



SIRC MYSURU CHAPTER

# e-Magazine



June 2022  
218<sup>th</sup> Edition

#### *Vision*

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

#### *Motto*

सत्यं वद। धर्मं चर। *Speak the truth. Abide by the law.*

#### *Mission*

"To develop high calibre professionals facilitating good corporate governance"



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**CS A HARSHA**  
CHAIRPERSON  
MYSURU CHAPTER

# Dear Professional Colleagues

The monsoon has arrived and as we all have been enjoying the showers from the sky, so was the excitement rising among the students of the Institute while the exams went on. It has been noted that the level of competence and responsibilities are also on rise, and I wish each and every student the very best for their future. Hope all are out in flying colours.

Talking about the programs for the month of May, on 28th, the Institute conducted a one-day seminar on “Corporate Compliance” at the Chapter Premises. CS Sajeevan C V., Registrar of Companies (RoC), Karnataka, was the Chief Guest & Mr. Jairam P Sampath, Whole Time Director & CFO, Kaynes Technology India Limited was the Guest of Honour. The RoC interacted with the Members, Students & Industrial Persons of Mysuru and clarified various issues raised. The seminar had one more session handled by CS Priyadarshini Mahapatra, Company Secretary & Compliance Officer of Syngene International Limited on the topic “Best Practices in Corporate Governance”. The seminar was attended by around 50 participants.

As June 5th is observed as the World Environment Day, let us all do our bit in nurturing nature. I urge all the members and students to start working in their small ways and help in preserving natural resources not just for themselves, but also for the future generations to come.

ICSI Mysuru Chapter is also looking forward to celebrating the PCS Day by conducting a session on June 15, on the topic "Contemporary Issue in CSR & Nutrition + fitness leading to Optimised Productivity". CS Reshma A., PCS & Scholar at Institute of Nutrition and Fitness Science will be the Speaker for the session. I thereby encourage you all to attend this session without fail. We also have Manthan 2022 on 24 and 25th of June and I'm overwhelmed with the response of registration for this program. I would like to thank God and all the great souls who are supporting and helping for the great success. I would like to wind up on a positive note - Eat well, sleep well, stay fit and Excel in life.

Thank you.



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)

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CS Phani Datta D N

CS Parvati K.R

CS Ajay Madhaiah

CS Madhur N Agrawal

CS Harsha A (Chapter Chair)

## Support team

CS Keerthana Gopal

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## Career Awareness Program

Chapter organized One Career Awareness Program during the month. The detail are as follows.

S. No	Date	College Name	Resource Person	No of Students
3	04.05.2022	University of Mysore – M.Com	CS Vijaya Rao	120



## Study Circle Meeting - Students



Chapter organized one students study circle meeting during the month. The details are as follows.

S. No	Date	Topic	Resource Person	No of Students
1	10.05.2022	Corporate Social Responsibility	CS Pavithra P	20

## Seminar on Corporate Compliance

Chapter organized a one-day seminar on the topic “Corporate Compliance” on 28th May 2022 at the Chapter Premises. CS Sajeewan C V., Registrar of Companies (RoC), Karnataka was the Chief Guest & Mr. Jairam P Sampath, Whole Time Director & CFO, Kaynes Technology India Limited was the Guest of Honor. The RoC interacted with the Members, Students & Industrial Persons of Mysuru and clarified the various issues raised. The seminar had one more session handled by CS Priyadarshini Mahapatra, Company Secretary & Compliance Officer of Syngene International Limited on the topic “Best Practices in Corporate Governance”. CS Harsha A., Chairperson welcomed the gathering & CS Padmanabha V., Secretary proposed the vote of thanks. Around 50 participants were attended the seminar.



## Pictures Wall



# Appointment of a Director/ Obtaining DIN of a person from a Country Sharing Land Border with India

## Short Summary:

- MCA has amended Companies (Appointment and Qualification of Directors) Rules, 2014.
- Three amendments have been made:
  - I. Amendment has been made in Rule 8 by addition of a Proviso.
  - II. Amendment has been made in Rule 10 by addition of a Proviso.
  - III. Amendment has been made in DIR-2 and DIR-3.

## A. Amendment I:

### I. Rule 8 – Consent to Act as Director

Language of Law: In case the person seeking appointment is a national of a country which shares land border with India, necessary security clearance from the Ministry of Home Affairs, Government of India shall also be attached along with Consent (DIR-2).

### II. List of Countries sharing Land border with India:

China, Pakistan, Bhutan, Myanmar, Afghanistan, Nepal and Bangladesh.

### III. Interpretation:

W.e.f. June 01, 2022, if any person wants to be appointed as Director in Indian Company and that person belong to any of the above mentioned countries then before appointing such person required to take approval from Ministry of Home Affairs.

## B. Amendment II:

### I. Rule 10 – Intimation of DIN to Company

Language of Law: In case the person apply for DIN is a national of a country which shares land border with India, necessary security clearance from the Ministry of Home Affairs, Government of India required to be attached in form DIR-3 to get DIN..

### II. Interpretation:

W.e.f. June 01, 2022, if any person want to get Director Identification No. (DIN) in India and belong to any of the above mentioned countries then before obtaining the DIN such person required to take approval from Ministry of Home Affairs and such clearance/ approval required to be attached in DIR-3.

“

-Director in any Company Incorporated in India and such person belong to China, Pakistan, Bhutan, Myanmar, Afghanistan, Nepal and Bangladesh then before obtaining the DIN or before appointment, such person is required to take approval from Ministry of Home Affairs and such clearance/ approval required to be attached in DIR-3 or along with DIR-2. ”

CS Divesh Goyal  
Practicing Company Secretary  
Email ID: ccsdiveshgoyal@gmail.com



### C. Amendment III:

#### I. Amendment in DIR-2

**New Disclosure:** New disclosure added in DIR-2 I further declare that,

- I am not required to obtain the security clearance from the Ministry of Home Affairs, Government of India before seeking appointment as director; or
- I am required to obtain the security clearance from the Ministry of Home Affairs, Government of India before seeking appointment as director and the same has been obtained and is attached.

#### II. Amendment in DIR-3:

**New Disclosure:** New disclosure added in DIR-3 Declaration 3A,

- I am not required to obtain the security clearance from the Ministry of Home Affairs, Government of India under sub-rule (1) of rule 10 before applying for director identification number; or
- I am required to obtain the security clearance from the Ministry of Home Affairs, Government of India under sub-rule (1) of rule 10 before applying for director identification number and the same has been obtained and is attached.

#### III. Interpretation:

W.e.f. June 01, 2022, if any person

- Want to get Director Identification No. (DIN) in India; or
- Want to be appointed as a Director in any Company Incorporated in India and such person belong to China, Pakistan, Bhutan, Myanmar, Afghanistan, Nepal and Bangladesh then before obtaining the DIN or before appointment, such person is required to take approval from Ministry of Home Affairs and such clearance/ approval required to be attached in DIR-3 or along with DIR-2.



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# Proposed Changes in Company Law - A shape of things to come

The Company Law Committee (CLC) set up in September 2019 has made its recommendations vide its Report dated 21st March 2022 to the Government regarding changes to be made for effective implementation of the Companies Act 2013 (CA-13), the Limited Liability Partnership (LLP) Act, 2008 and the rules made thereunder and for facilitating greater ease of doing business in India.

The previous reforms in CA-13 emanated from the recommendations of the CLC of 2016 resulting in the Companies Amendment Act 2017 and the Committee to Review Offences under CA-13 of 2018 leading to decriminalizing of various offences under the Companies Act in 2019.

