for within **fifteen days**, duly signed by him, to the Nodal Officer of the concerned company at its registered office for verification of the claim and company shall send a revised verification report:

If any such information or incompleteness is called from the company, the company shall file the revised verification report and shall send such documents as called for within thirty days.

Other Documents Required to be Submitted by Claimant:

In case, claimant is a legal heir or successor or administrator or nominee of the registered share holder, the claimant shall ensure to submission of self-attested scanned copy of all documents detailed in Schedule II of these rules online along with the Form No. IEPF-5:

In case of loss of securities held in physical form, he has to ensure to submission of self-attested scanned copy of additional documents detailed in Schedule III of these rules online along with the Form No. IEPF-5:

NOTE: The claimant shall submit in original all these documents duly signed by him, to the Nodal Officer of the concerned company at its registered office for verification of the claim.

A. To the Authority in Case of Loss of Securities Held in Physical Mode

- a. Notarized copy of FIR/ Police Compliant containing information of security holder, holding details, folio number and distinctive numbers of share certificate.
- b. Surety Affidavit of value equal to market value that of shares as on date of execution along with his Proof of identity like Pan Card of sureties duly attested by Notary.
- c. Indemnity bond by security holder on a non-judicial stamp paper of requisite value duly attested by Notary Public by the person, in whose name the original share certificate is being issued that he has not sold / disposed off the involved shares or acted in any manner by which any interest of third party would have been created.
- d. d) Copy of advertisement issued in at least one English language national daily newspaper having nationwide circulation and in one regional language daily newspaper published in the place of registered office of company, if the market value of the shares is greater than Rs 10,000.

B. TO THE AUTHORITY IN CASE OF LOSS OF SECURITIES HELD IN PHYSICAL MODE

Such list is available on the link:<http://ebook.mca.gov.in/Actpagedisplay.aspx?PAGENAME=28498>

Penalty:

Any fraudulent claim by the claimant shall be deemed to be fraud within the meaning of section 447 of the Act and the claimant shall be liable accordingly.

If any person deceitfully personates an owner of any security or of any share warrant or coupon issued in pursuance of this Act and thereby files any claim to obtain or attempts to obtain any such security or interest or any such warrant or coupon due to the lawful owner, he shall be punishable under sections 57, 447 and 448 of the Act.]

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HELP YOURSELF

Food for Thought

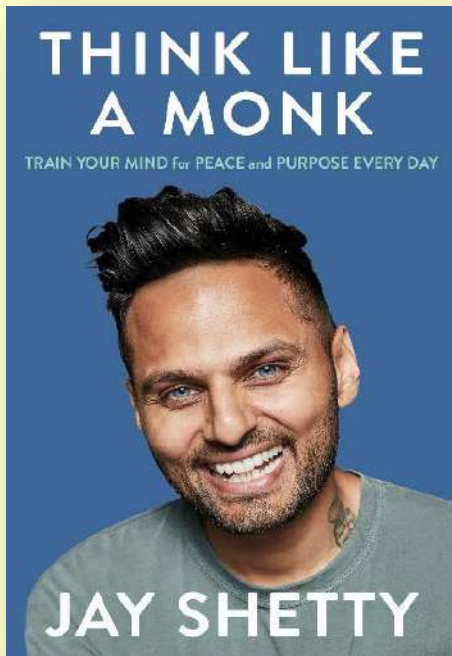


Aparna U

Executive Student

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Think like a Monk - By Jay Shetty



Have you ever counted how many times you get distracted in a day? We all know we need to starve distractions and feed our focus in order to do something valuable in our lives. But how do we do it? This popular book by Jay Shetty is about moving from our current monkey mindset (that keeps getting distracted) into nourishing and developing the monk mindset in order to achieve all that we aim for.

