

ICSI EIRC NEWSLETTER

February 2018 Issue

CHAIRMAN'S MESSAGE

“Continuous effort, not Strength or Intelligence, is the key to unlocking your true potential.”

— **Winston Churchill**



Dear Professional Colleagues,

The festival of colour and joy has just gone by and I am sure that it would have rejuvenated all of us. The windy weather with the showery sunshine of the season will energise us and it will help us to channelize our effort in more effective way.

The month of February started with the hustle bustle of Union Budget and EIRC organised a **“Discussion Meeting on Union Budget 2018-2019”** on 3rd February at ICSI-EIRC House. It was followed by a Half Day Workshop on **“Benami Transactions and NBFC Regulations”** on 10th February at ICSI-EIRC House and a Study Circle Meeting on **“GST E-Way Bill”** on 17th February at our Institute only.

A first on its kind programme **“CS Parivar Dayout”** was organised on Sunday, 11th February at Madhyamgram in which Hooghly Chapter and all Study Circles under EIRC participated under EIRC umbrella.

We got an opportunity to welcome CS Makarand Lele, President, ICSI and CS Ahalada Rao V, Vice President, ICSI and the felicitation ceremony was organised on Saturday, 24th February at The Park, Kolkata. This coincides with the **Full Day Seminar on “Knowledge to Transcendence”** and we are thankful to the President, Vice President and the Secretary, ICSI to grace the Inaugural session of the Seminar.

The Meeting of President, ICSI with the Chairman, EIRC and Chapters under EIRC was held on 24th February and the **Meeting of Chairman EIRC** with the Chapter’s representative was held on 25th February.

It is rightly said that you are only as strong as you allow yourself to be. Ultimately it’s only the winner who knows that success comes after winning many short races, one after the other, removing obstacle and learning new skills. Professionals with honed skills are the need of hour. And keeping this in mind we are focusing on Skills / Capacity Development of the Members and Students through the forthcoming programme on Drafting Skills of legal documents, FEMA Regulations and GST in the month of March.

Another area of our prime focus is placement of young members and quality training for our students. We are providing up-to-date information regarding the opportunities available on our Child portal’s Placement Link. Apart from this a placement drive for the students will also be organised shortly.

I once again request you to actively use this platform of EIRC Newsletter and send us your articles of relevant topics related with the profession. I also request you to arrange quality articles from scholars and advertisement for the Newsletter.

Please feel free to share your views and suggestion to me. My coordinates are given below.

With warm regards,



CS Ashok Purohit
Chairman, EIRC of ICSI

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Brief Report of the Activities of ICSI - EIRC from 01.02.2018 to 28.02.2018

Date	Name of Programme	Venue
03.02.2018	Discussion on "Union Budget 2018"	ICSI-EIRC House
04.02.2018	Investor Awareness Programme	Azad Hind Fouz Smriti Mahavidyalaya, Domjur, Howrah
10.02.2018	HDW on "Benami Transactions Prohibition Amendment Act" and "NBFC Regulations including Compliances"	ICSI-EIRC House
11.02.2018	"CS Parivar Day Out" (with Hooghly Chapter of EIRC and Study Circles under EIRC)	Panchmukhi Residency, Madhyamgram
14.02.2018 to 22.02.2018	58th Executive Development Programme	ICSI-EIRC House
17.02.2018	Study Circle Meeting on "GST E-Way Bill and Related Issues"	ICSI-EIRC House
24.02.2018	Full Day Seminar on "Knowledge to Transcendence"	The Park, Kolkata
24.02.2018	President's Meeting with Chairman, EIRC and Chapters under EIRC	The Park, Kolkata
25.02.2018	Chairman, EIRC Meeting with Chapters Chairman under EIRC	ICSI-EIRC House

Forthcoming Activities

CAPACITY DEVELOPMENT PROGRAMME

Date	Saturday, 17th March 2018
Venue	The Lalit Great Eastern, Kolkata
Delegate Fee	INR 1850/- for Members / Professionals (Incl. GST)
PCH	4
Mentor	CS Vinita Nair , Practising Company Secretary (from Mumbai) and CS Vinod Kothari , Practising Company Secretary & Past Chairman, EIRC of ICSI
NO FEE FOR AMS MEMBERS	

UNDERSTAND GST - A PRACTICAL APPROACH

Date	Friday, 23rd March 2018 & Saturday, 24th March 2018
Venue	ICSI - EIRC House, Kolkata
Delegate Fee	INR 2000/- for PCS Members INR 2500- for other Members & Professionals (Excl. GST)
PCH	8
Mentor	CA Atin Harbhajanka , Empanelled Trainer, MSME, Govt of India (Renowned GST Expert from Indore)

A BRIEF ANALYSIS OF RELATED PARTY TRANSACTION AND ARMS LENGTH TRANSACTION

As Per Companies Act 2013, Accounting Standard-18 With Sebi (LODR) Regulation, 2015



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APPLICABLE SECTIONS / RULE OF THE COMPANIES ACT, 2013

Sections 2(76), 188 of the Companies Act, 2013

Rule 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014

Rule 3 of Companies (Specification of Definitions Details) Rules, 2014

The provisions relating thereto are applicable to all companies (both public & private limited companies)

DEFINITIONS

AS-18: A transfer of resources or obligations between related parties, regardless of whether or not a price is charged.

SEBI (LODR) Regulation: A transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract

EXAMPLES OF SUCH TRANSACTIONS

A Company shall enter into the following contracts / arrangements with any related party with the approval of Board of Directors. Related Party Transactions (RPTs) may be entered with respect to the following contracts / arrangements as per provisions of Sec 188

- Sale, purchase or supply of any goods or materials
- Selling or otherwise disposing of or buying property of any kind
- Leasing of property of any kind
- Availing or rendering of any services
- Appointment of any agent for purchase or sale of goods, materials, services or property
- Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company
- Underwriting subscription of any securities or derivatives thereof, of the company

Note: Any other transaction outside the purview of Sec 188 cannot be recognized as related party transaction.