**The recommendations under CLC Report 2022 have been made with a view to:**

- A. Fostering ease of doing business for law-abiding corporates in India.
- B. Recognizing and introducing new concepts in CA-13 which have proven to be successful globally.
- C. Improving compliance requirement by strengthening the company law framework.
- D. Updating regulatory mechanisms with changes oriented around better technological integration.
- E. Streamlining existing procedures through clarificatory amendments and other drafting changes.

**The main proposed changes can be summarized as under:**

Fostering ease of doing business:

## **I. Allowing companies to re-align their financial year (FY)**

Amendment to Section 2(41) is proposed to permit companies to re-align their FY in line with CA-13, where they cease to be associated with a foreign entity, subject to an application to the Central Government in the prescribed form.

## **II. Easing the requirement of raising capital in distressed companies**

It is proposed to amend Section 53(2A) to permit distressed companies to issue shares at a discount to the Central Government, State Government or such class or classes of persons,

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**-It will thus not be an exaggeration to say that the Committee's recommendations when enacted will provide an impetus to corporates and other stakeholders while at the same time help in consolidating and strengthening the provisions of the Companies Act and the LLP Act..”**

**CS Radha Vijayaraghavan**  
B.com, FCS, ACMA  
CEO – REV Consulting  
Email ID: radha@revconsulting.in



as maybe prescribed, notwithstanding the prohibition under section 53(1). Companies with cash losses in the previous three consecutive financial years may be categorized as distressed companies.

### **III. Replacing affidavits with self-declaration**

The proposed amendment is to permit a company to file a self-declaration in the place of an affidavit to a) section 68(6) for purchasing its own shares and b) section 374(c) when seeking registration under Part I of Chapter XX1.

### **IV. Easing restoration of struck-off companies**

The proposal is to amend Section 252 to provide that a person aggrieved by the striking-off of a company may appeal within a period of 3 years to the Regional Director instead of the National Company Law Tribunal (NCLT), which is presently overburdened. This would help in restoration of companies in a seamless and time bound manner.

### **V. Facilitating e-enforcement and e-adjudication**

The proposed amendment to Section 398 is for deletion of explanation to the section to enable the Central Government to make rules for electronically imposing fines, penalties and payment of fees.

## **Recognizing and introducing new concepts in CA-13:**

### **I. Recognizing, Issuance and holding of fractional shares, Restricted Stock Units (RSUs) and Stock Appreciation Rights (SARs)**

Proposed Amendment: a) Insertion of a new section under Chapter IV (Share Capital and Debentures) to permit issuance, holding and transfer of equity shares less than one unit for prescribed class of companies and b) Amendment of Section 62(1) to allow additional employee compensation schemes linked to the value of share capital of the company. These are suggested in the light of similar global practices in other countries. Allowing fractional shares will be a boon to small shareholders and recognizing RSUs and SARs could open more avenues under the Employees Stock Option route.

### **II. Recognizing Special Purpose Acquisition Companies (SPACs)**

Insertion of new Chapter for recognition and regulation of SPACs:

An enabling provision in CA-13 is envisaged to recognize SPACs and allow an entrepreneur to list a SPAC incorporated in India on domestic and global exchanges. Also, to be provided in CA-13 is a relaxation of the requirement to carry on business before being struck off and an exit option for the dissenting shareholders of SPAC where they disagree with the choice of the target company.

### **III. Recognizing the concept of forensic audit**

Amendment of Chapter XIV proposed: to enable forensic audit to be ordered during investigations, of such nature, as may be prescribed. The Central Government is also to have powers to prescribe detailed rules for this purpose through subordinate legislation.

## **Improving compliance requirement by strengthening the company law framework**

### **I. Strengthening the National Financial Reporting Authority (NFRA)**

Proposed Amendment of Section 132 is to:

- a) Empower NFRA to take action against auditor for non-compliance with CA-13 and requirements thereunder that do not qualify as professional or other misconduct. Additionally, to empower NFRA to take appropriate penal action if its orders are not complied with.
- b) Empower NFRA to make regulations concerning specific matters consistent with CA-13 and the Rules made thereunder.
- c) Constitute and administer NFRA Fund
- d) Empower NFRA Chairman to have general superintendence, control and direction of the authority

## II. Strengthening the Audit Framework

Proposed are the Amendments of the following sections:

Section 139 to empower the Central Government to mandate joint audits for prescribed companies.

Section 140 to mandate that a resigning auditor should make explicit disclosures about resignation including but not limited to those concerning non-co-operation from the Client Company, fraud or severe non-compliance or diversion of funds, as well as providing assurance on the company's accounts and his decision to resign. Failure to comply shall attract penalty and obligations like the UK Companies Act.

Section 144 to enable prescription of a differential list of prohibitions on availing non-audit services from its auditors for certain classes of companies.

Section 147 to cover penal consequences for contravention of sub-sections of Section 143 other than sub-section (12).



## III. Standardizing qualifications by auditors

Proposed Amendment of Section 143: is to specify a format for auditors to prepare an impact statement for each qualification, reservation, or adverse remark on the company's financial statements. This makes for better understanding of the issues on hand.

## IV. Strengthening the incorporation and governance framework for Nidhis

Amendment of Chapter XXVI is proposed to include more stringent and robust provisions for incorporating and regulating Nidhis.

Updating regulatory mechanisms with changes oriented around better technological integration

### I. Allowing companies to hold general meetings in virtual, physical or hybrid modes

Proposed Amendment to Section 96 and Section 100: is to enable companies to hold annual general meetings (AGMs) and extraordinary general meetings (EGMs) in electronic mode in such manner as maybe prescribed.

Also, insertion of a proviso in Section 101 is suggested to provide that a general meeting held in electronic mode may be called by giving the notices as prescribed.

Owing to the multifarious benefits of relaxing the requirement for physical meetings experienced during the Covid period, this recommendation was made along with the proposal to reduce notice period for EGMs conducted in electronic mode.

### II. Creating an electronic platform for maintenance of statutory registers by companies:

Proposed Amendment to Section 120: is to mandate that prescribed class or classes of companies maintain registers on an electronic facility provided by the Central Government and the government may direct the company to share the information held on the statutory registers in certain enforcement-related functions.

In the light of emerging global practices, the recommendation was made to lessen the regulatory burden, reduce compliance costs and for affording a secure, transparent and easier way of sharing and viewing information for all stakeholders.

### **III. Facilitating communication in electronic form**

Amendment is proposed to

- a. Section 20 to introduce an overriding provision enabling Central Government to prescribe rules for classes of companies to serve documents mandatorily by electronic mode only and
- b. Proviso to Section 20(2) to allow companies to stipulate fees at general meetings for postal delivery of documents, where specifically requested by members.

### **Streamlining existing procedures through clarificatory amendments and other drafting changes**

#### **I. Clarifying provisions on buy-back of securities**

- a) Amendment is proposed to a) the proviso to Section 68(2) to explicitly include free reserves while calculating the threshold of twenty-five per cent in case of buy-back of equity shares and
- b) the explanation to Section 68 to clarify that only the exercised stock options can be bought back by the company.

#### **II. Specific prohibition on the inclusion of trusts on the register of members**

Insertion of a new section is proposed under Chapter VII to expressly prohibit companies from entering notice of any trust-express, implied or constructive on their register of members.

The rationale was to plug the lacuna arising out of non-inclusion of this provision in CA-13.