Why monk mindset? The book talks about the research conducted by the Institute of Wisconsin-Madison on the brain activity of a monk from Nepal as he meditated. The study left the researchers in awe! The world's happiest man- Matthieu Ricard is also a monk. He is labeled so because his brain produced the highest gamma waves ever recorded by science. These waves are associated with attention, memory, learning and happiness.

Many more monks were studied when they were under a variety of meditation practices, and they all produced high gamma waves that lasted even during sleep. All this indicates how meditation and ways of monks

can enhance the quality of our lives. Just like how we would consult an investment advisor before we take steps on investing our hard earned money, we can learn from monks when it comes to finding peace and purpose in life.

The author grew up in the United Kingdom. He once happened to attend a talk by a monk at the university where the author was studying. He was so moved by the monk's speech that he decided to attend many more events of the monk happening in the UK that month. Eventually, Jay Shetty decided to spend his summer at an ashram in India. The author, through this book, shares many of his learnings at the ashram and about how it transformed his life.

Under this column, instead of sharing the summary of one book each month, I prefer to share only- what I'd call a 'trailer' to the book hoping it'd interest you to grab the book and give it a read.

However, I'd like to share a few ideas that I found very interesting from the book. We often find ourselves complaining, regretting, and even judging or feeling jealous of others. The author talks about how these traits can be contagious. To get rid or decrease such thoughts and traits, the author explains a method they were taught in the ashram. For every time they had a complaint about a person, they had to write down ten positive things about that person. This seemingly simple activity altered their mind's behavior of constant complaining and negativity. The Spot-Stop-Swap technique explained in the book can also help us a great deal in dealing with negative thoughts. When the author moved back to

the UK, at his workplace, he was able to avoid gossip and other undesirable activities that used to unnecessarily drain his energy.

Another interesting idea shared in the book is about our work, home space and environment. At the ashram, there was a dedicated space for each activity. They did not meditate at the place where they'd sleep or eat. Similarly, we can design or rearrange our homes and workspaces so that our mind is not confused by the mixed energies of each space. In his book Atomic Habits (which has been discussed in this column in the August issue, 2021) James Clear also talks about the importance and impact of our environment on our triggers that lead to habits. This also explains why most people tend to concentrate better at libraries than when at home. It isn't merely about the silence that the libraries offer but factors beyond that, that also have an influence on our effectiveness of reading or studying. Hurry up, grab this book and immerse yourself in the monk mindset.





Hi everyone, Hope everyone is safe and sound.

The technological advancement had led to many discoveries, smartphones, social media, Computers and what not.

These technologies were invented so that we can live hassle free and socially connected with our friends and families. Social media and other websites help us in our networking and show our talent to the world from staying in our homes.

But what was invented for the good reason is now misused to cause harm. When we are using the social media, we are open to the world, in the enthusiasm of showing our talent to the world. Sometimes we go overboard and post too much personal and unnecessary information. In the process we share information which can be misused. Also, we will get bullied, and this is called Cyber Bullying.

A study conducted in the 2012 by Microsoft Corporation, spread over 25 nations India is positioned 3rd in the quantity of internet cyber bullying cases.

The 2016 Norton cyber security insights report express that 51% of guardians around the globe consider online bullying to be as likely as being bullied at school or at work. Cyber bullying sometime may seem harmless as it happens on online and does not manifest in the physical world. It often dismissed as being just a “couple of comments online”, which are easily ignored.

But in reality, people who faced cyber bullying knows the real feeling, it can be intimidating, invasive and dangerous. Cyber bullying can include

1. Damaging or destructive writings, messages or comments on the posts or pictures.
2. Spreading false rumors and gossips
3. Hacking
4. Social media impersonation
5. Spam

These are just to name a few. Parenting the adolescents are most important in prevention of these kind of issues.

As we all know due to the pandemic all classes were conducted online. At those times many cases have been reported that misbehaving of kids, and later those clips were shared by countless web users. These may sound funny but it is very effective on the victim. There are numerous suicide cases reported due to the cyber bullying, which were made for fun it turned out to be fatal.



