



# Mysuru Chapter e-Magazine

March 2021  
203<sup>rd</sup> Edition

“President, ICSI @  
NAMMA MYSURU”

CS Nagendra D Rao, President, ICSI with His Highness Yaduveer Krishnadatta Chamaraja Wadiyar, King of Mysuru



### Vision

“To be a global leader in promoting good corporate governance”

### Motto

सत्यं वद। धर्मं चर। इष्टकरं कुरु। तृप्तये त्वयै कुरु।

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“To develop high calibre professionals facilitating good corporate governance”

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*New Column Starting from this Month.*

*“Over a Cup of Coffee with...” Look out for interview with eminent CS*



**CS Vijaya Rao**  
Chairperson  
Mysuru Chapter

## Dear Professional colleagues,

We had a great two-day seminar on “Ushering the Era of Companies (Amendment) Act, 2020 and other Corporate Laws”. The Vice-Chancellor of the University of Mysore Prof. G Hemantha Kumara, Ph.D., inaugurated the session, Mr Ajith Pai president of TiE Mysore was the guest of honour and the inaugural session was presided by our beloved President CS Nagendra D Rao. It was two days filled with knowledge sharing with the experts in the field. More than 80 people from different places participated in the seminar. Except for the last session all the sessions were academic and practical. President held an “Open House” for the members to address their queries or grievances, if any, which was well utilized by the members. Last session “Neuro-Linguistic Programming” was very helpful in how to balance the work-life and had many more take away from the session. This session was very aptly dedicated to “International Woman’s day”. As the topic was not woman-centred all participants got benefitted.

I guess, we have some questions to ponder. We always celebrate woman’s day on the 8th of March. Does anything change on the 9th? I do not think so. Till next March 8<sup>th</sup>, it will be as usual. So, what needs to be changed and why? Let me just give you some pointers to think about it. We all know there are about 65,000 company secretaries. Did you know out of that little more than 60% are woman company secretaries? Which is very nice. But unfortunately, many of them are not working as company secretaries after they start the family as it is difficult to do a work-life balance. And unfortunately, our field is not an exception, it is true across all the fields. Another problem is salary imparity compared to the other counterparts. This has a huge effect in various ways. Typically, when they start a family, the highest-earning person in the household will take over going to work and the lady of the house will be in charge of the family. However, when she is ready to go back, she is completely outdated with the continuous changes happening over the years. One other matter is financial decisions, whether it is personal, or family related, women fall behind. As per the survey done by the reputed finance organizations, though initially, everyone scored equally, at some point even well-educated women fall behind. Why?

Many thanks to all the participants and the speakers. In the coming days, we are planning to arrange more knowledge-sharing sessions. Please be sure to participate. Our students and member’s study circle sessions are going on great.

Happy Holi and Happy Ugadi in advance. Please feel free to share your thoughts, and feedback. In the journey of growing together let us all work together!!

Thanking 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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# Over a Cup of Coffee with



**CS Nagendra D Rao**  
The President of ICSI



interviewed by:  
**CS Phanidatta D N**  
Secretary, Mysuru Chapter of ICSI



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**Phanidatta:** Sir, first of all, we congratulate you for taking the baton of this prestigious institute for the year 2020-21. We are indeed very proud to have you as our President. We also thank you wholeheartedly for agreeing to this interview in spite of your busy schedule. Thank you so much, Sir. To start, can you briefly share your journey as a CS?

**President:** A very good afternoon to my dear Phaniraj. Phanidatta, in fact. But I would like to say "funny" and Raj, Phaniraj.

**Phanidatta:** Thank you, Sir.

**President:** As a President, from a student life, as a student company secretary, and achieving the topmost position as a President of ICSI, I feel that this is the best journey any student or any professional would like to see. I feel that journey of mine as a Company Secretary has been tremendous. During the student days, I enjoyed it. I was thrilled when I passed my exam. In fact, when I passed my final exam, I was so thrilled that for two days, without saying anything to anybody, I had gone to Bandipur forest, because I like to watch elephants. I was so thrilled that I didn't inform my parents or my boss. Everyone was searching for me.

So CS journey isn't a blessing in disguise, but I would certainly say that whatever hard work which I, as a student have done, or my parents who have burnt the oil for me, that I feel is the greatest gift from a student to become a president of ICSI.

**Phanidatta:** Wonderful Sir. So going down to the memory lane, can you recollect and share who or what inspired you to join the CS course?

**President:** I did my graduation in Mumbai. When I was doing my graduation, we were just analyzing as to which profession should we join. Most of our friends were saying "let us join course of chartered accountancy", but one of my

friends, and incidentally who happened to be named Phaniraj, told me that there is one new course which has come up, called as "Company Secretary". So I was enquiring as to what this company secretaryship course was, and incidentally, my grandmother's sister's husband who was a chartered accountant told me that Company Secretary is a new course which is really picking up and has got a bright future, and let us have one of our family members as company secretary. So I feel that I should give credit to two people; one is the late Vasudeva Rao, who also happened to be a gold medalist in CA, and also to Phaniraj, my dear friend from Mysore who was also with me in Mumbai for studies.

**Phanidatta:** *Wonderful, Sir. So probably that's the reason we are seeing you as our President today. We are definitely indebted to them. So now as the President of this Institute, what are your focus areas and plans for the year 2021?*

**President:** After COVID-19, which has been challenging, this is a very tough question because the expectations of the members, students, and stakeholders will definitely increase. This is because last year, everybody was locked in, and everybody is now going to come outside their houses as vaccination is going on. You'll find that you should have more focus, plans, and programs. As I have told on numerous occasions, we have four important stakeholders. The first is the **member**, second is the **student**, third is the **regulatory authorities**, and fourth is the **other stakeholders**.

With respect to members, my plans are to ensure that our members get more and more recognition, by identifying new areas wherein we can play an important role compared to the other professionals, to ensure that our members are updated, and to enable members to have the knowledge about the job opportunities, not only in India, but also overseas and facilitating ease of practice and the necessary steps to be taken. Coming to the students, how can students be more effective in both the cases. A. those students who pass out, and B. those students who could not clear their exams because of certain issues. So if they pass out, what are the best ways of getting them recruited, and if they are venturing into practice, what are the best modes or methodologies to make them the best practicing company secretaries? Also, in case of the students who happen to become members, we must ensure that they have all those things in their liberty to either go for employment; it may be a placement or training, how to make them best the moment they are on the job. In other words the moment they take an employment in any company, they should know what is being expected of by the management and they give their best, not only best for themselves but best as a Company Secretary for the institutes concerned.