#### **III. Clarifying provisions relating to Investor Education and Protection Fund (IEPF)**

The proposed amendments relate to

- a. Section 124(5) to include a reference to all dividends and interest accrued on such dividend in respect of shares to be transferred to such Fund under sub-section (6).
- b. Section 125(3)(a) to include redemption amount towards unpaid amount of unpaid or unclaimed preference shares as a purpose for which the fund may be utilized.
- c. Section 125 for empowering IEPF authority to delegate to members, officers etc.
- d. Sec125(2) and 125(3) to allow unclaimed amounts with respect to shares bought back/ cancelled to be transferred to IEPF.

#### **IV. Clarifying the tenure of an Independent Director (ID)**

Amendment is proposed to

- a. Section 149 to clarify that ID's total tenure would include tenure as additional director immediately prior to his regularization as ID
- b. Section 149(6) and 149(11) to introduce a 5% cap on maximum revenues that could be generated by a legal or consulting firm in certain circumstances.

## **V. Revising provisions on disqualification and vacation of director's office**

- a) Amendment to Section 167(1)(a) and proviso thereto is proposed to limit vacation of directorships to disqualification triggered due to personal incapacity under Section 164(2).
- b) Amendment to proviso to Section 164(2) is suggested to relax disqualification trigger from 6 months to 2 years for freshly appointed directors that are in default under section 164 (2)(b) and amendment to Section 164(2) to clarify that disqualification provisions do not apply to nominee directors appointed by SEBI registered debenture trustees

## **VI. Cooling off period before auditors become directors/IDs or become managerial personnel**

Provision that a person shall not be eligible to become

- a. a director if he has been the auditor of the company in the last one year (amendment to Section 164(1))
- b. a MD/WTD or Manager if he has been the ID of the company in the last one year

## **VII. Clarifying the manner of resignation of certain Key Managerial Personnel (KMPs)**

Insertion of a section in Chapter XIII intends to stipulate the procedure of resignation of certain KMPs in line with Section 168 with regards to resignation of directors

## **VIII. Setting up of Risk Management Committees (RMCs) envisages**

Insertion of a section in Chapter XII to mandate establishment of RMCs by certain companies and to provide for the composition and function of such an RMC

## **IX. Reviewing provisions on Merger and Amalgamation contemplates**

- a. Insertion of proviso to Section 232 for dealing with and extinguishing treasury stock held before commencement of CA -13
- b. Amendment of Section 233 to provide for twin tests for approval of fast-track mergers and to provide the Central Government with rule making powers
- c. Amendment of Section 419 for constitution of Special Benches of NCLT to deal with mergers and amalgamations, corporate re-structuring or Insolvency and Bankruptcy cases

## **X. Prohibition of conversion of co-operative societies into companies entails**

Deletion of reference to such societies in Section 366 as companies capable of being registered

Several drafting and clarificatory changes have also been recommended

Besides these, a new chapter is proposed to be introduced in the LLP Act, 2008 to allow for incorporation of producer LLPs

It will thus not be an exaggeration to say that the Committee's recommendations when enacted will provide an impetus to corporates and other stakeholders while at the same time help in consolidating and strengthening the provisions of the Companies Act and the LLP Act.

## **References:**

Report of the Company Law Committee, Government of India, Ministry of Corporate Affairs- March 2022

# Downstream Investment –Evolving Method of Foreign Investment in India

## Background and Regulatory Framework of Downstream Investment in India:

Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry, Government of India issues Press Notes (“PN”) from time to time to pronounce the FDI Policy of the Central Government. Prior to 2009, there were no clear and concise rules on Downstream Investment (“DI”). DIPP issued press notes in February 2009 bringing in the concept of DI for the first time. Thereafter DIPP has issued Press notes 2 (2009 Series), 3 (2009 Series), both dated 13th February 2009, and 4 (2009 Series), dated 25th February 2009 bringing more clarity on DI and also provided guidelines on calculation of Indirect Foreign Investment. These are now subsumed within the Consolidated FDI Policy. RBI incorporated DIPP’s DI related guidelines in its Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, commonly known as “FDI Regulations”. In short, DI is governed by DIPP PNs and RBI FDI Regulations.

Post that the RBI came up with the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“NDA Rules”) read with Foreign Exchange Management (Mode of Payment and Reporting of Non Debt Instruments) Regulations, 2019 (“NDA Regulations”) wherein the rules with respect to DI were subsumed. The same Regulations also lays down the procedure for reporting DI which is basically further investment made by Indian company who has received FDI and made further investment in another Indian company. This article attempts to elaborate various aspects of Downstream Investment under the said Rules and Regulations of FEMA

Foreign Investment in India comprises of both direct foreign investment from non-residents and indirect investments through resident Indian entities having such direct foreign investment. Indirect Foreign Investment is often referred to as “Downstream Investment (DI)” under FEMA.

### What is Downstream Investment?

Foreign investment comprises of both direct foreign investment from non-residents and indirect investments through resident Indian entities. Downstream investment means indirect foreign investment by one Indian company into another Indian company by way of subscription or acquisition of shares.

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-Accordingly, any DI must comply with all FEMA rules - sectoral caps, conditions or restrictions of FDI policy. This includes capitalization norms, valuation rules, optionality clauses, etc. where approvals are required, the same has to be obtained. Thus, even though the transactions may be between Indian entities, if one of them is indirect foreign investor, FEMA applies.”



**CS Lalit Rajput**  
Practising Company Secretary  
Email ID: [lalitrajput537@gmail.com](mailto:lalitrajput537@gmail.com)



**CS Bhavana Tikekar**  
Practising Company Secretary  
Email ID: [csbhavana0401@gmail.com](mailto:csbhavana0401@gmail.com)

Precisely it means investment made by an Indian entity, which has total foreign investment in it, or an Investment Vehicle in the capital instruments or the capital, as the case may be, of another Indian entity.

While the definition of 'downstream investments' under the erstwhile FEMA 20 regulation only considered indirect foreign investments by one Indian company into another Indian company, the definition has now been revised to include investments by Indian companies, LLPs or investment vehicles (each, an Indian entity), in the capital instruments or the capital (as the case may be), of another Indian company or LLP.



Accordingly, any DI must comply with all FEMA rules - sectoral caps, conditions or restrictions of FDI policy. This includes capitalization norms, valuation rules, optionality clauses, etc. where approvals are required, the same has to be obtained. Thus, even though the transactions may be between Indian entities, if one of them is indirect foreign investor, FEMA applies.

#### **Downstream Investment by an LLP:**

Downstream investment by an LLP not owned and not controlled by resident Indian citizens, or owned or controlled by persons resident outside India, is allowed in an Indian company operating in sectors where foreign investment up to 100 % is permitted under automatic route and there are no FDI linked performance conditions. Indian entity, however, cannot borrow and invest such borrowed funds. They can raise debt for their business, but not for further downstream investments.

#### **Compliances and reporting requirement of Downstream Investment under NDA Regulations:**

- Indian Company which has received indirect foreign investment (Investee Company) has to comply with entry route, sectoral caps, pricing guidelines and other conditions as applicable for foreign investment.
- Indian company investing in other Indian company (Investor Company) shall bring in requisite funds from abroad and not use funds borrowed in the domestic markets for DI.
- DI may be made through internal accruals and for this purpose, internal accruals shall mean profits transferred to reserve account after payment of taxes.
- Investor Company shall be responsible for ensuring compliance for the downstream investment made by it at second level and so on and so forth.
- Investor Company shall notify to the Secretariat for Industrial Assistance (“SIA”) and Department for Promotion of Industry and Internal Trade (“DPIIT”) by way of filing form on the online portal i.e Foreign Investment Facilitation Portal (“ FIFP”) post completion of registration on the aforesaid portal. The reporting should be done within 30 days of such investment.
- Apart from filing form on FIFP, the Investor Company is also required to file Form DI within 30 days from the date of investment in equity instruments through FIRMS portal.