There are various measures one can take if they are a victim of cyber bullying. College students who engage in bullying or an individual who is over 18 years old and capable of committing cyber bullying are punishable under Indian Penal Code 1860.

To name a few.

1. section 506 (Punishment of criminal intimidation)
2. section 323-326(Causing hurt and grievous hurt and the punishment for the same)
3. Section 304 (The sections of IPC dealing with culpable Homicide)
4. Section 306 (Abetment of suicide)
5. Section 419 (Punishment for cheating by Impersonation)

Cyber bullying can happen to anyone, but one has to take actions without hesitation against such incidents. And people has to take care of each other, if one is a victim of cyber bullying they can take actions on behalf of the victim.

As ANNA MARIA CHAVEZ said “Cyber bullies can hide behind a mask of anonymity online and do not need direct physical access of their victims to do unimaginable harm”

Be safe from negative people use social media cautiously and if your children are using it make sure they use under your surveillance. And most of all make sure your accounts are properly secured.

Source: <https://blog.iplayers.in/cyber-bullying-complete-analysis/>



CS MINERVA

The Student's Corner



CS Keerthana Gopal
BBA, LLB, LLM
Practicing Company Secretary

The word 'exam' usually kindles an involuntary fear in the minds of students, whether they are prepared for it or not. Most of the times, the fear is induced through peer pressure. Although, discussing the subject with friends does have a lot of positive impact, most of the time, it results in an unreasonable deduction that one does not know the subject as well as his peer. Failing an exam is stigmatized in the society which in turn results in a lot of anxiety and stress for the students. The closer the exam dates, the higher the frequency of loss of sleep and appetite. This anxiety, fear and stress occurs regardless of the number of times one faces an examination.

That said, exam preparation can never be termed as a 'fun' process but if prepared systematically, it can be a tolerable process, nonetheless. Since we are, a week away for the CS December 2021 examination, here are a few tips to make exams 'not so scary' if not completely fearless-

Firstly, always ensure that you have read the Time Table of the examination correctly. The date, subject, venue and time is taken note of without any confusion. You may be very well prepared, but it is unimaginable to write Tax answers in Jurisprudence. Knowing the Timetable well helps you to plan your revision one day before the exam and schedule your travel to the venue.

Secondly, do not compromise on your health. Even a minor cold, sore throat or an upset stomach brings down your capacity by 50%. Although your mind may be willing to give its best, your body will only opt for snooze. Try to eat healthy as far as possible. After the exams, you can treat yourself at Corner House or Chaat street. Tension often leads to loss of appetite. Force yourself to eat at timely intervals and stay well hydrated. Self-care has become important during the pandemic and more so during exams.

Thirdly, ensure that you are properly packed for the exam. Important documents like hall-ticket, ID card, wristwatch, stationary, calculator and in the present scenario, mask, sanitizers etc are all ready a week before. You don't want to waste time searching for your hall ticket hours before the exam or share a calculator with your bench-mate for your Tax paper.

Fourthly, keep sufficient time for revision. Now this is purely subjective as it depends on each student on how he or she wants to plan their revision. For some, revision on the day of the exam is inevitable and for some it is comfortable to revise one day before. But generally, a revision is a must. It helps to recollect part of the subject studied weeks ago and resurfaces the topics.

Fifthly, always complete doubt clarification a week before the exams so that you are clear about the concept. If you are doubtful about a topic, it will also lead to incomplete revision. Usually, unclarified doubts lead to unanswered questions.

Sixthly, in the exam hall, once you receive the question paper, do not hastily start writing answers for the first question. Read the question paper thoroughly, check for optional questions, conduct a SWOT analysis and figure out for which questions you need to dedicate more time. This helps in better time management.