The following additions are made in AS-18

- Transfer of research and development
- License Agreement
- Finance including loans and equity contributions in cash or kind
- Guarantees and collaterals
- Management Contracts including deputation of employees

Notice of the Board meeting at which the resolution is proposed to be moved to be given to all Directors alongwith agenda disclosing thereat the following particulars:

- Name of the related party & nature of relationship
- Nature, duration & particulars of the contract / arrangement
- Material terms thereto including the value, if any
- Any advance paid or received for the contract/arrangement
- Manner of determining pricing and other commercial terms
- Whether all factors relevant to the transaction have been considered
- Any other information relevant or important for the Board to take a decision on the proposed transaction

DISCLOSURE OF INTEREST

Where any Director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to it.

WHETHER APPROVAL OF SHAREHOLDERS IS REQUIRED?

Prior approval of shareholders by way of resolution in general meeting is required to be obtained by the company before entering into the related party transactions of a company if value of any transaction exceeds prescribed threshold limits:

- Sale, purchase or supply of any goods, materials, directly or through appoint-

ment of agent exceeding 10% of the turnover of the company or Rupees 100 crores, whichever is lower

- Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent exceeding 10% of networth of the company or Rupees 100 crores, whichever is lower
- Leasing of property of any kind exceeding 10% of the networth of the company or 10% of the turnover of the company or Rupees 100 crores, whichever is lower
- Availing or rendering of any services, directly or through appointment of agent exceeding 10% of turnover of the company or Rupees 50 crores, whichever is lower

Explanation: It is hereby clarified that the limits specified as above shall apply for transactions to be entered into either individually or taken together with the previous transactions during a financial year

- Appointment of any related party to any office or place of profit in the company, its subsidiary/associate company at a monthly remuneration exceeding Rs.2.5 lacs
- Remuneration for underwriting the subscription of any securities or derivatives thereof of the company exceeding 1% of the networth of the company

Notice is to be sent to all the shareholders alongwith explanatory statement pursuant to Sec. 102 of the Act containing the following particulars:

- Name of the related party & nature of relationship
- Nature, duration, material terms, monetary value of the contract / arrangement
- Name of the Director / KMP who is related, if any
- Any other information relevant or important for the Board to take a decision on the proposed transaction

Proviso to Sec. 188(1) mentions that—

No member of the company shall vote on such resolution to approve any contract / arrangement which may be entered into by the company, if such member is a related party pertaining to such transaction. However, the same is not applicable to a company in which 90% or more members in numbers are relatives of promoters or are related parties.

RATIFICATION OF THE CONTRACT AND INDEMNIFICATION THERETO

Where any contract / arrangement is entered into by a Director or any other employee without obtaining the consent of the Board or approval by a resolution and if it is not ratified by the Board or as the case may be, by the shareholders at a general meeting within 3 months from the date on which such contract / arrangement was entered into, such contract / arrangement shall be voidable at the option of the Board or as the case may be of the shareholders and if that contract is with a related party to any director or is authorized by any such director, the directors concerned shall indemnify the company against any loss incurred by it.

Moreover, the company is entitled to proceed against a director or any other employee who had entered into such contract / arrangement in contravention of the provisions of the Section for recovery of any loss sustained by it as a result of such contract / arrangement.

WHETHER APPROVAL OF AUDIT COMMITTEE REQUIRED, IF ANY?

Pursuant to the provisions of Companies Act, 2013, all companies are not required to form an Audit Committee. Therefore question of approval from it does not arise. But where a company has constituted such committee, approval by the committee is necessary. Then the same may be recommended to the Board or shareholders, as applicable for approval. Sec 177(4)(iv) of the Act provides that terms of reference given to the committee includes approval or subsequent modification of related party transactions. The Audit Committee may make omnibus approval for related party transaction to be entered into by the company subject to such condition as specified in rule-6A of Companies (Meeting of the Board and its Power) Rules, 2014

PROSECUTION VIS-A-VIS PUNISHMENT:

Any Director or any other employee of a company who had entered into or authorized the contract in violation of the legal provisions shall—

- (i) In case of listed company, be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs 25,000/- but which may extend to Rs 5,00,000/- or with both; and
 - (ii) In case of other company, be punishable with fine which shall not be less than Rs 25,000/- but which may extend to Rs 5,00,000/- or with both;
- It implies that the directors or employees of only listed companies may suffer criminal liability for jeopardizing the provisions of Sec 188

EXCEPTIONS:

The company will not require the approval of the Board and / or shareholders provided the transactions are entered into by the company with the related party:

- (i) In the ordinary course of business; and such transactions are on an arm's length basis.
 - (ii) Services availed in a professional capacity from a body corporate/person
- Accordingly, any transaction which takes place in the ordinary course of business but is not on an arm's length basis will be covered under the provisions of Sec 188 of the Act. A related party transaction to be exempted from the provisions of the Section must necessarily be in the ordinary course of business. Thus, RPTs on an arm's length basis but not in the ordinary course of business will come within the ambit of the Section.

DISCLOSURE REQUIREMENTS (AS-18)

>> Name of the related party and nature of the related party transaction where control exists should be disclosed irrespective of whether or not there have been transactions between the related parties

>> If there have been transactions between related parties during the existence of a related party relationship, the reporting enterprise should disclose the following:

- The name of the transacting related party
- A description of the relationship between the parties
- A description of the nature of transaction
- Volume of transactions
- Any other elements of RPT necessary for an understanding of the financial statement
- The amounts or appropriate proportions of outstanding items pertaining to related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date
- Amount written off or written back in the period in respect of debts due from or to related parties

“Arms’ Length Transaction” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. It means those Related Party Transaction (RPT) which are based on covenants (i.e terms & conditions) not effected by the relationship between the parties are treated as arm's length transaction. Accordingly, a transaction shall be analysed from every aspect to ascertain whether it fulfils the criteria of arm's length. For e.g.- pricing,

repayment stipulation, interest rates, credit terms, etc. The Act does not lay down any standard or criteria for determining whether the RPT was entered into on an arm's length basis.

E.g. M/s XYZ Ltd is a company. Mr X is a Director thereof. He is also a Director in M/s ABC Software Pvt. Ltd. Now both the companies M/s XYZ Ltd & M/s ABC Software Pvt. Ltd enters into a contract that the latter would supply goods to the former @ Rs 300/kg whereas it ordinarily supplies to other companies @ Rs 800/kg. Mr X having common directorship in both the companies, the transaction has been entered into on favourable terms. Thus although it is entered into in the ordinary course of business, but not on arm's length basis. Hence it is considered as RPT.