**Phanidatta:** *Great Sir, to know your plans and I wish all the success in all your plans for the focus area that you have for us in the coming year. Speaking of challenges, they are the ones which make life interesting and overcoming them is what makes the life meaningful. So can you share one challenging situation in the profession that you faced and how you were able to overcome the same and what is your opinion is that one thing that enables anyone to tide over the challenging situations?*

**President:** Let me put in this way. COVID- 19 is the most challenging time for, not only for a professional, but also for the Institute, but world over you find that everybody had faced the challenges. You can become Vice President of India twice, thrice, many times; you can become President of India on a number of occasions. But you cannot become Vice President of ICSI, President of ICSI again. In that context as a Vice President of the Institute, it was a very challenging time to see how best during the COVID time one could ensure the mindset of the students, as well as how well they could prepare for their exams, so that they can win with flying colors. In that direction, the first immediate step what

we took was, as it was a challenging time because everybody had closed doors, and as a Vice President it was a question mark as to what next was to be done, the first thought which came to mind was to open the doors for our entrance exam. The first thing we did was to take a decision, wherein CSEET, that is, Company Secretary Entrance Examination Test, instead of doing physically or going at a vendors place, we made it remote proctored mode. So what is this remote proctored mode? Remote proctored mode means those students who want to write an exam, they can write exam at home with their own laptops, or desktop with a camera or through cyber café or any other place with the use of technology. So in other words, using the technology leverage, we ensured that the most difficult problem, that is entrance to the CS course is not blocked and new members enter as students and clear this entrance. I'm happy to say that even today, these exams which were held in the month of July-August, and even now are being conducted through remote proctored mode. Students, who are situated in whichever the location, even remote areas, if they are connected with the network internet facility and have a computer with a camera or a laptop, can write our exam.

**Phanidatta:** *Wonderful, Sir. I am sure you have come out with the flying colors facing this challenge. So as a President or leader of our Institute, what in your opinion is that one thing that you say is an enabler for anybody to overcome the challenging situations?*

**President:** One of the most important things which as a company secretary I always see, is that most of our company secretaries have the enabled the capacity of being patient. So our members are ready to wait and seize the best opportunity for themselves and I'm sure with the excellent infrastructure, excellent online facility of the ICSI, not only for helping the students, members, through various certificate courses, crash courses; I'm sure that members will hone their skill by taking and contributing not only to the profession but also taking profession to the new heights by not only restricting themselves in the domain area of company secretary, but enlarging themselves and spreading their wings into the different job opportunities, be in legal, HR, finance, treasury or any other field.

**Phanidatta:** *What a wonderful way to put it across, Sir. Patience is that definitely one thing that is required to overcome any challenge. So you, over this many number of years, have seen the growth of profession very significantly. What factor or factors, according to you, have contributed significantly for this growth?*

**President:** Let me appreciate all the past senior members of our profession. Let me appreciate all the past leaders, past presidents, vice presidents, past council member who have taken so many initiatives to ensure that our profession grows. By a mere single annual return certification, today, we are with the ambit of having so many certifications, we are being recognized globally. In India, whether it is under Ministry of Corporate Affairs or under the SEBI, LODR, or under various regulations, I am confident that our members are doing excellently well, and with our motto "*Satyam vada dharmam chara*", they are advising and guiding all our companies well. I'm sure that our Institute is going to scale greater heights, and more recognitions are being sought from the various Ministries and in fact, I would like to state over here that many of the bureaucrats, many of the ministers, many of them have got a very good rapport, have got a very good feeling about the way in which the Institute has grown. The Institute is contributing not only for the success of the profession but also for the success of the economy as a whole.

**Phanidatta:** *Great, Sir. So what are the student-oriented programs that you are planning to implement this year?*



**President:** To begin with, the moment I assumed the position of the President and my colleague Mr. Devendra Deshpande assumed as Vice President, we thought it fit that students need not necessarily have only academic knowledge, but should also know more about practicalities. So first immediate thing what we did was we organized a quiz competition jointly with BSE- Investor protection fund. It was a great initiative taken both by the Institute as well as BSE. So BSE and ICSI came together for a purpose of organizing a quiz competition on financial markets and securities laws for the students. So various questions on intricacies of options, futures, inter day transaction, intraday trading and many other small points by virtue of which this quiz competition was arranged. I'm happy to share that many students participated in the quiz competition and I'm sure that the students are going to make the best use of these kind of competitions. We wanted to make the involvement of the students, not only for the purpose of just the exam, but also in the all-round development. In that context, we want to hone the skill in communication. As communication plays a very important role in shaping any individual or building a career, because the first impression is the last impression. So if a particular candidate is good in communication, you'll find he will be liked by any job giver. In that context you will find many training programs are being lined up, many Memorandums of Understanding are being signed with industry leaders, like say, the Indian Institute of Management and various other universities, so that our students can also join along with the other students of those IIMs, students can build a very good networking and can also grow along with them. So there are various training programs which are going to unfold also in a couple of months.

**Phanidatta:** Great, Sir. Going forward, if a young practitioner, for the same practice wants to grow big expand the business horizon what would be your advice?

**President:** Again, I would say patience. Secondly, I would like to suggest that growing big is fine, but please do not forget as you grow faster, please ensure that you follow all the ethics. We call ourselves a governance professionals, so whatever service you do, do your best in providing your excellent service, and automatically the members, the corporates and others will recognize you for your excellent service. Only if you provide good service, people will come to you. If you do not provide that service, people will change. So the important thing is you have to create your value; you have to enhance that value, and you are going to create your value only if you have imbibed some good values. So that you will find that both you as well as corporate grow.

**Phanidatta:** Wonderful, Sir. What are the qualities you look for in younger professionals?

**President:** There is an old shloka in Mahabharata ('the Gita)

*samo damas tapah saucam*

*ksantir arjavam eva ca*

*jnanam vijnanam astikyam*

*brahma-karma svabhava-jam*

it means what are the various qualities of a professional. So these qualities of a professional has been narrated by Sri Krishna to Arjuna, saying that these are the various qualities. First, "samo" means you should have the capacity of not only being patient but treating the others in a respectable manner. You should be trustworthy, you should be loyal, you should have patience, you should have austerity. You should have the quality of "kshama". Suppose somebody makes a

mistake in your firm you should have the capacity to forgive him for whatever he has done. So there are various qualities as described in this shloka. Similarly, our professional members, should adopt the same qualities which have been narrated. I'm sure our younger professional members will benefit because at the end of the day it is not the growth of his career which is important; he has to grow individually in his life from within. When he grows within, automatically he will grow outside as well and become a very good professional. There is no point in growing and then landing in some other issues whereas if you grow within, you'll realize that automatically you have grown outside as well.

