

REPORT ON THE 15TH STUDY CIRCLE MEET OF “BANNERGHATTA STUDY CIRCLE OF BANGALORE CHAPTER OF ICSI”



“Bannerghatta Study Circle of Bangalore Chapter of The ICSI” conducted the 15th Study Circle meet on February 05, 2015 at GMR Group, IBC Knowledge Park, Phase 2, ‘D’ Block, 11th Floor, 4/1, Bannerghatta Road, Bangalore - 560 029. Mr. N Ramaskanda and Mr. K.R. Murali Krishna, Practicing Cost Accountants, M/s Rao Murthy & Associates, Cost Accountants, Bangalore were the speakers for the topic “Applicability of the Cost Audit as per the Companies Act, 2013 & Companies (Cost Records and Audit) Rules, 2014”. Mr. Ramaskanda made an introductory note and made a presentation on the applicability of Cost Audit to companies in India, filing of cost audit report and transition of Companies Act, 1956, MCA Circulars / Notifications issued in 2011, Companies Act, 2013 and Rules issued in 2014. Mr. K.R. Murali Krishna explained in detail the provisions of the Companies (Cost Records and Audit) Rules, 2014 and Amendment Rules, 2014 and also applicability of the Cost Audit to Regulated and Non-Regulated Sectors.

Later, the speakers interacted with the audience clarifying their queries especially on various issues faced by the professionals while complying this new section and Rules.

The session was attended by 36 members. CS Hari Babu Thota Dy. Convener of the study circle proposed vote of thanks.

REPORT ON THE 16TH STUDY CIRCLE MEET OF “BANNERGHATTA STUDY CIRCLE OF BANGALORE CHAPTER OF ICSI”



“Bannerghatta Study Circle of Bangalore Chapter of The ICSI” conducted the 16th Study Circle meet on March 27, 2015 at GMR Group, IBC Knowledge Park, Phase 2, ‘D’ Block, 11th Floor, 4/1, Bannerghatta Road, Bangalore - 560 029. Shri Sudhanshu Prasad, DGM, FED, RBI and Shri Gopal B. Terdal, AGM, FED, RBI were the speakers for the topic “Introduction to FDI and recent changes in FDI”. Shri Sudhanshu Prasad made an introductory note and made a detailed presentation on FEMA Regulations on Foreign Direct Investment (FDI) and latest developments, which covered ‘Regulatory Evolution of Forex Market’, ‘FEMA Guidelines on Foreign Investments in India’ and ‘FDI’.

Shri Gopal B. Terdal explained in detail on ‘FDI Reporting’ which covered ‘Why FDI Reporting’, ‘Reporting of Inflow’, ‘Timeline for issuing shares’, ‘Reporting for issue of shares’, ‘documents to be submitted with FCGPR’, ‘issue of preference shares / debentures / non-convertible / redeemable bonus preference shares / debentures’, ‘issue of bonus shares / rights shares’, ‘conversion of ECB’, ‘conversion of Royalty’, ‘issue of equity shares against import of capital goods / machinery / equipment’, ‘issue of equity shares against pre-operative / pre-incorporation expenses’, ‘ESOP’, ‘issue of shares to non-residents against shares swap’, ‘merger / amalgamation’, ‘partly paid shares / warrants’, ‘reporting of FDI for transfer of shares’ and ‘compounding of contraventions under FEMA, 1999’.

Later, the speakers interacted with the audience clarifying their queries especially on various issues faced by the professionals while complying this.

The session was attended by 50 members. CS Hari Babu Thota Dy. Convener of the study circle proposed vote of thanks.

REPORT ON UNION BUDGET 2015 – ORGANIZED BY BANGALORE CHAPTER OF ICSI ON 02ND MARCH 2015.



The Bangalore Chapter of ICSI organized a program on “Union Budget -2015” 02nd March 2015 at the Chapter’s premises, the program was presided by CS Dattatri H M, Chairman, Bangalore Chapter, CA Rajesh Kumar, TR, Partner, Hiregange & Associates, CA Srinivasan P V, Senior Vice President Corporate taxation, Wipro Ltd, CA Amith Raj AN, Senior Manager, PWC, Bangalore.

CS H.M.Dattatri, Chairman, Bangalore delivered the welcome address and invited the speakers on the dias.