“Ordinary Course of Business”

The phrase “ordinary course of business” has not been defined anywhere in the Act. It seems that the ordinary course of business will cover usual transactions, customs and practices of business and of company.

The assessment as to whether a transaction is in ordinary (normal) course of business is a subjective exercise, judgmental and depends on facts and circumstances of each case. It depends on a variety of factors like nature of business; objects of the organization; volume, frequency and purpose of transactions.

REGULATION 23 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 VIS-À-VIS RELATED PARTY TRANSACTIONS:

- Company is required to frame up a policy on material related party transactions and on dealing with such. [A transaction, the value of which is either 5% of turnover or 20% of net worth, whichever is higher is recognized as a material related party transaction]
- Related Party transaction requires prior approval of audit committee. Audit Committee may grant omnibus approval for related party transaction proposed to be entered into by the listed company subject to certain conditions as specified in regulation
- A material related party transaction requires approval of shareholders without the votes of related parties
- No exemption is provided to companies entering into transactions in its ordinary course of business on an Arm's Length basis
- Disclosure to be made of every related party transaction in corporate governance compliance report

VERIFICATIONS OF RECORDS CUM COMPLIANCES DURING SECRETARIAL AUDIT

- Disclosure of the transactions in Financial Statement and Board's Report
- Copy of Board Resolution approving Related Party Transaction
- Copy of Resolution of shareholders if the value of transactions exceed threshold limits as specified in Act / Rules, as the case may be
- Maintenance of Register of contracts or arrangements in which Directors are interested in Form MBP-4
- Entries in register shall be made at once whenever there is a cause to make such entry in chronological order and shall be authenticated by company secretary or any other person authorized by Board

CONSOLIDATION OF ACCOUNTS

Consolidate means to become or cause something to become, stronger or more certain.

Consolidation of accounts stands for consolidation of financial statements. w.e.f 14, May 2014 it is mandatory to prepare Consolidated Financial Statements.

In this vast business era many large companies are made up of smaller companies either entirely or partially. These smaller companies may have legally separated with their parent company and have its different sets of accounts and business. But at the end of the financial year parents company have to submit its financial statement together with its other subsidiary (ies) for showing and ascertaining it's financial health as a whole, rather than piece by piece.



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Who can consolidate their Accounts?

According to the Companies Act, 2013 all listed and unlisted companies, having one or more subsidiaries, including associate and joint ventures have to compulsorily prepare the Consolidated Financial Statements.

Consolidated financial statements can be created easily using the following steps:

- 1 • Organizing your information
- 2 • Setting Up a worksheet
- 3 • Combining Financial Statemnets
- 4 • Elemenating duplicates values

1. Organizing your Information

• Which Holdings to report as a Subsidiary And an Associate

Under this step our 1st step should be ascertain that which holdings to report as a Subsidiary and Associate. Generally the parent company who owns over the 50% of the shares of the company is called subsidiary and if its owns over the 20% is called Associate Company.



• Gather your paper work together from all the Companies

When you consolidate financial statements, you'll need all of the financial information for each company being considered. This will include information for the parent company as well. Specifically, you'll need access to the books (the record of all transactions) for each company.

2. Setting up a worksheet

• Setting up a worksheet is most important part you have to set separate spreadsheet for separate accounts and financial statements in a program that you can easily manipulate, like Excel sheet.

• Add financial information by labeling your rows and heads as it will help us to organize our information later.

	A	B	C	D	E	G	H	I	J
1	Balance Sheet								
2									31-Dec-09
3	Assets								
4		Cash							\$100,000.00
5		Accounts Receivable (AR)							\$50,000.00
6		Property, Plant and Equipment (PP&E)							\$30,000.00
7		Total Assets							\$180,000.00
8	Liabilities								
9		Accounts Payable (AP)							\$40,000.00
10		Debt							\$40,000.00
11		Total Liabilities							\$80,000.00
12	Shareholders' Equity								
13		Common Stock and Additional Paid-in Capital (APIC)							\$80,000.00
14		Retained Earnings							\$20,000.00
15		Total Shareholders' Equity							\$100,000.00

LOANS TO RELATED PARTIES

Section 185 of the Companies Act, 2013 which restricts loans to related parties has been replaced by a new section 185 by the Companies Amendment Act, 2017. Under the new section so replaced, some relaxations have been given to few loans subject to compliance of certain procedures. The new provisions can be discussed as under:

What is Covered

Following transactions are covered whether direct or indirect:

- (i) Loans
- (ii) Advances
- (iii) Loans represented by a book debt
- (iv) Guarantee
- (v) Provision of security in connection with any loan

Complete Prohibition

Following loans, advances, guarantees or securities are completely prohibited under section 185, A Company cannot give directly or indirectly loans, advances, to or give guarantee or provide any security in connection with any loan taken by:

3. Combining Financial Statements

• First step under this head is to recheck your financial statements again. Before combining them it's best to check the financial statements you will be using to ensure that they are for the same fiscal period. If not, you'll want to adjust them now. Going back and adjusting for this later will be much more work. In addition, check your financial statements for any missing information and seek to correct this before beginning to consolidate them.

• Consolidate financial statements by creating a balance sheet that reflects a sum of net worth, assets and liabilities. This is done by simply adding together the separate values from the balance sheets of the parent company and the subsidiaries. The balance sheet will include assets like cash, receivables, liabilities and loans etc.
For example, if the parent has Rs. 40000 in cash and the subsidiary has Rs. 10000 in cash, the consolidated balance sheet would show Rs.50000 in cash.

• Create a consolidated income statement this document will include all revenues earned and expenses incurred by the parent company and its subsidiaries. Like the consolidated balance sheet, this is done by simply adding the values from the companies' independent income statements together. Included values are measures of money earned, including sales and net income, and also measures of expenses like cost of goods sold and wage expense.

4. Eliminating Duplicate Values:

After the statements have been consolidated, you'll need to check for instances that don't make financial sense. Check for the following problems:

- > The consolidated company owning parts of itself (inter corporate stockholdings)
- > The company owing itself money (inter corporate receivables and payables)
- > The company selling items to itself for profit (inter corporate sales)[9]
- > Eliminate inter corporate stockholdings.
- > Account for inter corporate receivables and payables.
- > Delete any inter corporate sales.

After following the above mentioned steps you can easily made a Consolidated Financial Statements. It should be contain auditor reports and accounts notes as well. As per Companies Act, 2013 it is mandatory to submit this consolidation of accounts to ROC.