- There is no opportunity for resubmission. If the reporting is done beyond 30 days, application will be forwarded to RBI for its approval. Needless to say, if the DI reporting is rejected, the whole process has to be redone with correct information / documents.
- The first level Indian company making downstream investment shall be responsible for ensuring compliance with the provisions of these regulations for the downstream investment made by it at second level and so on and so forth.
- Investor Company shall obtain a certificate to this effect from its statutory auditor on an annual basis. In case statutory auditor has given a qualified report, the same shall be immediately brought to the notice of the regional office of the Reserve Bank in whose jurisdiction the Registered Office of the company is located and shall also obtain acknowledgement from the Registered Office.
- Director's Report of the Investor Company shall include a statement that they are complying with the Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

#### **Documents required for reporting on FIFP and FIRMS portal:**

- The Investor Company is required to fill in form on the FIFP portal and may attach the covering letter or any other documents as may deem fit. There is no mandatory document prescribed for filing form on the FIFP portal.
- Each AD bank comes up with its own requirements which may vary and not limited to the documents prescribed in FIRMS manual. It is always advisable to obtain checklist from the AD Bank for the required documentation before commencing the reporting.
- It is recommended to file Board resolution for approval of DI by Investor Company, Board resolution for approval of allotment or transfer of shares by Investee Company, Certified copy of pre and post shareholding pattern of Investee Company, Valuation Report.



#### **Consequence for delay in reporting**

In case of non-reporting of Foreign Investment received, it shall be treated as a contravention of the provisions made under NDA Regulations. In case, the company has contravened the provisions, Late Service Fee (LSF) at the rates prescribed can be paid, without opting for compounding.

- There are no late filing fees in case of delay in filing of form/reporting to SIA and DPIIT on the FIFP portal.
- Late Submission Fee (LSF) will be applicable for delay in reporting of DI on the FIRMS portal.

#### **Conclusion**

The new regulations on DI are welcome by the Corporates in India. It provides greater clarity on the scope of DI. While the DI reporting is straight forward and fairly simple, applicability of the provisions must be thoroughly analyzed, and all the documents should be collated in advance so that there is no delay in reporting



# Tips to Company Secretary for building rapport with Investors

## The Perspective

Investors are key for any business. Building relationships with a variety of investors will lead to a progressive and sustainable growth of the business and will make navigating everyday business easier. It is not easy. It goes beyond process and structure of investor relations into the psychology of communication and how to apply it. Investor meetings are challenging because you need to share and tell story of your business, what makes you unique, and why you are the right company for them to invest. One of the most difficult and important part of the role of a company secretary is building the necessary rapport with the investors.

## Building Rapport with investors

One of the key roles of Company Secretary is to act as a bridge between investors and the Board of Directors. This calls for a deep understanding of the perceptions, expectations and needs of the investors. The Company Secretary should develop skills for building a rapport with the investors. Following are suggested action strategies for the Company Secretaries in their efforts in trying to build expected level of rapport with the investors.

Spend time building a reliable profile of your Investors: important before you get to the task of building rapport with investors, it is important to understand the profile and psyche of your investor group. You should have answers to questions like:

1. What is their reason for their investing?
2. What information they would like to hear / get?
3. How do they like to hear / get the information?

Try to figure out Answers to these questions which would provide you a good profile of who your investors are. If you don't know all of the answers, you may make some intelligent guess. You must have a plan as to how you are going to attempt to build rapport. Without it, you are just hoping for the best.

Move from thinking about what you're saying to how you're saying it: While preparing for investors' presentation you should spend enough time so that you feel comfortable with the content. You should practice it enough to be able to make a convincing and exciting

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**-Ask questions in the investors meeting: When we say ask questions, It does not mean “Ask them if they understand what is being communicated to them”. What it means is, from time to time ask the investors for personal/professional information that helps you to understand them better. The point is to get them talking and then Listen to them to find information that you can use to improve rapport..”**

**CS Dr S K Gupta**  
MD, ICMAI Registered Valuer  
Organization  
Email ID: [cbsst.sk Gupta@gmail.com](mailto:cbsst.sk Gupta@gmail.com)



presentation. To create rapport with the investors, you need to focus on what and how you are saying it. You should carefully observe the non-verbal reactions to your presentation. Make the investors feel important and say that you are presenting just for them, they should believe that you care about them, their wants, and their goals.

Ask questions in the investors meeting: When we say ask questions, it does not mean “Ask them if they understand what is being communicated to them”. What it means is, from time to time ask the investors for personal/professional information that helps you to understand them better. The point is to get them talking and then Listen to them to find information that you can use to improve rapport.

Don't delay the tricky conversations: If your company is facing some issues, The sooner you provide information about it to the investors, the better it would be. Share the issues and problems with them and share suggested solutions. Honesty is the best policy. If investors feel you're being honest, you've highlighted your business concerns and also the good news, they will get more confidence in you.

Always have honest communication: Investors want to know what is going on in your company – the good news, of course, but more importantly the challenges and setbacks. Being honest about the company’s growth, product, and market goes a long way in establishing trust. Treat investors like an extension of your team by keeping them up to date on key initiatives and seeking their advice often. As hard as it may be, always report bad news. It is not only a fiduciary duty, but it also builds trust.

Send updates about your business: An investor won't invest in a company if he isn't thinking and reading about. You must remind investors that your company exists and tell them about vision, mission, objectives, growth of your business. The best way to remind investors that your company exists is by sending updates / newsletters from time to time about your business.

Do what you say: No matter what it is, do what you say. The number one problem facing investors is finding company officials they can trust and who will deliver. Not just for being confident in returning their own money, but for protecting their own credibility and relationships



**Conclusion:** One of the biggest mistakes we make in investors relations is not being honest with investors. It's easy to share the truth or upsell achievements. If you're working together to build something, then you want to be on the same side, and this requires transparency and communication. You need to be sharing the real status and challenges your company is facing. Rapport is connection with another person, be humble, but believe in yourself, Listening is the foundation of building rapport. Start the investor relationship early. Reach out to potential investors and cultivate a relationship before you actually ask for an investment. Talking to potential investors before fundraising takes the pressure off and allows you to get critical, early feedback. There's the adage 'If you want advice, ask for money. If you want money, ask for advice.' The folks you initially engage for feedback will get to know you over time and are ultimately more likely to invest.

# Can Spirituality boost Success?

For most of us, success is based on how stressed out and anxious we are! Normally, we equate our accomplishments to overworking, pushing boundaries, and manipulating circumstances in our favor. In doing so, we believe in the “go out there and grab it” mentality and constantly feel like a hamster on a wheel—trying to run faster but always winding up right where we left off. Worst of all, we always push our nervous system beyond its healthy limit. We would work, work, work and then burn out. This was a typical routine for us.

For some, success means owning a big house, driving a fancy car, and going on exotic vacations. For others, success implies inner peace, an abundance of love and happiness, and living a life of integrity. And for some others, success can be a combination of both. But what exactly is success? According to more and more studies and lived experiences of different kinds of people, stillness is being accepted as the spiritual secret to success.