**Phanidatta:** *I'm sure, Sir, this shloka would become a thumb rule for many professionals like us who will have to develop personally and also professionally. All these qualities to go a long way in the path that you have laid down. We, Sir, are eager to know as to your other interests.*

**President:** I like football, I like cricket, I like kabaddi, and I was also a kho-kho player. I was a volleyball player. Recently we had a leadership summit in Noida, where Madam Vijaya Rao, the chairperson was also present. On the previous day, we had a cricket match and I had scored the maximum runs for my Central council member team. Those are my habits, but I also like one more habit is that I want to listen to music; old music, not new music, old melodies which are very soothing and calming, and relax the mind as well.

**Phanidatta:** *Great, Sir. We are privileged to know the other side of Nagendra Rao Sir, which we were not aware of. So, going forward, what according to you are the core values that have shaped your outlook towards life and profession?*

**President:** To be frank, I was not the one which I am today and for which I would like to give my "pranams" to Sri Gopal Krishna Hedge Ji, my mentor, my guru, who groomed me when I was the Chairman of the Bangalore chapter of ICSI and Sri Gopal Krishna Hedge was the Chairman of SIRC. I was tempered, I was outspoken. The way he nurtured me, in fact the one hour interaction I had with him one day changed me entirely. It built many positive things and I feel that every person should have gurus like Sri Gopal Krishna Hedge, who could mentor each and every person, and make more leaders, which would be in the interest of not only individuals, but the interest of the nation as a whole because he is truly a great leader.

**Phanidatta:** *Glad to know that, Sir. Today people are telling that the profession is becoming very stressful. So, your thoughts on work-life balance, especially for youngsters who are stepping into the profession.*

**President:** I feel that question probably may not be appropriate for me. It would be appropriate for my spouse because she knows how much time I'm spending with her or my children, but one thing I would definitely say, whatever time you are going to spend, spend quality time with your family. Also, spend quality time with the profession; don't get into working late nights just because one call has come to finish some assignment. Maintain time, maintain decorum because if you maintain decorum and time, I'm sure your clients would also maintain decorum. If you succumb today, I'm 100% sure that every day you will receive calls. Everything is important in life; work is also important in life, but there is something called as a time. I feel that time or "Kalachakra" is most important. If you work according to it, not only will you prosper, your family members will also appreciate you. If your family members are disturbed, you will be disturbed, if you are disturbed, work will get disturbed, if you are disturbed at work, your professional client will get disturbed. Rather than that, if you are having a good work life balance with your family, with your spouse, with your children, I'm

sure that happiness will encourage you to do good for the work, good for the profession clients and I'm sure this work life balance should be maintained thoroughly for all the younger generations.

**Phanidatta:** *Great, Sir. That will definitely be the sutra for us going ahead in the profession to balance our work life. So do you have any advice for the upcoming CS professionals to ensure that profession, professionalism and professionals grow together and exponentially?*

**President:** I feel that one thing I always talk about is, today we are in the world of technology. First have patience; don't immediately respond, don't get misguided. Please check the facts, in case certain things are hidden in the corner. You are the brand ambassador for ICSI - you are the brand ambassador even as a student for brand ICSI. Don't make loose comments in WhatsApp, Facebook, Twitter because the world is watching you. You have joined the prestigious course of CS. That being the situation, my request to all the students and the fellow professionals is that have patience, have trust and faith in yourself, have the trust in the Institute, have trust in your professional brothers. We're there, to take advice, take guidance. Your Institute is always with you; please bring any suggestions, any issues to the Institute; your Institute is always there with you to ensure that your profession is taken to the newer height. I'm sure that all our new CS professionals who are going to ensure or are going to enter into the either employment or practice - one thing is for sure - patience is the key, giving your best is the second key, and third is you are a professional- you have been hired because you are going to give something more, something additional, something which is going to create a value for the business. If you are going to create value for the business, then only people would like you to be there with the employment. If you are not going to give the value, then probably you would not be there in the profession. So my request and advice to all the CS professionals is keep yourself updated, keep abreast with new things which are happening, keep in touch with the chapters, keep in touch with the regions, participate in various programs which are organized by chapters, regions or by the headquarters, have a good network among your CS professional friends or your MSOP batchmates or SMTP batchmates or friends, so that wherever you are stuck you can also check with them. Third, you are the brand ambassador for our profession. Do whatever is right - think before you act. Don't act hastily. Think 10 times before you are doing something because it is not going to only hurt you, because of you being a professional, your action should not hurt other professionals or Institute or Ministries or anybody else. So my advice to all the CS professionals is - future is bright but being future bright, let us take only the advantage in its right perspective and I'm sure that all of you are intelligent, all of you are highly knowledgeable by passing our CS exams, and you will utilize all your energy for positive thoughts, positive development for not only you but also for the ICSI.

**Phanidatta:** *Well, thank you, Sir. So finally one message from your end for our e-magazine readers.*

**President:** I am indeed very happy to note that the Mysore chapter, with its glorious history of winning so many best chapter awards and guided by so many chairmen of Mysore chapter who have been individually and collectively, with the help of managing committee, have been doing fairly well. They have been coming out with novel ideas, innovative steps and especially as a member of Mysore and Bangalore chapter, I feel always proud whenever the student initiatives, student programs were conducted, Bangalore chapter joined hands with Mysore chapter doing 'n' number of initiatives. I'm sure that many more such initiatives are going to come for the betterment of the students and the profession. I feel that more members should come forward in writing various articles so that it will ensure the participation of all the

members and students. I feel that the e-newsletter which is being serviced by the Mysore chapter is one of the best. I feel after chartered secretary, the Mysore chapter newsletter is the best.

**Phanidatta:** *Thank you so much, Sir. Thanks a lot for your kind words and thanks a lot for taking time out of your busy schedule to give us this interview.*

**President:** Thank you.

## Analysis of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021



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### Background

The provisions relating to Corporate Social Responsibility (CSR) and spending towards CSR were introduced by the Ministry of Corporate Affairs, Government of India (“MCA”) under the Companies Act, 2013 with the objective to make Companies aware of their responsibility toward society. MCA had not made mandatory for companies to whom CSR provisions were applicable to spend towards CSR and the approach was comply or explain.

However, over the years and based on experience, it was observed that many Companies were not spending towards CSR diligently and have been giving reasons for not spending the prescribed amount towards CSR. Further, there were many other practical issues for which stakeholders have been asking for clarification and relaxation from MCA on CSR. Considering the same and based on Company Law Committee Report (2019), MCA has amended the CSR provisions under the Companies Act through Companies (Amendment) Act, 2020.

The amended CSR provisions under the Companies Act, 2013 were notified by MCA on 22 January 2021. Further, MCA also issued and notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 amending the Companies (Corporate Social Responsibility Policy) Rules, 2014 [“CSR Rules”] under the Companies Act on 22 January 2021.