AOC-4 CFS is a form which should be filled with the Registrar of the Companies within 30 days from the date of the Annual General Meeting of the company.



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- (i) Any Director of the Company
- (ii) Any Director of the Company which is its Holding Company
- (iii) Any Partner of any Director
- (iv) Any Relative of any Director
- (v) A Firm in which any such Director or Relative is a Partner

Relaxation

Under the new provisions, a Company may advance any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the Company is interested, subject to the following conditions:

- (a) A Special Resolution is passed by the Company in General Meeting.
- (b) Explanatory Statement to the notice for the relevant General Meeting discloses the full particulars of the loans given or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security and any other relevant fact.
- (c) The Loans are utilized by the borrowing company for its principal business activities.

Who are the persons in whom Directors are considered to the Interested

As per explanation to section 185(2), followings are the persons in whom any of the Director of the Company is considered as interested:

- (a) Any private company of which any such director is a director or member.
- (b) Any Body Corporate at general meeting of which not less than twenty five percent of the total voting power may be exercised or controlled by any such director or by two or more of such directors together.
- (c) Any Body Corporate, the Board of Directors, Managing Director or Manager, whereof is accustomed to act in accordance with the directions or instructions of the Board or any of the director or directors of the lending Company.

Exempted Loans and Guarantees

Following Loans and Guarantees and Securities are exempted from the provisions of Section 185:

- (a) Any Loan to a Managing Director or Wholtime Director as a part of the conditions of service extended by the Company to all its employees or pursuant to any scheme approved by the members by a Special Resolution.
- (b) Any Loans given by a Company which in the ordinary course of its business provides loans or give guarantees or security for the repayment of any loan, if in respect of such loans an interest is charged at rate not less than the rate of prevailing yield of one year, three year, five year or ten year Government Security closest to the tenure of the loan.
- (c) Any Loan made by a Holding Company to its Wholly owned Subsidiary Company or any guarantee given or security provided by a Holding Company in respect of any loan made to its Wholly Owned Subsidiary Company.
- (d) Any guarantee given or security provided by a Holding Company in respect of loan made by any Bank or Financial Institution to its Subsidiary Company.

- Provided that any Loans made under clause (c) and (d) are utilized by the Subsidiary Company for its principal business activities

Exempted Companies

Pursuant to Notification dated 5th June, 2015 following companies are exempted from the provisions of Section 185:

- (i) A Government Company in case such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company or, as the case may be, the State Government before making any loan or giving any guarantee or providing any security under the section (Notification

LOAN TO DIRECTORS UNDER COMPANIES ACT, 2013

The provisions of Section 185 of Companies Act, 2013 clearly states that no loan, including any loan represented by a book debt can be given to director or any director of the lending company, or of a company which is its holding company or any partner or relative of any such director.

However a loan can be given in the following cases:

If the loan is being given to a managing or whole-time director—

- (i) as a part of the conditions of service extended by the company to all its employees; or
- (ii) pursuant to any scheme approved by the members by a special resolution;

If the loan is given by a company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India;

It may be noted that the restriction apply only at the time of entering into the transaction, for example, if a person is only an employee of the Company and later he becomes the director of the company, Section 185 would not apply. However, it cannot give further loans without complying with the provisions of Section 185 of the Act.

Penalty: If any loan is advanced in contravention of the provisions of Companies Act, 2013 the company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, and the director to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, or with both.

No. G.S.R. 463 (E)).

(ii) A Private Company:-

- (a) In whose share capital no other body corporate has invested money.
- (b) If the borrowing of such a Company from Banks or Financial Institutions or any other body corporate is less than twice of its paid up share capital or fifty Crore rupees whichever is lower.
- (c) Such a Company has not default in repayment of such borrowings subsisting at the time of making transaction under this section (Notification No. G.S.R. 464 (E)).

(iii) A Nidhi Company provided the loan is given to a director or his relative in their capacity as members and such transaction is disclosed in the annual accounts by a note. (Notification No. G.S.R. 465 (E)).

Penal Powers

If any loan is advanced or a guarantee or security is given or provided or utilized in contravention of the provisions of Section 185 Following penal provision has been provided:

- (i) The Company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees.
- (ii) Every officer of the Company who is in default shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, or with both.
- (iii) The Director or any other person to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him or the other person shall be punishable with imprisonment which may extended to his six months or with a fine which shall not be less than five lakh rupees but which may extend to twenty five lakh rupees or with both.

Conclusion

As the penal provisions are very hard it is advisable that the Company should be very cautious when granting loans and advances or giving guarantees or providing security.

Applicability

The provisions will be applicable from the date to be notified by the Government.



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AMENDMENTS:

In June 2015 MCA had come out with notifications whereby certain relaxations were given with regard to applicability of the Section 185 which deals with Loan to Directors. The exceptions are as follows:

For Private Companies the provisions will not be applicable in case all the below mentioned conditions are satisfied by the private company:

- >> No other body corporate should have invested any sum of money in the share capital of the company
- >> The company should not have borrowed money from bank, financial institution or body corporate exceeding twice of its paid up share capital or fifty crore rupees whichever is lower and
- >> The company should not have made default in repayment of borrowing at the time of making transaction

For Nidhi Companies the Section will not be applicable in case the loan is provided to a director or his relative in their capacity as members and such transaction is disclosed in the annual accounts by a note.

For Government Companies the Section shall not apply in case such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government before making any loan or giving any guarantee or providing any security under the section.

Further, the Companies Amendment Act, 2017 has also brought about certain changes in this regard which are as follows:

>> A loan can be given by a company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan provided that an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan. Earlier interest was required to be charged at a rate not less than the bank rate declared by the Reserve Bank of India.

COMPANIES (AMENDMENT) ACT, 2017 BRINGS RELIEF UNDER SECTIONS 185 AND 186

The intent behind bringing the amendment in Companies Act, 2013 is to clear the ambiguities in the current provisions in order to strengthen the corporate governance and to help improve ease of doing business in the country. Therefore, in order to remove the ambiguities and to bring clarity, the Companies (Amendment) Bill, 2017 which was passed by Rajya Sabha on December 19, 2017 and received the assent of the President on January 01, 2018, has brought many changes. Among the various changes, the present Article deals with the changes brought under the sections 185 and 186 of the Companies Act, 2013.