## What is Spirituality?

Spirituality is known as Adhyātma. It is derived from two words Adhi and Ātman (Ātmanahā). Adhi means ‘above or over’ and Ātmā means the ‘soul or the spirit’. The soul is the equivalent of God within each of us and refers to our true nature.

Spirituality, thus, deals with the understanding that the nature of the soul and one’s journey back to identifying with the soul and experiencing it is in fact one’s true nature. Spirituality is the expansive science about how to be blissful.

The scope of the science of spirituality is vast and also includes answers to profound questions such as, ‘who am I’, ‘where did I come from’, ‘what is the purpose of life’, and ‘where will I go after death’, etc.

Through meditation, prayer, and commitment to inner awareness, we can realize that our greatest accomplishments would come from stillness. This is when we start living life. Slowing down and listening is the key to living a good life.

This brings us to the question that how can we create mindful moments throughout the day, which ultimately lead to success? Some of the useful mantras that have worked for numerous people include:

“

**-The scope of the science of spirituality is vast and also includes answers to profound questions such as, ‘who am I’, ‘where did I come from’, ‘what is the purpose of life’, and ‘where will I go after death’, etc.”**

**CS Shukla Bansal FCS, FCMA, M.Com**  
Practicing Company Secretary  
Email ID: shuklabansal@yahoo.com



1. Deepen your spiritual connection. Success begins with you. Strengthening your connection with your Source (God, Universe, or Spirit: whoever that might be) is the most important step to knowing who you are at the core. When you know who you are, you can be who you are. And when you can be who you are, without fear, then anything and everything is possible.

2. Take full ownership of who you are. Taking ownership means not making excuses, not blaming others, and not using your past or circumstances as reasons why you cannot be successful. When you know who you are and can still love all of you, both your light and your darkness, you can own your life and actions. Taking ownership and being responsible for what you think, what you say, and what you do is crucial to truly being successful. Remember, success starts and begins with you.

3. Understanding that your purpose is who you are, not what you do. People often ask others, “How do I find my purpose?” Here is my answer. Your purpose is not hiding under a rock. You do not need to search for it because it has always been with you. You were born with a specific purpose the day you were created—all you need to do now is to find it.

4. Commit to realizing, redefining, and realigning your vision. Your vision can be as big or as small as you want it to be. The important thing here is to have your vision and purpose aligned. Once you uncover your purpose and who you are in the world, the next step would be to ask yourself, “Well, if this is who I am in the world, then what would I be doing? Your vision is the reason you wake up every day. It is what I like to call your “big juicy goal”. Keep asking yourself what is the legacy you want to leave behind.

5. Being a conscious creator. To be a conscious creator of your world means you need to be taking committed action. It means that you are awake in your life, aware of your purpose, and your vision and are willing to do whatever it takes to have the life that you want.

6. Be responsible for the energy in your space. Everything is energy. Money, love, fear, God, the Universe, your thoughts, words, and actions—all of it is energy. Remember that your thoughts, words, and actions, when aligned, will produce unimaginable success in your life. To simply know that you have the power within you to be, do, and create anything in your life, is permitting yourself to be the brilliant, radiant, magnificent, and divine soul you were meant to be.



Spirituality can guide us through the process of becoming more, it can also help us become great leaders. In days gone by, the dog-eat-dog mentality was very prevalent. However, today people admire those who help others to achieve success. These people are true inspirations.

Many achievements are based on simple spiritual laws that you may find helpful and rewarding.

1. Sit for 1 minute with your eyes closed, paying attention to your breath or silently reciting a mantra.
2. Begin a daily meditation practice of any kind, whether you sit for five minutes or 20 minutes. Maybe, you sit two times a day and give yourself that great opportunity to reorganize your energy.

Some other laws of spirituality that must be kept in mind are:

1. **Giving back to society:** Sometimes you have to give away what you have to keep it! Doing good deeds for the community or helping a colleague at work creates a valuable symbiosis that keeps you on the ladder of success.
2. **Cause and effect:** Everything we say or do creates a reciprocal action. We not only affect the person we are talking to but also their families and friends. Trying to create good energy by inspiring people or seeking the better good in things, in turn, creates a better feeling within us.
3. **Law of Intention:** Perhaps we seek a happy marriage with children who feel protected and loved by us. We might see ourselves in perfect health and surround ourselves with loving relationships and friendships. This is the key to intention.
4. **Law of Purpose:** Everyone on Earth has their special talents and gifts that other people are inspired by. Sometimes we cannot see those for ourselves and at other times they are overt.

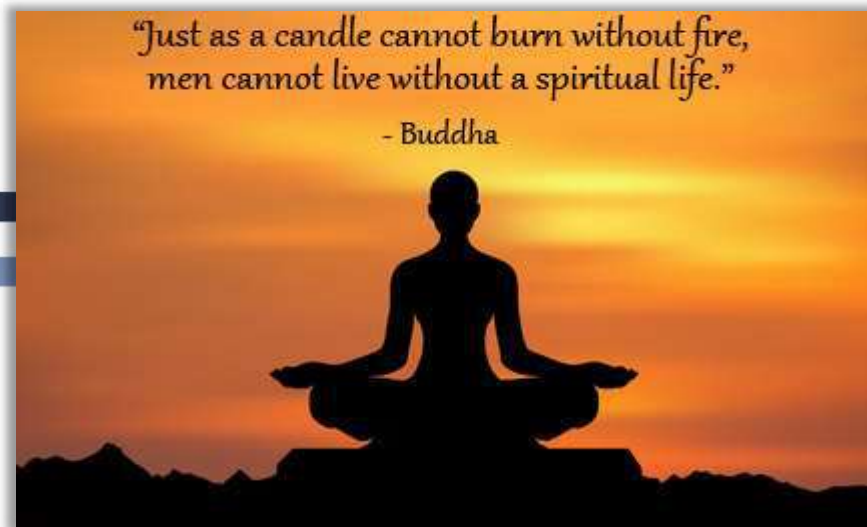
There are many spiritual laws to help and guide you to true happiness and success. These two concepts should not stand singular to each other. One should be complemented by the other. Hope these principles can allow you to practice mindfulness in your daily lives and achieve great amounts of success and happiness!

**References:**

6 Spiritual Steps to Being Successful by Vasavi Kumar, LMSW, MEd

How Spiritual Beliefs can help you reach success: By Charlene Barry

What is spirituality: By spiritual research foundation





# Help Yourself

*Food for Thought*

## The Power of Positive Thinking

-By Norman Vincent Peale

*Disclaimer: This article does not endorse any book and is not sponsored by any author or publication. Content shared here is for knowledge and learning purposes only.*

While choosing this particular book for this month's issue, I wondered if writing another article on a book about positive thinking, affirmations and subconscious mind would be repetitive. But this choice made sense while I came across a psychiatrist's quote in the book- 'Anxiety is the great modern plague.' I have seen and heard from many of my friends how books like these have had a positive impact on them to combat anxiety and to maintain good mental health.

If you are here for the first time, this column is to impart bite sized knowledge from self-help books, biographies, autobiographies, and other related genres, relevant specifically to corporate professionals and aspiring professionals. Not every learning that a book enshrines can be fit in here, so writing a summary or a book review is not the aim of this column. The intent is to give you a touch of acquaintance to a new book, in every issue of this e-magazine, hoping that it will make you want to grab it and read for yourself.

The author is regarded as the father of positive thinking. Throughout the book, he shares anecdotes and simple techniques that people he knows have adopted, followed and believed to achieve optimism. All of this has a touch of religion, that is, it has many verses from the Bible that have worked well for them.