1st technical Session:-

The first technical session during the program was taken by CA Rajesh Kumar TR, on Indirect Tax Analysis of Budget 2015, the speaker enlisted the expectations and the actuals of the budget 2015, and explains various provisions and procedures laid down in the budget. The Speaker explained that announcement on GST will come during the month of April 2015, and also explained that no specific date has been announced in the budget. Later he updated the gathering regarding changes in service tax from 12.36% to 14% and informed the date is yet to be informed. He also informed that Education Cess and SHE Cess would go, and there is an option for inclusion of Swacchh Bharat Cess @ 2% on the value. He also stated that all government services to business entities will be taxable and gave an insight on various exemptions, inclusions, removals, in the budget 2015 before concluding his session.

The Session ended with vote of thanks and presentation of memento to the speaker

2nd technical Session

The Second Technical Session during the program was taken by CA Amith Raj AN, from PWC, who explained the gathering that the new budget focuses on Income Tax rate, make in India – promoting manufacturing, improving investments, Swacchh Bharat, Curbing Black money, maximum governance to improve ease of doing business, tax payer benefits, etc...He highlighted the that Rate of surcharge for domestic companies is increased by 2% to 7%/12% (as against 5%/10% earlier) resulting in an increase in effective tax rates, he also informed that

It is proposed to reduce corporate tax rates from 30% to 25% over the next 4 years in a phased manner starting from FY16. He further explained in detail about the various limits and provisions in personal taxation and corporate taxation before concluding his session.

The Session ended with vote of thanks and presentation of memento to the speaker.

The program was very well attended by more than 75 delegates.

REPORT ON CAPACITY BUILDING PROGRAM IN FEMA 07TH MARCH 2015:



Bangalore Chapter of ICSI organized Capacity Building Program in FEMA keeping in view the Major overhaul underway in all aspects of foreign investments laws starting from raising the FDI cap for various sectors to simplifying the various Forms need to be filed before regulatory authorities. There is so much scope for advisory practice only if the CS keep pace with the changing laws in foreign investment laws and In order to open the wings further for the CS providing enduring benefits.

This CBP in FEMA was conducted by bringing in the best of the faculties and experts in the field to teach and share their experiences in every aspect of FEMA, inbound and outbound investments laws to the registrants. Further, FEMA is an integral and vital part of the Secretarial Audit. CBP in FEMA was conducted on consecutive Saturdays for 5 weeks from 7th March 2015 to 11th March 2015

The programme was inaugurated on 7th March presided by CS H.M. Dattatri, Chairman, Bangalore Chapter, CS Gopalakrishna Hegde, Central Council Member, The ICSI.

Mr. B.V.Kumar, Advocate, Presided for the program as Chief Guest and CS Satish Menon, Principal Consultant, Menon Associates, presided as Guest of Honor. Chairman, Bangalore Chapter welcomed the gathering and invited the dignitaries on the dias which was followed by lighting of Lamp.

Speaking on the occasion CS Gopalakrishna Hegde, congratulated Chairman and Managing committee of Bangalore Chapter for organizing the program and informed that CBP is the need of the hour which will enable the members to enhance their knowledge. He stated that indepth

knowledge on these subjects is required and that is why CBP programs are conducted again and again. He informed that an open house session on Secretarial Audit is also going to be conducted, to eradicate the fear of unknown, as members we all need to understand the topic in detail. He informed that he is happy that CBP in FEMA is attended by good number of participants and requested them to make use of this opportunity to the best possible.

Mr. B.V.Kumar, Advocate, Chief Guest, speaking on the occasion congratulated the Chairman and Managing Committee of Bangalore chapter for organizing CBP in FEMA. He informed that With the inbound and outbound investments rising, it is essential to understand the rules, regulations and policies that govern such capital inflows and outflows. He informed that this CBP in FEMA will help in identifying the issues and help create a broader understanding of the foreign exchange laws and policy in India with detailed analysis of the impact of modified laws as per the new companies act.

CS Satish Menon, in his address explained in details about foreign exchange saying that foreign exchange is conversion of currency of one country in another country and a global market where foreign currencies are traded on a real time basis. He informed that the primary objective of FEMA is facilitating external trade and payments and for promoting the orderly development and maintenance of FE market in India. It includes Deposits, credits and balances payable in any foreign currency ; Drafts, traveller's cheques, letters of credit or bills of exchange, expressed or drawn in Indian currency but payable in any foreign currency. He also explained the participants on various sections under FEMA, issues and penalties before concluding his session.

The Sessions ended with vote of thanks and presentation of Mementos to the chief Guests and Speakers.

Technical Session:-

The technical Session during CBP in FEMA was handled by CS Sathya Prasad, Director, Fox Mandal, on the topic "Introduction and overview of FEMA. The Speaker started his session comparing FERA with FEMA and their differences. He informed that the objective of FEMA is to Facilitate "external trade" and "payments" Promotion of orderly development of "foreign exchange markets" in India. The Speaker highlighted various sections under FEMA and their definitions, regulations & management of foreign exchange, current account and capital account transactions, export of goods and services and their provisions, enforcements and appeals.