Changes in section 185

With the very introduction of Companies Act, 2013, section 185, being a prohibitory section, was of great importance. There was no scope of any carve out or any route to apply to Central Government's approval for non-applicability of such restrictions, unlike section 295 of the Companies Act, 1956. Further, the said section was applicable to both public as well as private companies, which was totally unacceptable by private companies. Then MCA vide exemption notification dated June 5, 2015 exempted private companies from the provisions of section 185 which brought great relief to the private companies, however, such relief is even subject to stipulated conditions. Therefore, to promote ease of doing business, the entire section has been substituted.

Deletion of the non obstante clause

The extant provision of section 185 starts with the following words "Save as otherwise provided in this Act", which provides that if there is any other provision of the Act permitting lending as covered by the section then such specific permission shall prevail over this section. This creates confusion as to whether specific sanction of section 186 which starts with "without prejudice to the other provisions" can exclude section 185. To avoid such ambiguity the same has been omitted in the amended provision.

The new provisions of section 185 is partly restrictive and partly prohibitive

The intent of the current provisions of Section 185 is to ensure that directors who hold a fiduciary position with respect to shareholders do not utilize the funds of the company for their own benefit. However, the company laws over the world do not provide for a complete blanket prohibition on advancement of such loans/guarantee/security to directors and their related entities.

It is pertinent to note that where the shareholders of the company, being the ultimate owners, themselves approve the utilization of the funds of the company in the specified manner, the law need not create a bar on the same. Thus, at par with the global company laws, the provision has been amended to remove the prohibition to an extent and provides for the passing of shareholders' resolution for granting of loans/guarantees/securities to entities in which directors are interested.

The amended provisions are partly prohibitive and partly restrictive. The section continues to prohibit the granting of loan/guarantee/security to some, while restricts the others in the following way:

(a) Prohibitive to:

- directors of the co., or
- directors of a co. which is its holding co.; or
- any partner of such director; or
- relative of such director

>> If any loan is advanced in contravention of the provisions of Companies Act, 2013 then apart from the company and the director to whom the loan is given, penalty will also be imposed on every officer of the company who is in default who shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees.



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(b) Restrictive to:

- any private co. of which any such director is a director or member;
- any body corporate at a general meeting of which not less than 25% of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together;
- any body corporate, the BoD, MD or manager, whereof is accustomed to act in accordance with the directions or instructions of the BoD, or of any director or directors, of the lending company.

The amended provisions allow the companies to grant loans/guarantees/securities to entities in which directors are interested, in the above mentioned restrictive cases, subject to prior approval of the shareholders by a special resolution and on the condition that such loans are utilised by the borrower for its principal business activities.

Significance of principal business activity in the amended provisions

In order to ensure that the companies do not take advantage of the relief, the amended provisions ensure that there is no syphoning of funds received by the companies, as the amount received under the section should be utilised by the borrower for its principal business activities and not for further investment or grant of loan.

Further, loans extended to persons, including subsidiaries, falling within the restrictive purview of Section 185 should be used by the subsidiary for its principal business activity only, and not for further investment or grant of loan.

Shareholders' approval -- whether 'prior' or 'post'?

It is pertinent to note that the provisions of the amended law, do not explicitly require any prior approval, as is the case in section 186 and 188 of the Companies Act, 2013.

Though, the Report of the Companies Law Committee, 2016 recommended the special resolution to be a prior resolution. However, the language of the amended section 185 does not specify whether the special resolution should be prior to advancing the loan/guarantee/security.

Further, as per the provision of the amended law, the explanatory statement to the notice of the general meeting is required to disclose the full details of the loan/guarantee/security given. Thus, one may infer that such resolution may be passed after granting of such loan/guarantee/security.

Rate of interest to be charged for the loans granted under the amended section

As per the Report of the Companies Law Committee 2016, the rate of interest for loans granted under section 185 was proposed to be aligned with section 186(7). Further, the report also suggested that it may not be appropriate to apply Indian interest rates benchmarks prescribed under section 186(7) to loans given by companies to foreign entities and the effective yield against the loan given, irrespective of whether the loan is given to a company incorporated outside India should not be less than the prescribed rate under section 186(7).

Though the exemption provided to companies which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan requires the rate not to be less than the rate of prevailing yield of one year, three year, five year or ten year Government security closest to the tenor of the loan, however, no such interest rate is provided for the persons falling within the restrictive purview of Section 185.

Extension of the penal provisions

The amended section 185 has extended the penal provisions to an officer of the company, which has been defined in section 2 (59) to include any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act. Therefore, the ambit of the penal provision has been widely extended.

Status of exemptions provided to the private companies

The amended section 185 seeks to completely replace the existing provisions of section 185 of Companies Act, 2013. However, the exemption notification dated June 5,

2015 shall continue to hold good and the amended provisions of section 185 shall be not applicable to private companies subject to the conditions prescribed in the notification.

As per the exemption notification dated June 5, 2015 only those private companies which fulfil the prescribed conditions are exempted from the provisions of section 185. Hence, private companies which do not fulfil the conditions prescribed are subject to the prohibition as per the amended section 185, i.e., the private companies, which do not fulfil the conditions for availing the exemption, will be able to grant loan/guarantee/ security under the restrictive purview.

Sl. No.	As per Act, 2013	As per Act, 2017
1	Prohibition on giving of loan/ guarantee/ security to the director of the Company	Continues to be prohibited
2	Prohibition on giving of loan/guarantee/ security to the director of the holding company	Continues to be prohibited
3	Prohibition on giving of loan/ guarantee/ security to any partner or relative of any such director	Continues to be prohibited
4	Prohibition on giving of loan/guarantee/ security to any firm in which any such director is a relative or partner	Continues to be prohibited
5	Prohibition on giving of loan/guarantee/ security to any private company of which any such director is a director or member	Requires passing of a special resolution
6	Prohibition on giving of loan/guarantee/ security to any body corporate at a general meeting of which not less than twenty-five per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together	Requires passing of a special resolution
7	Prohibition on giving of loan/guarantee/ security to any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company	Requires passing of a special resolution
8	No parallel provision	Loans to be utilised by the borrower for its principal activities