**Salient Features of the Amendments and Changes in CSR Provisions under the Companies Act and CSR Rules have been summarized below:**

- **CSR by Companies which have not completed 3 financial years**  
If a Company has not completed 3 financial years from the date of its incorporation and CSR is applicable to such company then such Company shall spend at least 2% of the average net profits of the Company during such immediate financial years.
- **Shift from comply and explain to mandatory compliance.**



If a Company is not able to spend the prescribed amount towards CSR in a financial year, then:

- a) In case the unspent amount relates to any ongoing project i.e. multiyear project whose timeline is not exceeding 3 years then such funds shall be transferred by the company within a period of 30 days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII to the Companies Act, 2013, within a period of thirty days from the date of completion of the third financial year.
- b) In case the unspent amount relates to projects other than on-going projects, then such unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year.



- **Set-off of excess amount spent.**

If a Company spends towards CSR in excess of the limits prescribed in a financial year then such excess amount may be set-off in the immediate succeeding 3 financial years subject to the following conditions:

- a) The excess amount shall not include the surplus arising out of CSR activities;
- b) The Board of the Company has passed a resolution for set-off.

- **Penalty for non-compliance**

If a Company fails to transfer funds to the Fund specified in Schedule VII to the Companies Act, 2013 or to the Unspent Corporate Social Responsibility Account, as the case may be, then the Company and every officer-in-default shall be liable to penalty as mentioned below:

- a) Company - Twice the amount required to be transferred or INR 1 Crores whichever is less
- b) Officer-in-default - 1/10th of the amount required to be transferred or INR 2 Lakhs whichever is less

- **Exemption from constitution of CSR committee**

If the prescribed CSR amount does not exceed INR 50 lakhs, then constitution of CSR committee shall not be applicable and Board to discharge the function of CSR committee in such cases.

- **New Definition of CSR**

CSR activities means activities undertaken by a company to meet statutory obligations prescribed under section 135 of the Companies Act, 2013 excluding the following:

1. Activities in pursuance of normal course of business except R&D of vaccines, drugs and medical devices for COVID-19 for 3 financial years starting from 2020-21 subject to prescribed conditions.
2. Activities undertaken outside India except for the training of National or International level Indian sportspersons.
3. Contribution to political party directly or indirectly
4. Activities benefiting employees of the company.

5. Activities supported by the Companies on Sponsorship basis for deriving marketing benefits for own products / services.
6. Activities carried out for fulfilment of statutory obligations under any other law in force in India.

- **CSR Implementation**

1. Every company shall undertake CSR activities by itself or through a section 8 company, registered public trust or registered society (“Implementing Entity”) registered under Section 12A and 80G of Income Tax Act 1961 established by the Company either singly or along with any other company.
2. In case Implementing Entity is not established by the Company either singly or along with any other company then such entity shall have established track record of at least 3 years in undertaking similar activities.
3. Company may also undertake CSR Activities through a section 8 Company or a registered trust or a registered society established by the Central Government or State Government or through any entity established under an Act of Parliament or State Legislature (“Implementing Entity”).
4. Mandatory registration of entity / implementing entity with Central Government by filing form CSR-1 with registrar of companies with effect from 1 April 2021.
5. Registration of entity / implementing entity with Central Government not required for CSR project approved prior to 1 April 2021.
6. Company may engage international organizations for designing, monitoring and evaluation of the CSR projects as well as for capacity building of their own personnel for CSR
7. CFO or person responsible for financial management to certify CSR fund utilized for the purpose and manner approved by the Board

- **Asset creation**

CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by -

- a) Section 8 Company, or a Registered Public Trust or Registered Society, having charitable objects registered with Central Government by filing Form CSR-1
- b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c) a public authority:

Capital asset created and acquired prior to the commencement of Companies (CSR Policy) Amendment Rules 2021, the company should comply with above requirement within 180 days from such commencement which may be further extended by 90 days with the approval of Board with reasonable justification.

- **Impact assessment**

- Company with average CSR obligation of INR 10 Crore or more in immediate 3 preceding financial years shall take impact assessment through independent agency
- Impact assessment to be taken for CSR projects with outlays of INR 1 crore or more
- Impact assessment to be undertaken for projects completed not less than 1 year before undertaking the impact study
- Impact assessment expenditure shall not exceed 5% of the total CSR expenditure for financial year or INR 50 lakhs whichever is less

- Impact assessment report to be placed before the Board and annexed to the annual report
- on CSR

## Conclusion

The amendments in CSR provisions would provide much needed clarity and relief to the Corporates for undertaking its CSR activities. Further, the mandatory spending of CSR amount would release more funds towards social cause and upliftment of society. Overall, the amendments are promising for CSR regime in India.



# Responsible Business Governance The Emerging corporate Success Mantra



**CS Dr S K Gupta**

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## The Perspective

The balance of pursuing market opportunities while maintaining accountability and ethical integrity has proved a defining challenge for business enterprise since the arrival of the joint- stock company in the early years of industrialism. The manifest failures of corporate governance and business ethics in the global financial crisis has increased the urgency of the search for a better ethical and responsible framework and governance for business.

## What is Responsible Business?

There's no consensus for defining responsible business practices. The term, however, often refers to the practice of conducting business with consideration for ethical, environmental and community goals in addition to being a good employer and attempting to make a profit. Responsible Business Governance refers to corporate policies and practices that enhance the competitive advantage and profitability of the company while simultaneously advancing social and economic conditions in the communities in which it sells and operates. Simply put, responsible business is the practice of creating customer value through the active concern for people, ethics, equity, and environmental impacts while running a profitable business. The Quintuple Bottom Line (QBL) of Responsible Business is described by the words Profit, People, Planet, Ethics, and Equity (Triple 'P', double 'E').

Responsible business derives its roots from the concept of the stakeholder approach. The stakeholder approach looks at the societal entities which a business effects through its activities but also upon which it depends. These stakeholders include, in addition to the stockholders as owners and primary beneficiaries, the employees, customers, the community in which the business operates and nature at large. The concept of responsible business takes into account the impacts of the business on all these constituent stakeholders by focusing the business on the QBL.

Shared value is not corporate social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success. The responsible business concept goes beyond the shared value concept by explicitly bringing in values and the concern for process equity in order to serve the stakeholders of the business. A responsible business, thus, alludes to or expresses its values in its purpose for being in business. Moreover, out of its purpose springs its method of operating by the principles of the quintuple bottom line.

### **Why use responsible business practices?**

Companies employ responsible business practices for a variety of reasons. Some believe it helps attract and retain employees. Others say it helps improve customer sales and loyalty. Also, it helps safeguard a company's corporate reputation and strengthen its community relations. On a more practical side, adopting environmentally responsible practices can help reduce energy and water consumption, and thereby reduce the cost of doing business. Socially Responsible Business Practices are discretionary business practices that a corporation adopts and conducts to support social causes, to improve community well-being, and/or to protect the environment.