REPORT ON HALF DAY WORKSHOP ON “FINANCIAL WELLNESS” ORGANISED TO CELEBRATE THE INTERNATIONAL WOMENS DAY ON 14TH MARCH 2015 AT THE CHAPTER’S PREMISES.



To commemorate the International Womens Day, The Bangalore Chapter of the ICSI organised a workshop on “Financial Wellness on 14th March 2015. CA Shubha Ganesh, CEO, Blue Lotus Investment Strategists was the speaker.

CS H.M Dattatri, Chairman, Bangalore Chapter of the ICSI delivered the welcome address and introduced the speaker.

The speaker in her address stated that “Financial Wellness is about the balance between living responsibly today and planning wisely for tomorrow”

Her Workshop aimed to help in understanding how to take care of personal finances and plan ahead. Financial wellness means a comprehensive look of one’s financial attitude, financial situation, behaviour and financial satisfaction.

Key Takeaways of the workshop were to understand:

- The importance of financial planning;
- The elements of a financial plan;
- The factors that influence decision making for each type of investment and its impact;
- How to structure a proper financial plan based on unique requirements of different People;
- Challenges faced while making a personal financial plan and how to overcome it.

There was a lively interaction by 20 Members present and later CS Rekha Kamath, Treasurer, Bangalore Chapter of the ICSI proposed the vote of thanks.

REPORT ON OPEN HOUSE SESSION ON SECRETARIAL AUDIT “17TH MARCH 2015.



Bangalore Chapter of the ICSI organized an Open House Session on Secretarial Audit on 17th March 2015, at the Chapter's Premises.

The Program was presided by CS Gopalakrishna Hegde, Central Council Member, The ICSI, Speaker for the day.

CS Vivek Hegde, Member, Managing Committee of Bangalore Chapter, welcomed the gathering and invited the Speaker CS Gopalakrishna Hegde, Central Council Member, on the dais.

CS Gopalakrishna Hegde in his address highlighted some of prominent provisions in Companies Act 2013, **Section 204:**

(1) Every listed company and a company belonging to other class of companies **as may be prescribed** shall annex with its Board's report made in terms of sub-section (3) of section 134, a secretarial audit report, given by a company secretary in practice, **in such form as may be prescribed.**

(2) It shall be the duty of the company to give all assistance and facilities to the company secretary in practice, for auditing the secretarial and related records of the company.

(3) The Board of Directors, in their report made in terms of sub-section (3) of section 134, shall explain in full any qualification or observation or other remarks made by the company secretary in practice in his report under sub-section (1).

(4) If a company or any officer of the company or the company secretary in practice, contravenes the provisions of this section, the company, every officer of the company or the company secretary in practice, who is in default, shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

The Speaker also highlighted the gathering on Section 179 (3) read with Rules - to **appoint internal auditors and secretarial auditor; and** Section 143 relating to Fraud Reporting, Appointment and remuneration of KMP, Form MR 3, before concluding his session. The Speaker then addressed queries raised by the participants, thereafter the session concluded

with vote of thanks to the speaker by CS Vasanth Kumar. Secretary, Bangalore Chapter of the ICSI

REPORT ON STUDY CIRCLE MEETING ON “RELATED PARTY TRANSACTIONS “19TH MARCH 2015.



Bangalore Chapter of ICSI organized a Study Circle Meeting on “ Related Party Transactions” on 19th March 2015 at the Chapter’s Premises. The meeting was presided by CS H.M.Dattari, Chairman, Bangalore Chapter of the ICSI and CS K.Chandrasekhar, Company Secretary, Ace Designers, Bangalore was the speaker

CS H.M.Dattatri, Chairman, Bangalore Chapter welcomed the gathering and invited the speaker on the dias.

CS K.Chandrasekhar, in his presentation while giving an overview on Section 188: related party transactions, explained that no company shall enter into a contract with related party with respect to Sales of purchase of goods/material, leasing of property, appointment of any agent for purchase or sale of goods, materials, services or property, selling or otherwise disposing of, or buying, property of any kind etc. The Speaker highlighted the provisions under section 188 with illustrations to the participants. While explaining disclosures of RPT in board report the speaker informed that Every contract or arrangement entered into under section 188(1) shall be referred in the Board's report to the shareholders, along with the justification for entering into such contract or arrangement – [188(2) & the disclosure shall be in form AOC -2. He also explained the contents of form AOC-2, consequences and penalties for non compliances, register of contracts U/s 189, disclosure of interest U/s 184, Related Party Transactions under Section 92E of Income Tax Act,1961, procedures to be followed for RPT’s before concluding his session.