Seventhly, while writing answers in the exam, make sure your answers are well organized. Point-wise answers are preferred to paragraph-wise. Answer the questions in the order provided in the question paper. If you are changing the order, ensure you write the correct question number and sub-question number. Try to manage your time in such a manner that you have at least 10 minutes in the end to check your answers sheets for correct numbers and spelling mistakes. This time can also be utilized to underline the important points in huge descriptive answers to give clarity to the examiner.

Eighthly, make sure the right registration number, hall ticket number, question paper number, date and examination details are written on the face of the answer sheet. The same applies to additional sheets as well.

Lastly, it is impossible to be absolutely stress free before an exam, but this must not hinder your capability and focus. All the preparation is put to test in those 3 hours at the exam hall and stress should never be an excuse to give all that up. Many a times, if one paper does not go as expected, we lose focus on the next one. You must always remember to live in the present and bring the strength and courage to face the next exam without focusing on something you have no control over. So, prepare yourself mentally to handle the stress and try to make exams a comfortable venture. Wishing all students, the very Best of Luck for your upcoming examinations. Hope these tips were valuable. Do well.

Regulatory Updates



Compiled by:

Mathruka B

Professional Student

Mysuru

Companies Act, 2013

Updates on Circulars

MCA has decided, with reference to ministry's general circulars No.20/2020 dated 05/05/2020 and General circular No. 02/2021 dated 13.01.2021, to allow the companies whose AGMs are due in the year 2021, to conduct their AGMs on or before 30th June 2022.

Such AGM shall be conducted in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05. 2020.

General Circular 19/2021

MCA has decided to allow companies to conduct their EGMs through video conference or other audio-visual means or transact items through postal ballot in accordance with framework provided in the circulars 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, up to 30th June 2022.

All other requirements provided in the aforesaid circulars shall remain unchanged.

General Circular 20/2021





Delhi Diaries



Vikram Hegde, Advocate
Advocate on Record
Supreme court of India
Co- Founder, VH Law Chambers
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Can the Adjudicating Authorities Direct Settlement - E.S. Krishnamurthy and Ors. v. Bharath Hi-Tech Builders Pvt. Ltd.

An adjudicating authority, exercising a quasi-judicial power, no doubt has to exercise the powers as conferred under the law which governs them. But do they also have a role as an equitable court, and attempt to find solutions to disputes beyond the strict confines of the applicable legislations? The Supreme Court considered in E.S. Krishnamurthy and Ors. v. Bharath Hi-Tech Builders Pvt. Ltd. and took a narrow view.

The dispute in this case arose from petitions under Section 7 of the Insolvency and Bankruptcy Code, filed by persons who were essentially real estate purchasers but structured as a facility agreement, through facility agent Karvy Realty (India) Ltd. After having made payment of a sum of money, the appellants/petitioners were allotted a plot of land. But upon the advice of the facility agent, the retail buyers who were the appellants before the Supreme Court advanced further loans to the builder/respondent. Thereafter they repeatedly extended the term of repayment of the loan at the request of the builder/respondent.

But seeing no remedy, they filed a petition before the NCLT under Section 9 of the IBC. Please note that because of the manner in which the transaction was structured, they were actually financial creditors and not homebuyers in a real estate project who were deemed to be financial creditors, they were not subject to the restrictions and requirements that homebuyers have to fulfill.

In the course of proceedings before the adjudicating authority, the Respondent builders sought and obtained multiple adjournments on the basis that it was exploring settlement with the petitioner/appellants. However, despite several opportunities, it was seen that out of the 83 petitioners before the NCLT, the Respondent has had arrived at settlements with only 13 parties, though they claimed that they had entered into settlements with a total of 140 creditors.