Status of applicability of the section on the following transactions

Particulars	As per Act, 2013	As per Act, 2017
Any loan made by a holding company to its wholly owned subsidiary company. Provided that the loans made are utilized by the wholly owned subsidiary company for its principal business activities.	Exempted	Continues to be exempted
Any guarantee/security provided by a holding company in respect of any loan made to its wholly owned subsidiary company. Provided that the loans made are utilized by the wholly owned subsidiary company for its principal business activities.	Exempted	Continues to be exempted
Any loan made by a holding company to its subsidiary company.	Not exempted	Continues not to be exempted
Any Guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company.	Exempted	Continues to be exempted

Changes in section 186
Incorporating MCA's clarification in the provisions of law

The amended provision clearly excludes employees of the company from the term 'person' to whom a company cannot directly or indirectly give loan exceeding the prescribed threshold. The same was clarified by the Ministry vide its General Circular dated 10th March, 2015. However, the said Circular provided two conditions for such exclusion i.e. the loan being given should be in terms of service policy of the company along with the same being in terms of remuneration policy of the company – these conditions are no more applicable, as the provision directly excludes employees from the term 'person'.

Exemption from shareholders' approval in certain cases

As per the amended provisions the shareholders' approval will not be required where a loan or guarantee is given or where a security has been provided by a company to its:

- wholly owned subsidiary company or
- a joint venture company, or
- acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company.

The exemption will increase the investing power of the company.

Articles

Other changes

- The exemption of the non-applicability of the provision of section 186 (except the provision relation to restriction on layers of subsidiaries) has been extended to a rights issue made by a body corporate specifically to include foreign company.
- The meaning of the investment company has been clarified, which is in line with the explanation provided by the RBI in its FAQ's on NBFC.

As per the amended provisions:

"a company will be deemed to be principally engaged in the business of acquisition of shares, debentures or other securities, if its assets in the form of investment in shares, debentures or other securities constitute not less than fifty per cent. of its total assets,

or if its income derived from investment business constitutes not less than fifty per cent. as a proportion of its gross income"

The same is also referred as the 50-50 test, and is applied to test whether the company is into financial business or not. Therefore, this provision will bring clarity in determining the non-applicability.

Therefore, the relief brought under both the section will be widely accepted by all and we hope that the said provisions shall be enforced soonest.

RELATED PARTY TRANSACTION



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Related Party Transaction ('RPT') is a transaction that is entered into by the companies with their related parties. In order to have a holistic view of RPT, it is pertinent to break the same into pieces and thereafter have a firm view of RPT. The compliances for RPT are prescribed under the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations ("LODR") and other regulations of SEBI. Let us understand the same one-by-one.

Related Party

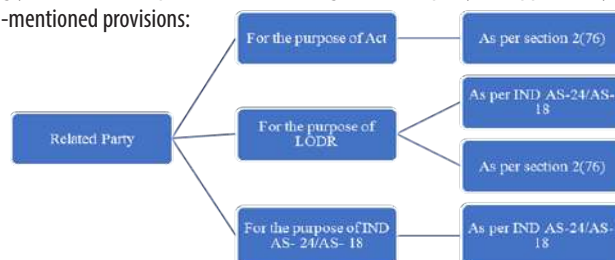
Before understanding the assorted provisions with respect to RPT it is pertinent to understand the term, "related party" for the purpose of applicability of the provisions of the Act and LODR. The term related party is defined under section 2(76) of the Act. The broader definition of the same is prescribed under Accounting Standard- 18 ("AS-18") which was further extended with the enforcement of Indian Accounting Standard-24 ("IND AS-24").

Related Party as per the Act

Related Party as per IND AS- 24

Related Party as per AS-18

At this juncture, it is essential to note that who may be a related party for purpose of the applicability of LODR may not be a related party for under the Act, 2013. Accordingly, below chart represents the meaning of related party for applicability of above-mentioned provisions:



Companies Act, 2013

The Act bifurcates RPTs. Section 188 of the Act list down transactions which if executed by a company with its related party shall be construed as RPT for the purpose of section 188. On the other hand, pursuant to section 177 any transaction executed with related party shall be construed as RPT. As the needle of both the transactions, revolves around the term related party, so before anything, a company has to first understand that the entity or person with whom it is going to enter into a transaction is a related party, at all or not.

If the foremost condition is being satisfied then it is essential to determine whether the transaction(s), is stated under section 188 of the Act. If so, then the provisions of section 188 shall apply and accordingly approval of Board and Shareholders shall be obtained else, the Company shall obtain the approval of audit committee under section 177 of the Act.

SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

Regulation 23 of LODR deals with RPT. As per regulation 23 of the LODR, the listed entity is required to formulate a policy on the materiality of RPT. Material transaction, as defined in the Regulations, is as under:

"A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

So, if the limits of the transaction as per section 188 of the Act read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, breaches to an extent where the transaction either individual or taken together with previous transactions during an FY exceeds 10% of the annual consolidated turnover of the listed entity.

However, one major difference for the purpose of voting by the members in a transaction is that as per the Act if the transaction exceeded the limit as prescribed in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 only the related party that is interested in the transaction is not allowed to vote. However, if the transaction tantamount to a material transaction as per Reg. 23 of SEBI LODR, then all the entities that fall into the definition of related parties shall abstain from voting regardless of their interest or disinterest in a particular transaction.

Further, prior approval of audit committee for all RPTs shall be obtained. The audit committee may grant omnibus approval subject to conditions as prescribed in Reg. 23(3) of the LODR.

Approvals for RPT

Board's Approval

The Company has to mandatorily require board's approval when entering into a transaction with a related party under section 188 of the Act, however, if the transactions are in the ordinary course of business and at arm's length then the requirement of getting the board's approval can be done away with.

Further, if the approval of shareholders as per LODR is required, then the same shall be duly approved and recommended to the shareholders by the Board.

Audit Committee Approval

The Requirement of audit committee approval comes into picture if the company falls in the requirement of constituting an audit committee as prescribed under section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014. Pursuant to section 177(4)(iv) and regulation 23 of LODR approval of audit committee shall be obtained for all related party transactions. However, the Companies Amendment Act, 2015, empowered the audit committee to give an omnibus approval for RPT.

Shareholder's Approval

Shareholder's approval will be required if the transaction as entered into with the related party is RPT as per section 188 and exceeds the limit prescribed in Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014. If the transaction exceeds the limit, an ordinary resolution has to be passed at the shareholders meeting.