The Session ended with vote of thanks and presentation of Memento to the speaker.

REPORT ON HALFDAY SEMINAR ON DISCLOSURES IN DIRECTORS REPORT & ANNUAL RETURN CERTIFICATION HELD ON 28TH MARCH 2015 AT CHAPTER'S PREMISES.



Bangalore Chapter of ICSI, organized a half day program on Disclosures in Directors Report and Annual return certification on 28th March 2015. The program was presided by speaker CS Madhusudhanan CV, Partner, KSR & Co, Company Secretaries, LLP, Coimbatore.

CS H.M.Dattatri, Chairman, Bangalore Chapter, welcomed the gathering and informed that this program has a speciality that it is organized on the day of Sriramanavami. He then introduced the Speaker to the participants and informed that today's topic must be understood indepth as it is very important for Company Secretaries.

Presenting of the topic, CS Madhusudhanan CV, informed the gathering about the genesis of Directors report explaining that Directors Report should have compulsory disclosure on promoters, prospectuses, share issue & subscription to provide standard information to make informed decision while voting and electing directors. The Speaker while explaining Sec 149(12) that independent director and non executive directors are liable for acts of omission or commission with their knowledge evidenced through board processes and such act happening with their consent of connivance or out of lack of due diligence. The Speaker informed that a comprehensive process of understanding the functioning of board and to teach, suggest and motivate the directors, KMP and senior management in administering a process of information gathering, sharing, disclosure and transparency in their functioning, decision making will lead an organization towards a healthy corporate governance and practice. The Speaker explained various sections and key issues pertaining to annual return certification before concluding his session.

The Session ended with vote of thanks and presentation of memento to the speaker.

REPORT ON PRESIDENTS MEET WITH STUDENTS OF ICSI ON 30TH MARCH 2015



CS Atul H. Mehta, President, The Institute of Company Secretaries of India, speaking at the Students Meet organised by Bangalore Chapter on 30th March 2015 at Bangalore apprised the students on importance and benefits of honing good communication skills in uplifting ones quality and efficiency in a demanding profession like Company Secretary. He also outlined few major initiatives of ICSI as under:

1) FULL - TIME INTEGRATED COMPANY SECRETARYSHIP COURSE.

The new session for the Full Time Integrated Company Secretary ship course has been announced on 25-3-2015, and the pilot batch was launched in June 2014 last year at CCGRT,Mumbai. and are now planning to launch same at Bangalore Chapter.

2) MODIFIED TRAINING STRUCTURE FOR STUDENTS

The Institute of Company Secretaries of India (ICSI) has introduced a New Modified Training Structure for the Students of Company Secretary ship Course w. e. from 1st April 2014.

Under the modified Training Structure a student who has passed the Final examination or Professional Programme examination of the Institute shall be eligible for Associate Membership of the Institute only after he/she has undergone the practical training for a period of-

- i. **three years** on registration for Executive Programme; or
- ii. **two years** after passing the Executive Programme examination; or
- iii. **one year** after passing the Professional Programme examination;

The practical training may be exempted for a student who possesses prescribed work experience to the satisfaction of the Council.

3) E – LEARNING FACILITY FOR ONLINE COACHING CLASSES:

The president also apprised the Students on facilities' available with institute w.r.t E – Learning and informed that students can avail this facility for online coaching and informed that best faculty in the industry are taking classes online and clearing doubts of students & E-Library and the Introduction of Practice Module to benefit Students for preparation of examination.

4) EXAMINATION CENTRES:

The President also apprised the students that ICSI is planning to introduce more examination centres for the benefit of Students.

5) SOFTSKILLS TRAINING FOR STUDENTS:

The President also apprised the students that ICSI is planning to introduce soft skills training program for students, and urged the students to read business newspapers and financial express for improving their communication skills and for updating themselves with all the latest developments in the industry. He urged the students to be efficient Company Secretaries rather than becoming Janta category Company Secretaries.

6) RESEARCH WING AT BANGALORE:

The President, ICSI informed the students that ICSI looks at Bangalore Chapter for constituting a Research Wing comprising of senior resource persons at Bangalore in order to support the ICSI in bringing out research materials for enhancing professional capabilities of members at large.