### **Responsible Business - Positive outcomes**

1. **Company benefits:** Improved financial performance, Lower operating costs, Enhanced brand image and reputation, increased sales and customer loyalty, Greater productivity and quality, Greater ability to attract and retain employees, reduced regulatory oversight, Access to capital, Workforce diversity, Product safety and decreased liability.
2. **Benefits to the community and the public:** Charitable contributions, Employee volunteer programs, corporate involvement in community education, employment, and homelessness programs, Product safety and quality.
3. **Environmental benefits:** Greater material recyclability, better product durability and functionality, Greater use of renewable resources, Integration of environmental management tools into business plans, including life-cycle assessment and costing, environmental management standards, and ecolabelling.

### **Principles of Responsible Business Governance**

The principles are rooted in three ethical foundations for responsible business namely.

- Responsible stewardship;
  - Living and working for mutual advantage;
  - Respect and protection of human dignity.
1. **Respect Stakeholders beyond Shareholders** - A responsible business acknowledges its duty to contribute value to society through the wealth and employment it creates and the products and services it provides to consumers.
    - A responsible business maintains its economic health and viability not just for shareholders, but also for other



stakeholders. • A responsible business respects the interests of, and acts with honesty and fairness towards, its customers, employees, suppliers, competitors, and the broader community.

2. **Contribute to Economic, Social and Environmental Development** - A responsible business recognizes that business cannot sustainably prosper in societies that are failing or lacking in economic development. • A responsible business therefore contributes to the economic, social and environmental development of the communities in which it operates, in order to sustain its essential 'operating' capital - financial, social, environmental, and all forms of goodwill. • A responsible business enhances society through effective and prudent use of resources, free and fair competition, and innovation in technology and business practices.
3. **Respect the letter and spirit of law** - A responsible business recognizes that some business behaviors, although legal, can nevertheless have adverse consequences for stakeholders. • A responsible business therefore adheres to the spirit and intent behind the law, as well as the letter of the law, which requires conduct that goes beyond minimum legal obligations. • A responsible business always operates with candor, truthfulness, and transparency, and keeps its promises.
4. **Respect Rules and Conventions** - A responsible business respects the local cultures and traditions in the communities in which it operates, consistent with fundamental principles of fairness and equality. • A responsible business, everywhere it operates, respects all applicable national and international laws, regulations and conventions, while trading fairly and competitively.
5. **Support Responsible Globalization** - A responsible business, as a participant in the global marketplace, supports open and fair multilateral trade. • A responsible business supports reform of domestic rules and regulations where they unreasonably hinder global commerce.
6. **Respect the Environment** - A responsible business protects and, where possible, improves the environment, and avoids wasteful use of resources. • A responsible business ensures that its operations comply with best environmental management practices consistent with meeting the needs of today without compromising the needs of future generations.
7. **Avoid illicit activities** - A responsible business does not participate in, or condone, corrupt practices, bribery, money laundering, or other illicit activities. • A responsible business does not participate in or facilitate transactions linked to or supporting terrorist activities, drug trafficking or any other illicit activity. • A responsible business actively supports the reduction and prevention of all such illegal and illicit activities (© Caux Round Table 2009)

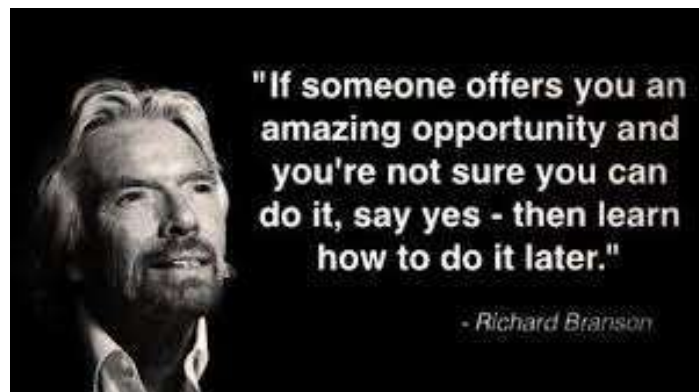
## Conclusion

The Covid-19 lockdown has had a significant impact on the way that we operate, highlighting positive changes we can all make in future. The coronavirus (COVID-19) pandemic has created major disruptions in the economy and the life of businesses. These disruptions are creating a wide range of impacts on companies and many of them are struggling financially. The COVID-19 crisis has also exposed major vulnerabilities in company operations and supply chains linked to conditions of work and disaster preparedness. Governments have taken extraordinary steps to try and contain the epidemic. A responsible business conduct (RBC) approach to the COVID-19 crisis response is particularly important to identify, mitigate and address adverse impacts and will help ensure that the environmental, social and other governance issues are central in the design and implementation of both government and business responses.

The effective integration of corporate social and environmental responsibilities could potentially release greater value for both shareholders and wider stakeholders: moving beyond compliance, to creating new value through new products and services that meet societal needs; and collaborating to solve the complex and demanding social and environmental problems that threaten to grow beyond our control. This would provide a more vital context in which people would have greater opportunity to exercise moral values and ethical commitments. However, corporations capable of working in investors', stakeholders', and society's interests in a collaborative, creative and productive way would require a further fundamental redesign of the concept of the corporation and the institution of the market. It is possible that confronting the dilemmas of social, economic, and ecological survival which governments, business and communities face, will force the rethinking of corporate objectives, structures, and activities that is necessary.

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# HELP YOURSELF

## *Food for Thought*



**Aparna U**

Executive Student

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## The Greatness Guide

- by Robin Sharma

*Special thanks to CS Sridharan N, a subscriber of this e-magazine and a regular reader of this column for suggesting me to read this book and for being very supportive and ever-encouraging.*

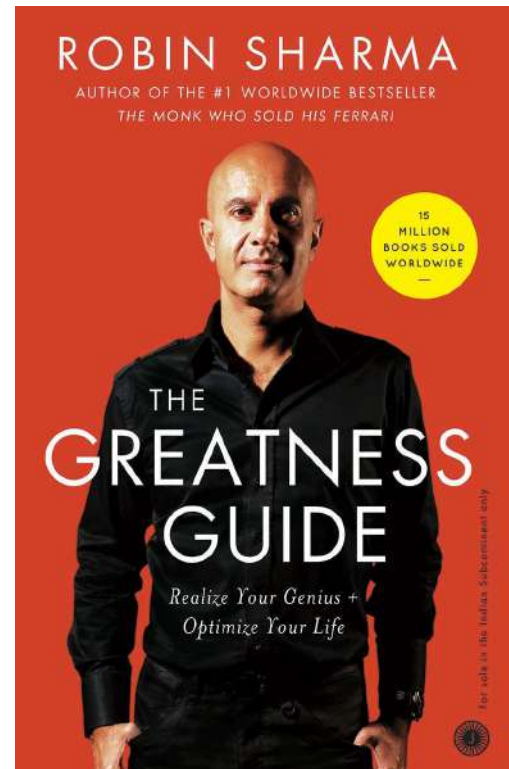
We often hear everyone saying 'mindset is everything.' Our thoughts significantly contribute to the mindset that we carry day in and day out. We learnt that "As a person thinketh in his subconscious mind, so is he " in one of our earlier articles on 'The Power of your Subconscious Mind' by Dr. Joseph Murphy, one of the pioneering voices of affirmative thinking. We learnt how important it is to sow good seeds in our subconscious mind as we very well know that what we sow is what we reap. Therefore this book and many others as well highlight the importance of affirmative thinking and speaking positively to ourselves and that it is most effective when done soon after waking up and before going to bed.