The book focuses on transforming the doubting quality of the mind to expecting the right things and eventually achieving it. Of course, only expecting does not do the job. Expecting the worst, doubting ourselves, overthinking are hurdles in the path to

*Columnist:*

**Aparna U**  
Executive Student  
Email ID: [aparna.kumar14@gmail.com](mailto:aparna.kumar14@gmail.com)



success. This is what the book aims to transform, that is, reduce negative thoughts, learn how to deal with them and build the thought process necessary to get a positive attitude and achieve our goals.

One very interesting phrase I came across in this book is 'thought discipline.' I do not recollect coming across such a phrase anywhere else and the very phrase makes it feel as though half the battle against worry, overthinking etc. is won.

As always, I do not give away much of the book here. It is always best to read from the words of the author. So, go grab the book and walk the path to optimism.





REGULATIONS

# Regulatory Updates

## Companies Act, 2013

### Updates on Circulars

It is observed that Section 8 Companies are altering their Object Clause to carry out micro finance activities by passing Special Resolution and changing activity code, Further e-form MGT-14 is being filed. This practice is being followed by several companies, even though Section 8 companies are not allowed to get incorporated with the objects of micro finance activities.

Immediate action is required as per law on the part of ROCs, including changing their objects to prevent such companies from carrying out the micro finance activities.

The office of DGCoA shall ensure strict compliance by all the ROCs, further all ROCs shall also circulate directions to all the officers/officials to ensure due examination of e-forms with respect to Incorporation of Companies and change in Objects.

### General Circular No. 5/2022

The Ministry, upon receipt of representations, has decided to allow LLPs to file various event based LLP e-forms, due dates of which are falling between 25th February, 2022 to 31st May, 2022 without paying additional fees up to 30th June, 2022.

### General Circular No. 6/2022

### Updates on Notifications

MCA has amended Companies (Appointment and Qualification of Directors) Rules, 2014, which shall be known as Companies (Appointment and Qualification of Directors) Amendment Rules, 2022

In the Principal Rule, in rule 8, after the proviso, the following proviso shall be inserted:

“Provided further that in case the person seeking appointment is a national of a country which shares land border with India, necessary security clearance from the Ministry of Home Affairs, Government of India shall also be attached along with the consent.”

In sub-rule (1) of rule 10 of the principal Rule, the following proviso shall be inserted:



“Provided that no application number shall be generated in case of the person applying for Director Identification Number is a national of a country which shares land border with India, unless necessary security clearance from the Ministry of Home Affairs, Government of India has been attached along with application for Director Identification Number.”

Additional declarations are introduced in Form DIR-2.

G.S.R 410(E)

## SEBI Act, 1992

### Updates on Circulars

#### Investor Grievance Redressal Mechanism

The Circular No. SEBI/HO/MIRSD/DOC/CIR/P/2020/226 dated November 6, 2020 is amended as follows, to strengthen the Investor Grievance Redressal Mechanism, based on feedback received from market participants,

Clause 4 of the Circular No. SEBI/HO/MIRSD/DOC/CIR/P/2020/226 dated November 6, 2020 shall be substituted with the following:

#### “4. Arbitration

(a) For any dispute between the member and the client relating to or arising out of the transactions in Stock Exchange, which is of civil nature, the complainant/ member shall first refer the complaint to the IGRC and/ or to arbitration mechanism provided by the Stock Exchange before resorting to other remedies available under any other law. For the removal of doubts, it is clarified that the sole arbitrator or the panel of arbitrators, as the case may be, appointed under the Stock Exchange arbitration mechanism may consider any claim relating to any dispute between a stock broker and client arising out of the transactions in stock exchange, as per law, and shall always be deemed to have the competence to rule on its jurisdiction.

A complainant/member, who is not satisfied with the recommendation of the IGRC shall avail the arbitration mechanism of the Stock Exchange for settlement of complaints within three months from the date of IGRC recommendation”

(b) The time period of three months mentioned in the previous sub-clause for filing arbitration shall be applicable only for the cases where the IGRC recommendation is being challenged. For any arbitration application received without going through IGRC mechanism, the above time period of three months shall not apply, and for such cases the limitation period for filing arbitration shall be governed by the law of limitation, i.e., The Limitation Act, 1963.”

The Stock Exchanges and Depositories are advised to:

- Make necessary amendments to the relevant byelaws, rules and regulations, operational instructions, as the case may be, for the implementation of the above circular; and
- bring the provisions of this circular to the notice of their constituents and also disseminate the same on the website

SEBI/HO/MIRSD/DOS3/P/CIR/2022/78

Procedure for seeking prior approval for change in control of Portfolio Managers

To streamline the process of providing approval to the proposed change in control of a Portfolio Manager, in modification to Circular dated May 12, 2021, below stated procedure is prescribed by SEBI:

An online application shall be made by Portfolio Manager to SEBI for prior approval through the SEBI Intermediary Portal (<https://siportal.sebi.gov.in>).

The prior approval granted by SEBI shall be valid for a period of six months from the date of such approval.

Applications for fresh registration pursuant to change in control shall be made to SEBI within six months from the date of prior approval.

Pursuant to grant of prior approval by SEBI, the Portfolio Manager shall inform its existing investor/clients about the proposed change prior to effecting the same and give an option to exit without any exit load.

In matters which require approval from NCLT, the portfolio manager shall follow the below mentioned procedure:

Avail in-principle approval from SEBI, such approval shall be valid for three months. Within the expiry of in-principle approval, relevant application shall be made to NCLT.

Within 15 days from the date of order of NCLT, Portfolio Manager shall submit an online application in terms of paragraph 2(i) of this Circular along with the following documents to SEBI for final approval:

- Copy of the NCLT Order approving the scheme
- Copy of the approved scheme
- Statement explaining modifications, if any, in the approved scheme in relation to the draft scheme and the reasons for the same and
- Details of compliance with the conditions/observations mentioned in the in-principle approval provided by SEBI.

The provisions of this Circular shall be applicable with effect from June 15, 2022

SEBI/HO/IMD-1/DOF1/P/CIR/2022/77



# Science Stalk

## Carding...!

Hi everyone, Hope everyone is safe and sound.

You might have seen some websites where it shows some premium products like iPhone at a very cheap price. I was browsing a website for my research and I came across a site which was promising to deliver iPhone 11 at just 8000/-. I was surprised by this and I did some research on this. I came to know that they are scam and it is called “CARDING”

What is carding: We all use our debit or credit cards in our day-to-day life. We will use these cards to do online shopping, in restaurants, fuel stations etc. Hackers get our card details through hacking, or Phishing, and they create a list of these cards, especially credit cards and they will sell these data in the dark web. People purchase these data (Called as Carder) and then they use these card details to make online purchases by giving fake email id, phone number and address. Later they will resale these products to people who would like to buy, thinking that it's a genuine product. But actually they are using someone's credit card to purchase these products and selling them on some other social media platforms like Whatsapp, telegram, instagram etc.

The buyer will also get punished if they purchase these products, as its illegal.

### How this scam happens:

While browsing, you might get popups of these websites and if you click on this it will take us to a private chat room where you will be chatting to a carder, after you select a product from the list which he shares, you will be asked to pay some advance, so that he can order the product, say he asked you 500rs and you have shared the same through UPI apps. He will share you a screenshot of the order and then asks to make the full payment. And he says that there will be no cash on delivery and insist to pay the amount in full. After the payment is done there will be two chances.