Right of related party to vote:

1. As per Act

If the Company is required to obtain shareholder's approval pursuant to section 188 of the Act then the related party to the transaction shall be abstained from voting. However, exemption is provided to private company and for a transaction between holding and wholly owned subsidiary.

2. As per LODR

If the Company is required to obtain shareholder's approval pursuant to LODR then no related party to the company shall be allowed to vote on such agenda.

Companies Amendment Act, 2017

RPT became one of the most debatable topics since its introduction in the Act and therefore, the Companies Amendment Act, 2017 ('Amendment Act') brought about the following key changes and aimed at addressing the practical difficulties in its application. The following changes have appeared:

1. Inclusion of investing company and venture company as related party

Prior to the amendment, associate company was a related party to the investee company however, the investee company was not a related party to the associate company. Therefore, for a company that is an investor. Hence, pursuant to the Amendment Act both associate company and investor should be treated as a related party.

2. Voting Rights- Section 47 of the Act

Section 47 of the Act is the primary section prescribing the voting rights of the member(s) under the Act. Amendment has been brought in order to accommodate the provision of section 188(1) of the Act dealing with RPT. Provision of Section 188(1) of the Act states as follows:

"Provided further that no member of the company shall vote on such ordinary resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party:"

The Amendment Act clarifies that the requirement of section 47 of the Act shall be subject to section 188(1) of the Act, i.e., related parties as per the Act shall not be allowed to vote in the agenda.

3. Promoter's relative or related parties being 90% in number, allowed to vote

The second proviso of Section 188(1) of the Act prohibits interested members from voting in the agendas where they are related parties. However, there was practical difficulty faced in a situation where there were only 4-5 shareholders in a company and they are related parties, in such a situation the second proviso of section 188(1) of the Act created difficulty. Therefore, the Amendment Act came out with a change whereby if in a company, 90% or more members in number are related parties of the promoter, in such a situation all shareholders will be permitted to vote.

4. Contract or arrangement by a director without obtaining consent of the Board or shareholders

Section 188 (3) of the Act states that where a contract or arrangement has been entered into by a director or any other employee without obtaining the consent of the Board or shareholder and if the same is not ratified by the Board or the shareholder within three months shall be voidable at the option of the Board. The Amendment Act has brought an amendment in this respect that if such contract or arrangement is not ratified by the Board or shareholder within 3 months, then the same shall be voidable at the option of the Board, or as the case maybe, by the shareholders.

5. RPT's not approved by the AC shall be recommended to the Board by the AC

As per the provisions of the Act, the Board's approval is required for entering into any transaction, which is stated in section 188 of the Act, with a related party. However, if a company enters into a transaction, not covered under section 188 of the Act, with a related party the AC may either approve such transaction or recommend the same to the Board. So, the Amendment Act brings an amendment through which the AC may either approve the RPT as entered by the Company mentioned in section 188 of the Act or make a recommendation to the Board. The Board may, thereafter, although the transaction does not fall into the category of transactions as mentioned in section 188 of the Act, approve such transaction.

Further, a relaxation has been allowed to the AC to ratify any RPT entered into by the directors or officers of the company within three months from the date on which the transaction was entered into, though, the amount of such transaction shall not exceed Rupees one crore. Nonetheless, if such transactions are not approved the same shall be voidable at the option of the AC, and if such transaction is with a related party, the director or officer or the directing on whose direction the transaction was entered into shall indemnify the company against the loss.

Additionally, a transaction between a holding company and its wholly-owned subsidiary not being a transaction under section 188 of the Act, shall not require the approval of the AC.



L to R (sitting): CS Ahalada Rao V, Vice President, ICSI and CS Makarand Lele, President ICSI.(standing behind) CS Hitesh Kothari, Chairman, WIRC; CS Ashok Purohit, Chairman, EIRC; CS Pradip Kumar Debnath, Chairman, NIRC and CS Ramakrishna Gupta Racharla, Chairman, SIRC

EIRC EVENTS

Discussion on Union Budget 2018 held on 03.02.2018 at ICSI-EIRC House, Kolkata



Guest Speakers: CA Kapil Basu, Director (Tax & Regulatory Services), Pricewaterhouse Coopers Pvt Ltd; CS T B Chatterjee, Chief Corporate Officer (Legal & Corporate Affairs), DIC India Ltd; Moderator: CS Pankaj Dhanuka, Vice-President (Corporate Business Development), Emami Limited

HDW on Benami Transactions Prohibition Amendment Act & NBFC Regulations including Compliances held on 10.02.2018 at ICSI-EIRC House, Kolkata



Guest Speakers: Shri S S Gupta, Practising Chartered Accountant and Shri Mohit Bhuteria, Practising Chartered Accountant

EIRC EVENTS

CS Parivar Day Out held on 11.02.2018 at Madhyamgram



A Day Out programme of EIRC with Hooghly Chapter of EIRC and Study Circles under EIRC. CS Mukesh Chaturvedi, CS Deepak Kumar Khaitan, CS Siddhartha Murarka, Past Chairmen, EIRC; CS Rajan Singh, Chairman, Hooghly Chapter of EIRC; CA Hari Ram Agrawala, Dy Convener, Madhya Kolkata Study Circle; CS Gopal Khetan, Convener, VIP & Jessore Road Study Circle; CS Rakesh Gupta, Dy Convener, VIP & Jessore Road Study Circle along with senior members and students participated in the event

Study Circle Meeting on GST E-waybill, held on 17.02.2018 at ICSI EIRC House



CA Vikash Dhanania, Moderator for the Study Circle Meeting; CS Ashok Kumar Purohit, Chairman, EIRC and CS Gautam Dugar, Vice Chairman & Secretary, EIRC

EIRC EVENTS

President's Meeting with Chairman, EIRC and Chapters' Chairman held on 24.02.2018 at The Park, Kolkata



CS Makarand Lele, President, ICSI addressing the meeting. Also seen in the picture : CS Ahalada Rao V, Vice President, ICSI; CS Santosh Kumar Agrawala, Council Member, ICSI; CS Manta Binani, Past President, ICSI; CS Ashok Purohit, Chairman, EIRC of ICSI with Chapter's Chairman and officials

Press Conference held on 24.02.2018 at The Park, Kolkata



L to R: CS Ahalada Rao V, Vice President, ICSI; CS Dinesh Chandra Arora, Secretary, ICSI; CS Makarand Lele, President, ICSI and CS Ashok Purohit, Chairman, EIRC of ICSI and CS Santosh Kumar Agrawala, Council Member, ICSI