REPORT ON PRESIDENTS MEET WITH MEMBERS OF BANGALORE CHAPTER OF ICSI ON 30TH MARCH 2015



The Bangalore Chapter of the Institute of Company Secretaries of India (ICSI), organised a discussion on Section 204 of Secretarial Audit in their recently inaugurated state of art Bangalore Chapter at West of Chord road, Rajajinagar on 30th March 2015. CS Atul H. Mehta, President, The Institute of Company Secretaries of India, speaking at the Members Meet put forth his views to the members of the Institute on the relevance of the recently introduced Secretarial Audit and the responsibility it has bestowed on the members of the Institute by the Government and its applicability.

Secretarial Audit' was introduced recently in Companies Act, 2013. It is a process to check compliances made by the Company under Corporate Law & other laws, rules, regulations, procedures etc informed the President, The new audit is a mechanism to monitor compliance with the requirements of stated laws and processes.

Speaking about Demand and Supply of Company Secretaries in view of the new Audit system introduced, Mr. Mehta said nearly 7000 companies come under the bracket of Secretarial Audit. It is important that our members are properly equipped to handle the same.

It took 50 years for us to get settled with Companies Act 1956. Similarly it will take some time for us to get settled with the New Companies Act 2013. 60% of the New Companies Act is live, rest is not notified. The Act has many good things as well as many challenges said Mr. Mehta.

Mr. Mehta stressed on the role of Practicing Company Secretaries in performing the Secretarial Audit and also spelt out about the expectation of regulators and the responsibilities casted upon the member as in order to uplift the image of the Company Secretaries as well as the Institute. He called upon the members of the institute to match fellow professionals and to emanate beyond horizons to showcase the talent of Company Secretaries and bring value addition to the Industry as a whole. The Capacity Building Seminars on Secretarial Audit are being planned across India for the benefit of members informed the President.

The gathering was graced by CS Gopalakrishna Hegde, Central Council Member, The ICSI; The Program was also preside by CS Nagendra D. Rao, Chairman , SIRC of the ICSI & CS H.M Dattatri, Chairman, Bangalore Chapter of the ICSI and Members of the Managing Committee Bangalore Chapter.

REPORT ON THE INAUGRATION OF 20th MANGEMENT SKILLS ORIENTATION

PROGRAMME OF THE BANGLORE CHAPTER OF THE ICSI HELD FROM 8th MARCH to 25th MARCH, 2015.



The Bangalore Chapter of the ICSI organised the inaugural function of the 20th Management Skills Orientation Programme (MSOP) on 8th March 2015. CS Dattatraya Joshi, Vice President & Company Secretary, Hitachi Koki India Ltd, Bangalore was the Chef Guest.

CS H.M Dattatri Chairman, Bangalore Chapter of the ICSI delivered the welcome address and introduced the Chief Guest. The Chief Guest inaugurated the programme by lighting the lamp.

The Chief Guest in his inaugural address stated that every Company Secretary needs to recognize the basic qualities required and to be nurtured for a fruitful career. He highlighted that the power of thinking and being a solution provider are the qualities looked out in a cs. He insisted all the participants to refresh their knowledge every often, rather believing on their memory itself and keep self abreast with the happening and cultivate habit of continuous learning as it takes us long way. Emphasizing on leadership qualities, he advised the participants to hone good communication skills .

CS H.M Dattatri Chairman, Bangalore Chapter of the ICSI proposed the vote of thanks

REPORT ON THE VALEDICTORY FUNCTION OF 20TH MANGEMENT SKILLS ORIENTATION PROGRAMME OF THE BANGLORE CHAPTER OF THE ICSI HELD ON 25TH March 2015



The Bangalore Chapter of the ICSI organised the valedictory function of the 20TH Management Skills Orientation Programme (MSOP) on 25th March 2015. CS Kedartnath, Past Chairman, Bangalore Chapter was the Chief Guest

CS H.M Dattatri Chairman, Bangalore Chapter of the ICSI welcomed and introduced the Chief Guest.

Mr. Mohammed Yunous and Mr. Vinay Devraj , Participants, shared their feedback about the MSOP Programme.

The Chief Guest in his address, highlighted some of the important aspects of the New Companies Act 2014 . Giving an insight on emerging employment prospects for CS he emphasized on the new duties and responsibilities as a Key Mangerial personnel. He advised the participants to grab every oppportunity and hone their skills through constant learning and upgradation.

The Chief Guest then distributed the Best Participant award to Mr. Vinay Devraj and the prizes for the Best Project to the team consisting of Mr. Sashikanth Bhat; Ms. Supriya ; Mr. Aldous K ; Mr. Prateek Nawal and Mr. Shreyas D for the Project on “Import & Export Procedure”.

The course completion certificates were distributed to all the 49 participants and Mr. Vasanth Kumar, Secretary, Bangalore Chapter of the ICSI proposed the Vote of Thanks.