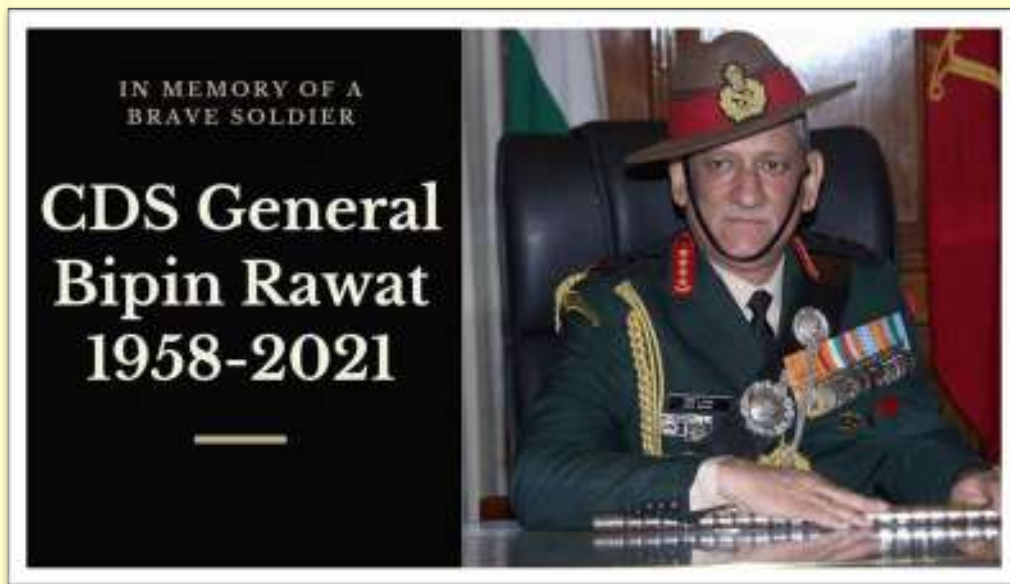
The NCLT took note of the various settlements entered into and disposed off the matter observing - "Instead of examining all the individual claims in detail, we would like to dispose of the instant case by directing the Corporate Debtor to settle all the remaining claims sincerely within a definite time frame". The Adjudicating authority then directed the Respondent to settle claims within 3 months and further held that if the Petitioners were not satisfied by the settlement process they could once again approach the tribunal.

The appellant/petitioners challenged the order of the NCLT before the NCLAT. However, such appeal was also dismissed on the basis that the impugned order could not be said to have prejudiced the interests of any of the stakeholders.

The Supreme Court reiterated the scheme under Section 7 of IBC and found that the Adjudicating Authority had stepped outside the provision. Though recognizing the purpose of the IBC as being to facilitate insolvency resolution “in a time bound manner” for maximization of the value of assets, promotion of entrepreneurship, ensuring the availability of credit and balancing the interest of all stakeholders and that settlements should be encouraged, the Court held that in this case, the Adjudicating Authority had abdicated its responsibility. The Court also relied upon its earlier decision in Pratap Technocrats to hold that adjudicating authorities were not courts of equity.

Having held that the Adjudicating authority could not have imposed settlement instead of adjudicating, the Court remanded the issue back to the NCLT.

While technically correct, it is hoped that message of the Supreme Court to read the IBC in a narrow manner is not taken to heart by the NCLAT and NCLTs across the country. It is important to note that in this case, the displeasure of the Supreme Court was not towards encouragement to settle, but the disposal of the matter with an opportunity to settle.



ICSI Mysuru Chapter and the entire CS Fraternity are deeply saddened by the tragic demise of CDS General Bipin Rawat, his wife and 12 other brave soldiers including Group Captain Varun Singh and our heartfelt condolences to the bereaved families and the Indian Armed Forces.