Full Day Seminar on “Knowledge to Transcendence” held on 24.02.2018 at The Park, Kolkata



Guest Speakers: CS Ahalada Rao V, Vice President, ICSI; CS Manoj Banthia, Practising Company Secretary and CS Anup Kumar Sharma, Vice President, V C Corporate Advisors Pvt. Ltd. Felicitation of CS Makarand Lele, President, ICSI and CS Ahalada Rao V, Vice President, ICSI on this occasion

Chairman EIRC’s Meeting with Chapters’ Chairman held on 25.02.2018 at ICSI-EIRC House, Kolkata



CS Ashok Purohit, Chairman, EIRC of ICSI addressing Chapters’ Chairman meeting, CS Surendra Nath Mullick, Chairman, Bhubaneswar Chapter; CS Rajan Singh, Chairman, Hooghly Chapter; CS Sital Prasad Swain, Chairman, Jamshedpur Chapter; CS Pravin Kumar Chhajer, Chairman, NE Chapter; CS Roshan Lal Nad, Secretary, Dhanbad Chapter; CS Amit Agarwal, Treasurer, Siliguri Chapter and CS Aditya Purohit, Member, Hooghly Chapter along with officials from EIRO and Chapter offices present at the meeting

DISCLAIMER

While every efforts have been made and care has been taken in preparation of this newsletter and to ensure its accuracy at the time of its publication, EIRC of ICSI assumes no responsibility for any errors which despite of all precaution, may creep in. ICSI-EIRC does not own any responsibility for the information and views published in journal which are of the contributors

Brief Report of the Activities of Chapters of EIRC from 01.02.2018 to 28.02.2018

Date	Name of Programme	Venue
Hooghly Chapter		
05.02.2018	Union Budget Analysis Meeting – 2018 on “Detailed Analysis of Union Budget -2018 with interactive session”	Conference Hall of Hooghly Chapter, Rishra
11.02.2018	“CS Parivar Day Out” jointly with EIRC of ICSI	Panchawati Residency, Madhyamgram
18.02.2018	Full Day Seminar on “Companies Amendment Act 2017” and “LODR (Listing Obligations And Disclosure Requirements)”	Conference Hall of Hooghly Chapter, Rishra
25.02.2018	Chairman, EIRC Meeting with Chairmen of all Chapters under EIRC	ICSI-EIRC House, Kolkata
NE Chapter		
03.02.2018	Study Circle Meeting on – E -Way Bill under GST and CODS 2018	ICSI House, NE Chapter Premises, Guwahati
Siliguri Chapter		
18.02.2018	Study Circle Meeting	Siliguri Chapter Office

EIRC has announced its Annual Membership Scheme (AMS) for the year 2018. Members can visit the following link for AMS detail and registration:
<https://www.icsi.edu/eiro/Home.aspx>



58th Executive Development Programme



Investor Awareness Programme

PRESS COVERAGES

हावड़ा पत्रिका. 05

ICSI to introduce new auditing standards to avoid corporate 'compromises'



आईसीएसआई की ओर से अध्यक्ष मिलन सम्मेलन

आईसीएसआई में आयोजित मिलन सम्मेलन

कोलकाता. २ इंस्टीट्यूट ऑफ कंपनी सेक्रेटरीज ऑफ इंडिया (आईसीएसआई) के २ इंस्ट्रुमेंट्स रिजल्ट काउंसिल की ओर से आयोजित मिलन सम्मेलन का आयोजन हुआ।



बेनामी लेले पर इमांड आरसी की कार्यवाही
कोलकाता. इंस्टीट्यूट ऑफ कंपनी सेक्रेटरीज ऑफ इंडिया (आईसीएसआई) के अध्यक्ष मिलन सम्मेलन के दौरान आयोजित मिलन सम्मेलन में अध्यक्ष मिलन ने कहा कि वेनामी लेले पर इमांड आरसी की कार्यवाही शुरू की जा रही है।

ICSI to come out with auditing standards for professionals

The risks arising from the potential malicious use of the SWIFT infrastructure, created by banks for legitimate business needs, has also been a component of their operational risk profile.

Secretariat
Makrand Lela in Calcutta. A Telegraph picture related to the appointment of directors, collection and documentation of data and the actual audit process itself. Lela said the audit process was evolving as the laws were being updated. "Gradually we would be adding more areas," he said.

सीएस फाउंडेशन में रांची चैप्टर से लाडली और पल्लवी प्रथम
रांची, २२.०२.२०

चर्चा
महोदय ने कहा कि नेशनल हेल्थ मिशन के तहत रांची चैप्टर में आयोजित कार्यक्रम में उन्होंने अपने विचारों को साझा किया।

ICSI to come out with auditing standards for professionals

KOLKATA: The Institute of Company Secretaries of India (ICSI) on Saturday said it is to introduce auditing standards for practising company secretaries. The auditing standards, however, will be voluntary in nature. President Makrand Lela said that according to the specific secretarial standards, it was mandatory to hold annual general meetings by companies.

आईसीएसआई की ओर से बजट पर चर्चा
कोलकाता. इंस्टीट्यूट ऑफ कंपनी सेक्रेटरीज (आईसीएसआई) की ओर से केंद्रीय बजट २०१८ पर एक चर्चा सत्र का आयोजन किया गया। आईसीएसआई के पूर्वी क्षेत्र के चयरमैन अशोक पुरोहित ने इस बजट को कृषि, स्वास्थ्य, पर्यटन, उद्योगिता व कीर्णाल विकास को बढ़ावा देने वाला बताया, खासकर रोजगार योजना व कारपोरेट कर में कमी से राजस्व के सृजन को बढ़ावा मिलेगा और आधारभूत संरचना में निवेश से देश की अर्थव्यवस्था का विकास होगा। इस कार्यक्रम के अध्यक्ष वरुण सिंह ने विषय देवी चर्चा की।

आइसीएसआई-इआइआरसी के चयरमैन सीएस अशोक पुरोहित

पक्षपात से परिपूर्ण सैनिकी प्रचलन उद्योगी
अशोक पुरोहित ने कहा कि सैनिकी प्रचलन उद्योगी को नुकसान पहुंचा रहा है।

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