Reading 'The Greatness Guide' by Robin Sharma at these two crucial times of your day will surely help you craft your days well. Read it or rather converse with the author through this book, implement them and watch your productivity grow dramatically. The author, a celebrated leadership consultant, will tell you about the best of people he has read about or met and interacted with and gives you the best of ideas to reach your goals, live your life wonderfully well and become a wonderful human being. This book floods your soul with positivity and shows you that you can dream big and achieve it all.

The book has very short chapters, just a page or two each, so if you are a beginner at reading self-help books then this is the best pick. The style is conversational therefore very easy to read and grasp. Pick this book up anytime, if you're feeling low then it's a must and it will surely leave you elevated/elated.

A Robin Sharma book is a treasure chest of wonderful quotes amidst amazing ideas. Here's one quote from this book- "Ordinary people don't spend much time on the extra mile. But who ever said you were ordinary?"

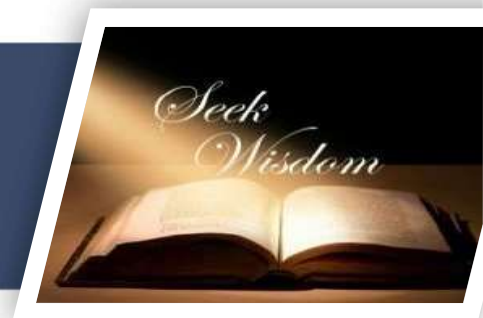
This column does not intend to give you a book review or a book summary but just a glimpse of the book hoping it would make you want to grab it and read it by yourself. One very interesting chapter from the book is 'Your Schedule doesn't Lie.' The author enlightens on how your daily schedule reflects what you truly value and believe to be important. As success is a result of continuous and consistent efforts, it's a terrible mistake if our daily schedule misaligns with our



deepest values. And from the book 5AM Club, also by Robin Sharma, he wonderfully puts it "Each day is our life in miniature." Many more such ideas in the book that are sure to light a fire in your belly, don't miss them! There is also 'The Greatness Guide Part-2' and I have no second thoughts about reading that as well and sharing a little here soon.

## CS MINERVA

*The Student's Corner*



### Register of Fixed Assets

Under the Companies (Auditors Report) Order, 2015 (CARO), the Auditors have to include a statement in their report which inter alia specify whether the company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets. Hence, this register is a statutory register. Each company should keep and maintain this register. Maintenance of such register shall help the management to fix accountability and detect misuse, misappropriation and fraud about the assets of the company.

The following may be the columns of this register:

1. Serial No.
2. Date of entry
3. Particulars of assets
4. Quantity
5. Cost price
6. Date of purchase
7. Situation
8. Details of disposal
9. Remarks.







### Are you really safe..!

Hi everyone,

In the so-called era of socializing through social apps like Facebook, Instagram, Twitter, etc there are several privacy issues and we can be victimized easily.

Nothing in this world is free, if you are getting anything for free, which means someone is treating you as a “Product”. Due to the curiosity or urgencies of using the new apps, we give all the permissions which the app asks while installing it though some of them not necessary. Without your knowledge, you are giving all the permissions for the app developers to use or sell your personal information, and in some certain circumstances they might get the complete access to your devices. This is how you get the personalized offer messages, customer care calls, etc. As I said earlier “YOU ARE THE PRODUCT” to them. Many companies like amazon, flipkart etc will invest hundreds of crores to get the personal information so that they can provide you customized adds. Have you ever seen any ad which you think is irrelevant to you? These companies openly ask for permissions so that it can provide personalized ads.



Government of India is continuously monitoring these kinds of apps and software's and issuing continuous rules and regulations. But it becomes our responsibility to support the government by bringing its attentions to the problems faced by us. There are numerous types of scams which we are not aware of and which can cost a hefty amount. We should be aware of them before using these kinds of apps or software's.

You can stay away from few scams If you follow the below mentioned steps.

1. Never use Google to get the customer care numbers or service center numbers, there are high chances that you might fall into the traps to the scammers and lose money. Instead of that you can use the help option provided in the respected app for software for the customer care number or service center number.
2. Sometimes the customer care or service center people may ask for the any desk or access to use your desktop. In that case make sure that you are speaking to the genuine customer care people and also make sure that there is no other websites or software's are open In the background which can revel your sensitive information.
3. Never give any kind of OTP to any person even if they say that they are from the company side. Make sure to raise a complaint if you get frequent calls requesting for OTP.

4. Think before giving permission and access to your information, think practically for ex: why does the weather app needs microphone permissions. Like that just go though each and every app and give permission only what those apps requires.
5. If anyone misbehaves on any platform like Facebook, Instagram, etc. you can report against those persons on the same app and you can also lodge a complaint to cyber security police if you are facing severe issues. Cyber security police are a department which is a specialized branch which deals with the cybercrime.
6. Don't post your daily updates on the social media even thieves or burglars may also watch you...! There are many cases registered of burglary on the same day when people posted travelling posts on their social media platform.

**“BE SOCIAL IN REAL LIFE NOT IN SOCIAL MEDIA  
BE SOCIAL BUT NOT AT THE COST OF YOUR PRIVACY”**



**BRAINY BITS...**



**CS Madhur N Agrawal**

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Email id: madhurna@gmail.com

Ramya has recently cleared her final/professional exams, and out of excitement Ramya immediately start using the prefix CS and designation Company Secretary. Ramya's friend who has already got the membership looks her status updated on LinkedIn tells her that she should not use these prefix and designation right now. Whether Ramya's friend is correct or not? Why?

Hint: The Company Secretaries Act 1980.

Please send your answers to, [newsletter.icsimysore@gmail.com](mailto:newsletter.icsimysore@gmail.com) along with your name, qualification, and designation. Name of the person with most appropriate answer with reasoning, shall be published in the next edition of eMagazine

A registered society is proposed to get converted into Section 8 Company under the Companies Act 2013. The society does not have any shares at present, nor does its constitution have any related clauses.