1. You are not going to get the product at all, and the number for which the carder used to communicate will be switched off.
2. You will get the product which is illegal

**Now what are the consequences of these two transactions?**

1. Where you got cheated by the Carder and not received the product: You will lose your money and even if you try to raise a complaint, police cant track these people and actions may be taken against you as well, for using this illegal way to purchase the product
2. Where you got the product: you will be thinking what worst can happen after receiving the product. Actually you have to start worrying from here, as the carder would have used card of another person. And the original card holder can raise a complaint In the police station, after tracking the transaction, even though the carder have used the fake mail id, phone number and address, the product can be tracked by the cyber police. And you will be punished for this.

**Tips to stay safe:**

1. Don't use your cards in anonymous websites to make purchases.
2. Don't click on the links which shows such advertisements, you mobile might get hacked
3. If you are the victim and your card has been hacked, reach to your bank and block your card, and that's the 1st thing you have to do.
4. If you lost your card, there will be toll free number of your bank, call to it and block the card. But don't search for such toll free numbers online, instead login to your internet banking and then get the number from there
5. Many banks give the option to self-block your card through SMS, internet banking use that as and when necessary.
6. Don't hand over your card to unknown persons, and be conscious in restaurant's to whom you are handing your card for payment.

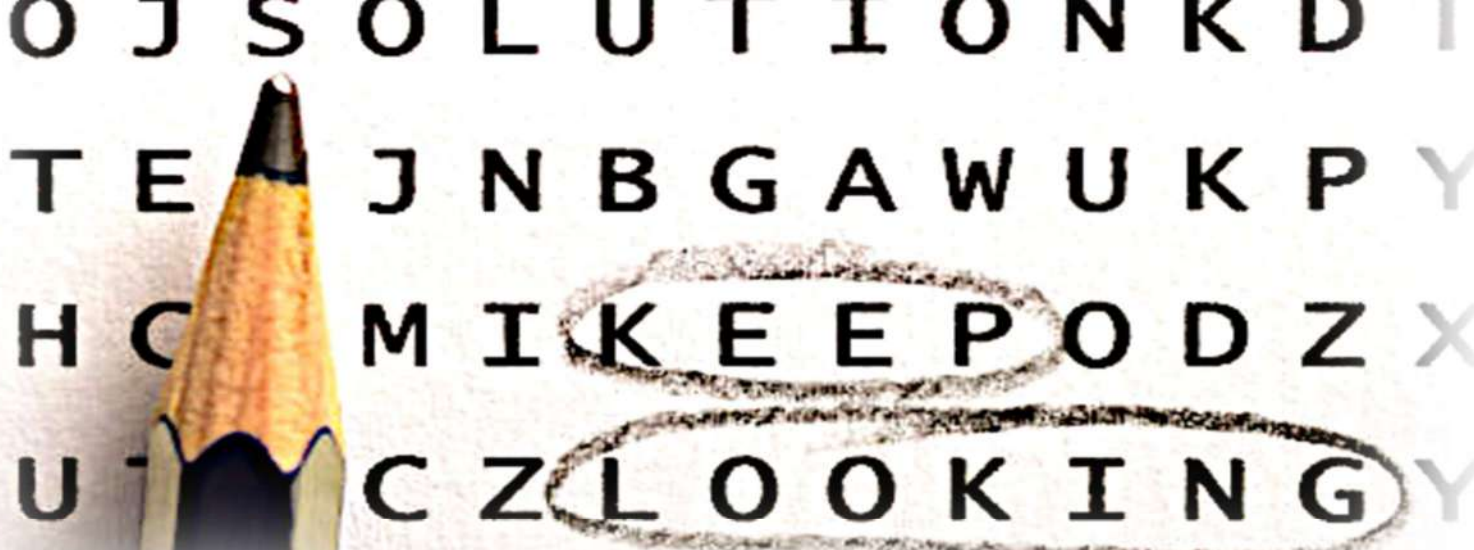
A Victim has the following remedies under the Information Technology Act, 2000

**Section 66C of Information Technology Act, 2000**

The Person who is caught carding and shall be punished with imprisonment of either description for a term which may extend to three years and shall also be liable to fine with may extend to rupees one lakh

Precaution is better than cure, so stay alert, stay safe.





# Word Search

*Based on Environment Protection and Law*

B	F	G	E	C	O	M	A	R	K	F	E	N	G	B	K
K	H	N	G	M	K	L	R	P	U	Y	T	M	R	F	Y
E	Q	O	B	R	T	J	R	W	B	H	L	E	E	T	O
N	W	S	P	F	G	H	K	B	R	O	W	G	E	H	T
V	E	M	V	A	D	F	G	J	H	K	K	H	N	K	O
I	R	A	Z	C	L	M	J	K	U	U	S	J	S	I	O
R	T	R	A	V	T	G	C	Q	T	N	G	L	K	P	R
O	Y	T	Q	B	H	O	A	S	J	E	J	I	I	A	E
N	U	C	W	N	T	M	J	S	N	P	R	U	L	H	F
M	I	I	E	S	J	B	V	R	T	T	W	U	L	G	G
E	O	T	R	W	E	R	T	Y	H	R	C	T	W	F	N
N	P	I	C	V	N	M	P	I	O	R	A	Y	E	D	J
T	U	E	X	B	G	B	L	E	I	Y	J	G	R	S	K
T	U	S	A	Q	W	E	R	C	T	H	K	K	E	A	L
R	Y	D	F	E	B	N	M	L	Q	S	D	V	B	D	M
A	B	S	O	L	U	T	E	C	D	E	B	T	Y	M	Y

Column

# Questions

Based on Environment Protection and Law

1.	The first world conference to bring the environmental issues to the forefront at the international level was held at _____. (9)
2.	_____ helps in setting the global environmental agenda. (4)
3.	_____ is a scheme introduced in India, for accreditation and labelling of environmentally friendly products in the year 1991. (7)
4.	_____ led to the enactment of Environment Protection Act, 1986 (6,3,7)
5.	National _____ Mission to promote cities that provide core infrastructure, clean and sustainable environment and give a decent quality of life to their citizens through the application of 'smart solutions' (5,6).
6.	A _____ economy is an economic system which aims at eliminating waste and putting the resources to use continually. (8)
7.	A _____ economy is an economic system which aims at eliminating waste and putting the resources to use continually. (8)
8.	The Principle of _____ Liability was introduced for the first time, by the Hon'ble SC in its landmark judgement in the Oleum Gas Leak case (8)
9.	_____ Protocol made it binding on the developed countries to reduce the greenhouse gas emission and also focused on establishment of a Clean Development Mechanism. (5)
10.	June 5 has been declared as the World _____ Day by United Nations. (11)

Note : Figures in the bracket indicate number of alphabets in the answer word

Answer in Page 34

*Prepared by:*

**CS Hema Gaitonde**  
Practicing Company Secretary  
Email Id. hemagaitonde.cs@gmail.com





# Students Corner

## Process of Trademark Registration in India

The Trade Marks Act, 1999, is the legislation in India which covers the application process, method, mechanism, fee and validity etc of a Trademark registration. The Intellectual Properties (IPs) are different types like TMs, Industrial Designs, Patents, Geographical Indications, Copyrights etc.

The Logo, Symbol, Brand Name, Company Name, Sound, Song, Colour Commination, Font Style etc are the Trademarks in the business environment. The business owners like to protect their TM by going for registration of a Trademark.