**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)

75
Azadi Ka
Amrit Mahotsav

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

ICSI Motto
सत्यं वद। धर्मं चर। इष्टं कुरु। तृप्तं भवेत्। सुखं त्वं कुरु।

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

22
COMPETITIONS



22nd
NATIONAL CONFERENCE
of STUDENT
COMPANY SECRETARIES

PRELIMS & OFF STAGE COMPETITIONS
11th January 2022 (Tuesday)

MAIN EVENT
12th January 2022 (Wednesday)

- Poster Making Competition (Poster Kala Pradarshan)
- Tung Twister (Juban Sambhal Ke)
- Business Idea Pitch (2 Minute Mein)
- Walk for a Cause (Kadam Badhaye Jaa)
- Arm Wrestling (Kisme Kitna Hai Dum)
- Monoacting Competition (Dekho Mera Abhinay)
- Creative Writing (Kalam ki Takat)
- Chess (Shatranj Ke Khiladi)
- Debate (Tol Mol ke Bol)
- Quiz (Prashnavali)
- Elocution (Bol Bindaas)
- Legal Puzzle (Ulta Pulta)
- Clean Clean (Swachhta Abhiyaan)
- Tug of War (Ekta mein Shakti)
- Photography (Camere Ki Nazar Se)
- Moot Court (Nyay Ka Mandir)
- Number Game (Sankhya Bal)
- Musical Chairs (Kissa Kursi Ka)
- Group Dance (Payal ki Jhankaar)
- Hindi Songs (Har Dil Ki Pukaar)
- Best Participant (Uttam Sarvottam)
- Best Out Off Waste (Rangoli)

**Fees : Early Bird (upto 31st December 2021) For Students of ICSI – Rs.500/-
Others Rs.600/- (Thereafter upto 10th January Rs. 600/- & Rs.700/-)**



Certificate
of Participation to
every Delegate



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Prize for all Winners



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Chapters & Region

For participating in competitions, contact your nearest Chapter/ Regional Office
For delegate registration, please visit- <https://tinyurl.com/2p8zs8re>

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President, ICSI

CS Devendra V. Deshpande
Vice-President, ICSI

CS Ashish Garg
Immediate Past President, ICSI

CS Pawan Ghanshyamdas Chandak
Chairman -WIRC

CS Ashish Karodia
Regional Council Member of WIRC

CS Hrishikesh Shirish Wagh
Chairman- TEFC of WIRC

CS Vipul Goyal
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सत्यं वद। धर्मं चर। *Speak the truth, abide by the law.*

MISSION

"To develop high calibre professionals
facilitating good corporate governance"