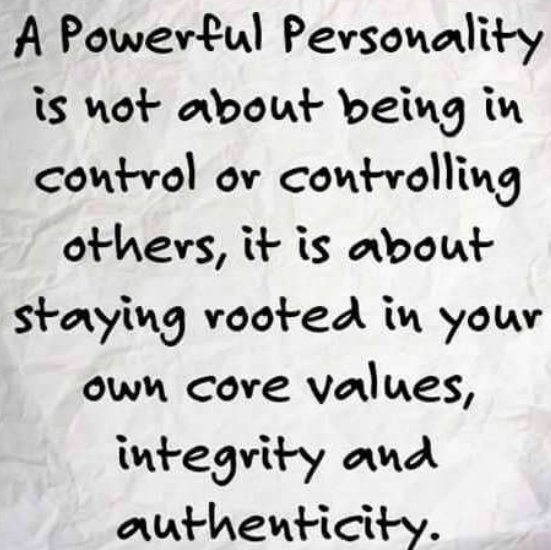
### Questions

1. Is it possible to convert this society into Section 8 limited by shares or limited by guarantee?
2. If yes, how can this be done? If no, why it cannot be done?

### Answer for previous month's question:

1. Yes such Society may be converted into Section 8 Company with share capital but now by guarantee.
2. The conversion from society to section 8 company can be done using Form URC1 and while doing the conversion the company may choose to convert from company limited shares.

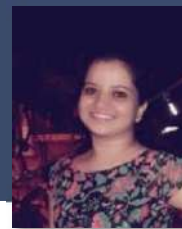
Any contradictory views are welcomed.



A Powerful Personality  
is not about being in  
control or controlling  
others, it is about  
staying rooted in your  
own core values,  
integrity and  
authenticity.



# Regulatory Updates



Compiled by:

**Matruka B M**

Professional Student  
Mysore

## Companies Act, 2013

### Updates on Circulars

MCA has amended Companies (Incorporation) Rules, 2014, which shall be known as Companies (Incorporation) second Amendment Rules, 2021.

In rule 3(1) of the principal rules;

- I. for the words, “and resident in India” the words “whether resident in India or otherwise” shall be substituted;
- II. in Explanation I, for the words “one hundred and eighty two days” the words “one hundred and twenty days” shall be substituted;

### Conversion of one Person Company into a public company or a private company

To give effect to the conversion and to make necessary changes incidental thereto, The One Person Company shall alter its memorandum and articles by passing a resolution in accordance with subsection (3) of section 122 of the Act.

A One Person company may be converted into a Private or Public Company, other than a company registered under section 8 of the Act, by making due compliance of section 18 of the Act for conversion. Such a company shall file an application in E-form No.INC-6 to give effect to its conversion.

MCA has introduced new E-Form INC-6.

In Rule 7 of the principal rules,

- a) in sub-rule (1), the words “having paid up share capital of fifty lakhs rupees or less and average annual turnover during the relevant period is two crore rupees or less” shall be omitted.
- b) in sub-rule (4), in clause (i), the words “the paid up share capital company is fifty lakhs rupees or less or average annual turnover is less than two crores rupees, as the case may be” shall be omitted.

### Companies (Incorporation) second Amendment Rules, 2021.

In Supersession of Producer Companies (General Reserve) Rules, 2003, the Central Government has introduced new rules which shall be known as Producer Companies Rules, 2021.

These rules shall apply to a Producer Company as referred in clause (l) of section 378A.

### Change of place of registered office from one State to another.-

The rules 27, 30 and 31 of the Companies (Incorporation) Rules, 2014, including the forms stated therein shall be applied for the purpose of change of place of registered office of a Producer Company from one State to another.

**Investment of general reserves.-**

A Producer Company shall make investments from and out of its general reserves in any one or in combination of the following;

1. in approved securities, fixed deposits, units and bonds issued by the Central Government or State Governments or co-operative societies or scheduled bank; or
2. in a co-operative bank, State co-operative bank, co-operative land development bank or Central co-operative bank; or
3. with any other scheduled bank; or
4. in any of the securities specified in section 20 of the Indian Trusts Act, 1882 (02 of 1882); or
5. in the shares or securities of any other inter-State co-operative society or any co-operative society; or
6. in the shares, securities or assets of public financial institutions specified under clause (72) of section 2 of the Act.

**Producer Companies Rules, 2021**

MCA has amended Companies (Management and Administration) Rules, 2014, which shall be known as e Companies (Management and Administration) Amendment Rules, 2021,

In rule 11, for sub-rule (1) of the principal rule, the following sub-rule shall be substituted,

“(1) Every company shall file its annual return in Form No.MGT-7 except One Person Company (OPC) and Small Company. One Person Company and Small Company shall file annual return from the financial year 2020-2021 onwards in Form No.MGT-7A”

For rule 12 of the principal rule, the following rule shall be substituted;

“12.Filing of Annual Return with Registrar.- A copy of the annual return shall be filed with the Registrar with such fees as may be specified for this purpose.”

MCA has introduced new form MGT-7 and MGT-7A.

**Companies (Management and Administration) Amendment Rules, 2021**







## Civil Sheep in a Criminal Wolf's Clothing - Moratorium on Cheque Bounce Cases and Other issues

The spring season is here and along with a fresh blossoms of flowers, it has also brought us a bouquet of judgments relevant to corporates and companies from the Supreme Court. We shall briefly look at each of them.

### 1. Moratorium under Section 14 of IBC

When Corporate Insolvency Resolution Process is initiated in respect of a company, by operation of Section 14 of IBC the adjudicating authority shall by order declare a moratorium against institution of suits or continuation of pending suits or proceedings against the corporate debtor. However, this is not applicable to criminal proceedings. Cheque bounce proceedings, i.e., proceedings instituted under Section 138 of the Negotiable Instruments Act, being technically criminal proceedings were seen to be outside the purview of this moratorium. However, in 2018 a judgment of the Supreme Court had examined the case law relating to negotiable instruments at length and observed that it primarily operates as a recovery mechanism. The Court in *Meters and Instruments (P) Ltd. v. Kanchan Mehta*, (2018) 1 SCC 560 held

“Offence under Section 138 of the (Negotiable Instruments) Act is primarily a civil wrong.

...

The object of the provision being primarily compensatory, punitive element being mainly with the object of enforcing the compensatory element, compounding at the initial stage has to be encouraged but is not debarred at later stage subject to appropriate compensation as may be found acceptable to the parties or the court.”