One can file the TM application at online at <https://ipindiaonline.gov.in>. Generally, TM Attorneys will file the applications on behalf of the clients by taking a Power of Attorney (POA). The Advocates, Chartered Accountants, Company Secretaries etc who are practicing can register as TM Attorney as per the Trade Marks Act, 1999.

TM Application checklist:

The following data / documents are required to file TM Application:

1. Brand name / Logo / Symbol etc.
2. Name & Address of the Applicant
3. Nature of Business for which TM is being applied
4. Use date of the Brand Name / Logo
5. DIPP / MSME Registration Certificate
6. Power of Attorney (POA)
7. Email ID and Phone Number
8. Legal Status of the applicant
9. Address for correspondence
10. Class of goods and services

### **Application Fees:**

The application fee is 9,000 per application per class. However, for MSME / Udyam / DIPP registered Firms / Companies including Individual Applicants the fee is only 4,500/-. Professional fee varies from professional to professional and nature of work.

Modification fee is 900/- per application. Opposition fee is 2700/- per application. There will be professional fee for each service under different stages of Trademark application.

### **Different Stages of Trademark Applications**

**TM Application** - this is the first step of filing trademark (TM) application. Once the application is filed, then the applicant can use the letters "TM" for his brand / logo

**Send To Vienna Codification** - if the applied TM is a Device / Logo Trademark, then, in this stage the design of the logo is codified as per the standards laid down under Vienna Agreement

**Formality Check Pass** - Once all the supporting documents and TM application are verified by the department, and all the documents are in order, then the application status will be changed to Formality Check Pass. Otherwise, the rectification shall be filed along with 900 receipt fees.

**Examination Report Issued** - once the above state is passed, then the application will be examined for similar marks / brands, phonetically similar marks etc. If there are already similar, well-known trademarks available, then Examination Report will be issued by TM Registry, which we need to reply.

**Objected** - if the applied TM is similar to existing registered or under process TMs, then the application will be objected by Registrar by issuing the Examination Report.

**Advertised before Acceptance** - if the registrar feels there are no objections for an applied TM, then the TM is advertised in the journal for a period of 4 months, during that time period the TM Status shows as Advertised before Acceptance

**Opposed** - During the above period, if any 3rd party oppose the TM, then the status will be changed to Opposed.

**Accepted and Advertised** - Once the 4 Month period ends or the opposition proceedings come in favour of applicant, then the TM is declared as Accepted and Advertised.

**Registered** - once the applied TM is Accepted and Advertised, then the TM is said to be Registered TM. Then the applicant can use "R" for his/her brand or logo.

**Refused** - if the applied TM is not as per the Trademark Act and Rules, then the TM Registry Refuses the application.

**Removed** - if the registered TM is removed by the Registry for some reason, then the status shows as "Removed".

**Rectification filed** - After registration of a TM, sometimes if any one feels the registered TM infringing his brand, then they can file a Rectification against the registered TM.

**Abandoned** - if the Registered TM is not renewed after 10 years, or not replied to the Examination Report / Opposition within time, then the application status shows as "Abandoned". There are many other reasons for abandonment.



**Withdrawn**- At times TM applications will be withdrawn by the applicants/ owners due to some reasons, then this status is shown in the TM portal.

#### **Trademark Classes:**

As per the 4th schedule to Trade Marks Rules, 2002, there are 45 classes under which Trademarks can be filed. Class 1 to 34 deal with Manufacturing of goods or Trading and class 35 to 45 deal with rendering services. For example, if your business is Hotel, then you shall file TM application under class 43 and if your business is manufacturing of coffee / tea, then you shall file your application under Class 30. Therefore, each type of business has different class under which they shall file application under respective class only.

One can check the total classes at: [https://ipindiaonline.gov.in/tmrpublicsearch/classfication\\_goods\\_service.htm](https://ipindiaonline.gov.in/tmrpublicsearch/classfication_goods_service.htm).

#### **Time Period**

Usually from the date of application to date of registration, it may take 6 months to 2 years or more in certain circumstances.

#### **Cost Involved:**

The Trademark application and registration shall pass through different stages, and each stage has different types of government fee and professional fee. Therefore, the minimum cost would be 7,000/- and the maximum cost depends on the objections, oppositions etc that we receive.

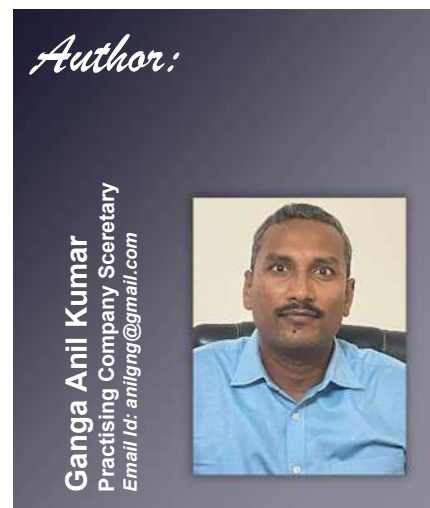
Therefore, the applicants are suggested to cautiously search the existing Trademarks before applying for a new Trademark to ensure that your brand / logo is not conflicting, similar, descriptive, generic to the existing TMs. If you can ensure the above then the time and cost will be saved enormously.

Applicants are also advised to engage the professionals wherever required

#### **Conclusion:**

The Trademarks are property like any other physical asset to the individuals and companies, therefore they shall be very much cautious while applying for the TMs and are advised to register their TM for protection from infringement or copy cats.

If you are eligible then register under Udyam or DIPP / Start-Up India so that you will get 50% rebate on application fees. The applicants shall carefully choose the class under which they want to file the application and shall also keep checking the stats of the application very frequently, so that they can attend to the objections, oppositions timely.



**WORD SEARCH**  
(Based on Environment Protection and Law)

CS Hema Gaitonde, PCS Mumbai  
Email ID: hemagaitonde.cs@gmail.com

<sup>4</sup> B	F	G	<sup>3</sup> E	C	O	M	A	R	K	F	E	N	<sup>7</sup> G	B	<sup>9</sup> K
K	H	N	G	M	K	L	R	P	U	Y	T	M	R	F	Y
<sup>0</sup> E	Q	O	B	R	T	J	R	W	B	H	L	E	E	T	O
N	W	<sup>5</sup> S	P	F	G	H	K	B	R	O	W	G	E	H	T
V	E	M	V	A	D	F	G	K	H	K	K	H	N	K	O
I	R	A	Z	C	L	M	J	K	U	<sup>2</sup> U	S	J	S	I	O
R	T	R	A	V	T	G	C	Q	T	N	G	L	K	P	R
O	Y	T	Q	B	H	O	A	S	J	E	J	I	I	A	E
N	U	C	W	N	T	M	J	S	N	P	R	U	L	H	F
M	I	I	E	<sup>1</sup> S	J	B	V	R	T	T	W	U	L	G	G
E	O	T	R	W	E	R	T	Y	H	R	C	T	W	F	N
N	P	I	C	V	N	M	P	I	O	R	A	Y	E	D	J
T	U	E	X	B	G	B	L	E	I	Y	J	G	R	S	K
T	U	S	A	Q	W	E	R	<sup>6</sup> C	T	H	K	N	E	A	L
R	Y	D	F	E	B	N	M	L	Q	S	D	V	B	D	M
<sup>8</sup> A	B	S	O	L	U	T	E	C	D	E	B	T	Y	M	Y



**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)

**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](http://www.icsi.edu)) along with Form 'A' available at link <https://www.icsi.edu/csbf/home> duly filled and signed.

*Decide Now! Decide Wise!*

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