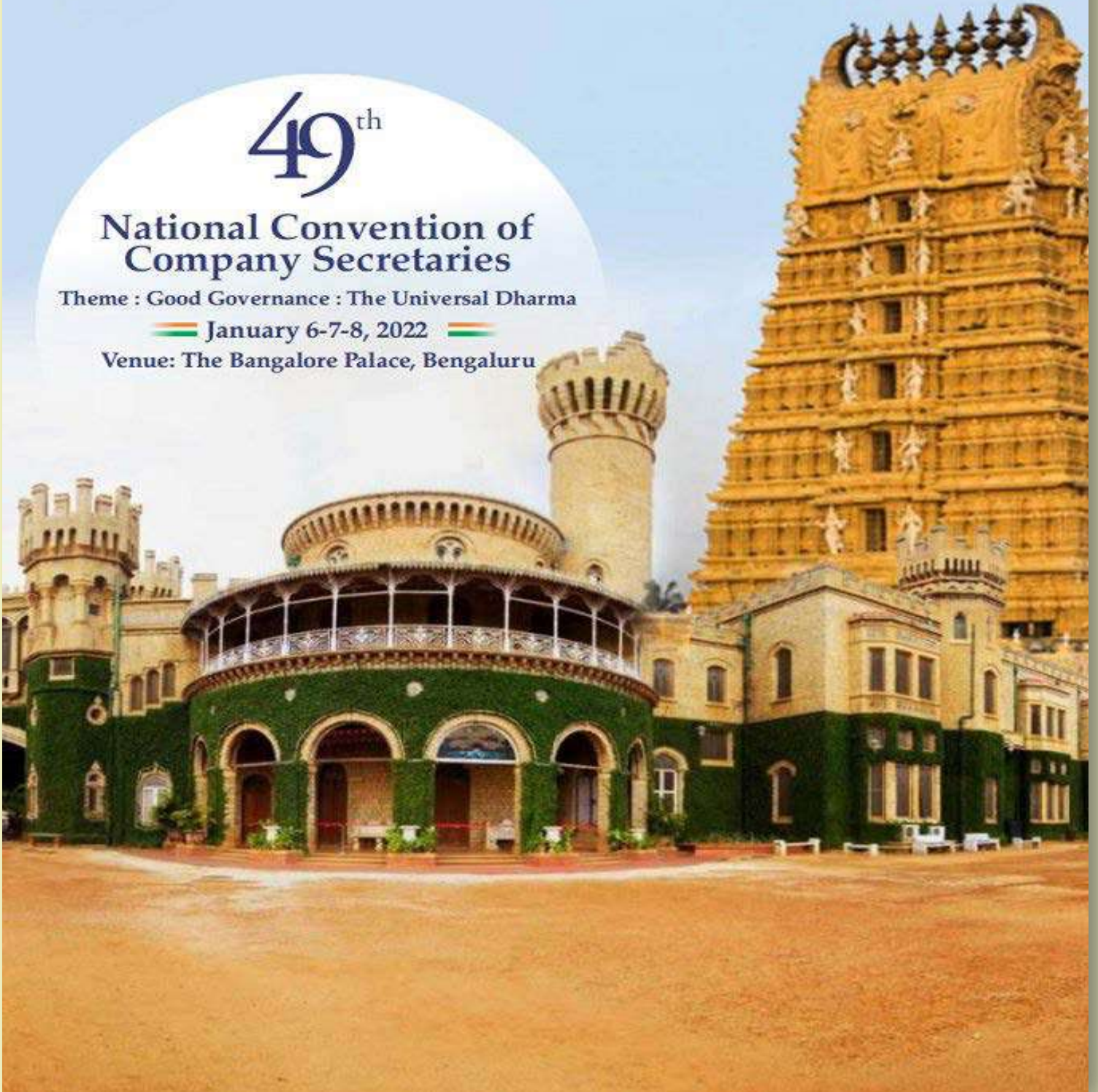
49th

**National Convention of
Company Secretaries**

Theme : Good Governance : The Universal Dharma

January 6-7-8, 2022

Venue: The Bangalore Palace, Bengaluru





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CSBF
COMPANY SECRETARIES
BENEVOLENT FUND



What exactly is CSBF?

The Company Secretaries Benevolent Fund (CSBF) is a Society registered under the Societies Registration Act, 1860 and is recognized under Section 12A of the Income Tax Act, 1961.

The CSBF was established in the year 1976 by the ICSI, for creating a security umbrella for the Company Secretaries and/or their dependent family members in distress.

The amount of ₹ 7,50,000 (in the case of death of a member under the age of 60 years) has been increased to ₹ 10,00,000

The subscription amount is being increased from ₹ 10,000 to ₹ 12,500 soon

Is it the right time to enrol in CSBF?

CSBF is the protection you and your family need to survive the many ups and downs in life, be it a serious illness or a road accident which derails your plans for the future.

Is it a requirement?

Yes, as your dependents need the protection. Your dependents be it your parents, your spouse, or your children will have to bear the brunt of paying off your home/education personal loans and even for managing day-to-day expenses without your contribution.

If you do not want to leave behind such a situation in your absence, enrol in CSBF today.

Advantages of enrolling into CSBF

1

To ensure that your immediate family has some financial support in the event of your unfortunate demise

2

To finance your children's education and other needs

3

To ensure that you have extra resource during serious illness or accident

4

Subscription/Contribution to CSBF qualifies for deduction under Section 80G of the Income Tax Act, 1961

Become a proud Member of CSBF by making a one-time online subscription of ₹ 10,000/- (to be changed soon) through Institute's web portal (www.icsi.edu) along with Form 'A' available at link <https://www.icsi.edu/csbf/home> duly filled and signed.

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