The Supreme Court in its judgment dated 1st March, 2020 in *P. Mohanraj v. Shah Brothers Ispat Pvt. Ltd.* referred to the above judgment and other judgments and held that cheque bounce proceedings, though tried as a criminal trial, are “civil sheep in a criminal wolf's clothing”, i.e., beyond the outwardly form, they are criminal in nature and held that the moratorium under Section 14 also covers proceedings under Section 138 of the Negotiable Instruments Act. Hence, if there is a cheque bounce case pending against a company and its directors, and the company goes into insolvency proceedings under the Insolvency and Bankruptcy Code, the cheque bounce proceedings will come under the moratorium. As cheque bounce proceedings presume a debt due, the complainant will be entitled to raise a claim before the resolution professional as and when an advertisement is made for the same by him.

## 2. Collusive transactions

As the Insolvency and Bankruptcy Code and proceedings thereunder have matured and evolved, so have the methods adopted by persons to circumvent the proceedings and siphon funds from companies which are headed into insolvency. When a company goes into insolvency, a Committee of Creditors is constituted with representatives from the financial creditors of the company, to administer the insolvency process in terms of Section 21 of the IBC.

However, if a party related to the erstwhile promoter group of the company is permitted to be on the Committee of Creditors, it would be equivalent to permitting the promoters to gain a backdoor entry to the administration of the company and the same is prohibited by the first proviso to Section 21.

In this context, the question that arose for consideration of the Court in judgment delivered on 1st February, 2021 *Phoenix Arc. Pvt. Ltd. v. Spade Financial Services Ltd.* was whether a related party could be a financial creditor at all and whether a collusive transaction, i.e., a transaction with a related party could give rise to a financial debt.

The Court held that a financial creditor which is in *praesenti*, i.e., at the time of the initiation of CIRP not a related party would not be excluded from being a financial creditor and having a position on the Committee of Creditors, irrespective of how the said debt arose. No doubt the cleverer readers have already figured out how this law creates a loophole susceptible to be exploited by unscrupulous promoters who may pass on their debts with related parties/companies to proxies which fall outside the definition of related party.

## 3. Interplay of Section 230 of the Companies Act, 2013 with Section 29A of the Insolvency and Bankruptcy Code.

It is well known that some classes of persons, such as wilful defaulters, related parties of the corporate debtor etc. are not eligible to submit a resolution plan in respect of the corporate debtor in terms of Section 29A of the Insolvency and Bankruptcy Code. However, is such a person also barred from proposing a scheme of compromise or arrangement with the creditors of a company? The Supreme Court in its judgment dated 15th March, 2021 in *Arun Kumar Jagatramka v. Jindal Steel and Power* has examined this issue.

It was inter alia contended by some of the parties that when the related parties of the corporate debtor is not barred from making a settlement with the insolvency applicant and withdrawing the application under Section 12A of the Code, there is no reason why a related party should be barred from making a similar settlement under Section 230 of the Code.

The Court did not accept this argument. The Court held that Section 12A was fundamentally different in that it was only a withdrawal of the application seeking initiation of CIRP under Section 7 or 9 of the IBC as the case maybe and not a blanket cover against all such applications. A scheme of compromise under Section 230 of the Companies Act was seen as more akin to a resolution under Section 31 of the Insolvency and Bankruptcy Code as it results in a culmination of the process binding all stakeholders involved. Hence, it was held that a person or company ineligible in terms of Section 29A of the IBC would also be ineligible to propose a scheme of compromise under Section 230 of the Companies Act.

4. **Retrospective operation of the special bar placed on applications for initiation of CIRP in light of COVID.**

The pandemic that changed the world we live in for good also brought substantive changes with respect to IBC. One particular change to be examined is Section 10A of the IBC introduced by way of amendment dated 5th June, 2020. The newly inserted provision provides as follows:-

“10A. Suspension of initiation of corporate insolvency resolution process.— Notwithstanding anything contained in sections 7,9 and 10, no application for initiation of corporate insolvency resolution process of a corporate debtor shall be filed, for any default arising on or after 25th March, 2020 for a period of six months or such further period, not exceeding one year from such date, as may be notified in this behalf:

The question that arose in the case of Ramesh Kymal vs M/S. Siemens Gamesa Renewable decided on 9th February, 2021 was, would this apply to petitions arising out of defaults after 25th March, 2020, but filed before June 5th 2020 when the amendment was brought into effect?

The Court took a purposive interpretation and referred to the date of cutoff for defaults which was mentioned. The Court held that the date of 25th March was not arbitrary but rather deliberately provided to coincide with the National Lockdown in light of COVID-19 and further held that the insertion of Section 10A was intended to protect businesses from the cataclysmic effect of the pandemic. Thus it was held that all petitions arising out of defaults subsequent to the cut of date would be barred.



*“Working hard for something we  
don’t care about is called stress;  
working hard for something we love  
is called passion.”*



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- Registered students can submit their doubts/queries through the Google form.
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- Students can also ask queries online through chat box during the class.
- Renowned faculties will sort out all your queries.
- Schedule of classes will be sent at your email id once you register for the classes.

## ::: SCHEDULE OF CLASSES :::

**Professional Programme New Syllabus Classes**  
22<sup>nd</sup> March, 2021 onward (08:00a.m. to 11:00a.m.)

**Executive Programme New Syllabus Classes**  
22<sup>nd</sup> March, 2021 onward (02:30p.m. to 05:30p.m.)

**Professional Programme Old Syllabus Classes**  
5<sup>th</sup> April, 2021 onward (08:15a.m. to 11:15a.m.)

**Executive Programme Old Syllabus Classes**  
6<sup>th</sup> April, 2021 onward (08:15a.m. to 11:15a.m.)

**Foundation Programme Classes**  
12<sup>th</sup> April, 2021 onward (11:15a.m. to 02:15p.m.)

## ::: FEES :::

|                        |                |
|------------------------|----------------|
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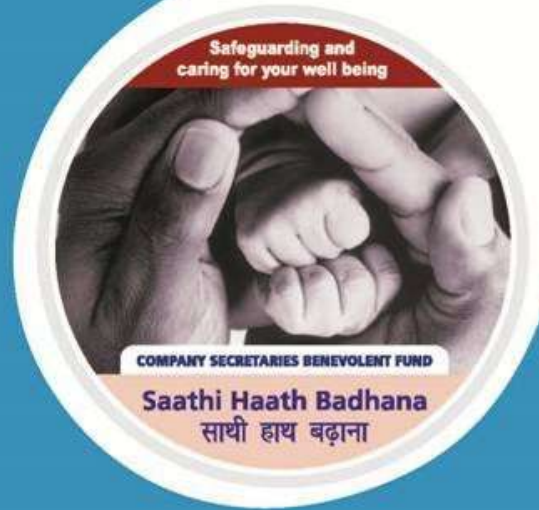
**THE INSTITUTE OF  
Company Secretaries of India**

**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.

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## 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

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