

Report on Listing Regulations & ESOP & Launching of Capacity Building Programme in Capital Market Regulations – 7th November 2015



Bangalore Chapter of ICSI organized a Full Day Panel Discussion on Listing regulations, ESOP & launching of Capacity Building Program in Capital Market Regulations on 7th November 2015. The Program was presided by CS Dattatri H M, Chairman, Bangalore Chapter and panelists CS Rajesh S Narang, Corporate Management Advisor, CS S.Kannan, Consultant Company Secretary & Past Chairman, Bangalore Chapter, CS Pramod SM, Practicing Company Secretary & Past Chairman, Bangalore Chapter, CS Kundan Lal, GM Legal & Company Secretary, Kennametal India Ltd.

CS Dattatri H M, Chairman, Bangalore Chapter speaking on the occasion welcomed the gathering and introduced the panelists.

The panel discussion was moderated by CS Rajesh S Narang, Corporate Management Advisor, who along with other panelists CS Pramod S M & CS Kundan Lal, deliberated and informed the gathering on various important aspects in Listing Regulations. Then the panelists took queries raised by participants, and answered them in details.

2nd Technical Session:

The Second technical session during the program was taken by Mr. Vikas Keyal, Head Corporate, Vaish Associates, on topic ESOP. Speaking on eligibility for share based employee benefits, the speaker informed the Eligibility for the Schemes under the Regulations which excludes Independent Directors and Directors holding 10% of the equity shares directly or indirectly,

Then the speaker spoke on EMPLOYEE STOCK OPTION SCHEME (ESOS), wherein he explained in ESOS- company grants employee stock option directly or through a trust, and for Pricing- Company determines the exercise price as per the Guidance Notes on Accounting or Accounting Standards by ICAI, and the Vesting period should be - Minimum 1 year (If exercise is in lieu of ESOS held under another company which has merged or amalgamated with this company, the lock-in period already undergone in respect of shares of transferor company shall be adjusted.) He informed the lock in period for the shares issued pursuant to exercise of options may be specified by the

Company, and for Rights of the option holder- No dividend, voting or other rights or benefits in respect of options until allotment of shares and for Non exercise of option- Amount payable at the time of grant to be forfeited by the company, if not exercised. Such amount may be refunded if options are not vested due to non fulfilment of vesting conditions. Then the speaker informed the gathering on EMPLOYEE STOCK PURCHASE SCHEME (ESPS), STOCK APPRECIATION RIGHTS SCHEME (SARS), GENERAL EMPLOYEE BENEFITS SCHEME (GEBS), RETIREMENT BENEFIT SCHEME (RBS), Implementation of these schemes through trust, compliances and disclosures. The Speaker highlighted the circular issued by SEBI dated June 16, 2015 prescribing various requirements under the Regulations with respect to:

- Minimum provisions in a Trust Deed (Regulation 3(3))
- Terms and Conditions of schemes to be formulated by the Compensation Committee
- Disclosure requirements in the explanatory statement and Directors Report, including (Regulation 5(3)) description of the schemes, documents to be submitted with the registration statement, undertakings etc. (Regulation 6(2))
- Information required in the statement to be filed with the stock exchange (Regulation 10(b))
- Format for notification of issue of shares (Regulation 10(c))
- Disclosure by board of directors including details related to ESOS, ESPS, SAR, GEBS / RBS, Trusts (Regulation 14)
- Format of the disclosure document (Regulation 16(2) and 23(3))

Companies are now allowed to use secondary shares for grant of benefits under Schemes.

- Use of Equity settled Stock Appreciation Rights are allowed.
- General Employee Benefit and Retirement schemes involving equity shares of the employer company will now come under the purview of these Regulations.
- Independent Directors are excluded from category of eligible employees.
- Companies using secondary shares will have to use the Trust route.
- Trust holding shall neither be disclosed as Public nor Promoter holding but as a separate category.
- Trust cannot sell shares in market or off market except for prescribed reasons.
- Trustees shall not have any voting rights on the shares held by the Trust.
- Employees of Associate companies cannot be provided with share based benefits under the Regulations. Insider trading regulations & ESOP & Foreign exchange aspects before concluding his session.

The 2nd technical session ended with vote of thanks and presentation of Memento to the speaker.

CS Haribabu Thota, Vice Chairman, Bangalore Chapter proposed vote of thanks to all the speakers and the participants.

Link for accessing the Photographs of the Programme: <http://bit.ly/1Mqp6B9>

Report on Study Circle Meeting – 19th November 2015



Bangalore Chapter of ICSI organized a Study Circle Meeting on 19th November 2015 on topic “Black Money Act – Key Principles and Aspects at the Chapter premises.

The Program was presided by Speaker CA Sandeep Jhunjunwala, Associate Director – Corporate Tax, BMR & Associates, LLP Bangalore.

The Speaker started his session by explaining the gathering on challenges and evolution of Black Money, Charging provisions, Consequences of Black Money Act, Tax management and Assessment procedures, one time compliance opportunity, Amendments in other Acts.

The Speaker informed that the Black Money Act has **88 sections divided into 7 chapters which is as below**: Preliminary, Basis of Charge, Tax Management, Penalties, offences and prosecution, disclosures & General. The Speaker informed that the act makes provisions to deal with the problems of the Black money that is undisclosed foreign income and assets, the procedure for dealing with such income and assets and to provide for imposition of tax on any undisclosed foreign income and asset held outside India and for matters connected therewith or incidental thereto. The Speaker informed that the objective is to tax “undisclosed foreign income and foreign assets” of ordinarily resident taxpayers, not reported under existing Income tax Act (ITA). The Speaker then highlighted Section 3(1) of BMA provides that a flat 30 percent tax is to be charged (irrespective of concessional rate, say for long term capital gains. There is no provision for increase in tax by surcharge, Education Cess (EC) or Secondary Higher Education Cess (SHEC). This leads to an anomalous situation

where white money and domestic black money attracts higher effective tax rate than black money stashed away abroad. He then informed a foreign company, having a Place of Effective Management (POEM) in India, shall become tax resident in India and covered under the BMA. He informed that POEM means a place where key management and commercial decisions necessary for conduct of business, of an entity as a whole are in substance are made. Since POEM has become the test for corporate residence in India, the impact of BMA has a wider scope than intended.

The Speaker then informed the gathering on Conditions for Residency, Charging provisions, Valuation of Assets, Penalties, Tax assessments and Management procedures, one time compliance opportunity along with various examples and case studies before concluding his session.

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

Link for accessing the photographs of the programme: <http://bit.ly/1O5pxCi>

Report on 2 Days Induction Program – 20th&21stNovember 2015



The Bangalore Chapter of ICSI organized Second batch of,Two Days Induction Program, for Professional Program Students of ICSI, on 20th &21st November 2015 at the Chapter Premises.

The Inaugural ceremony of the Second Batch of Two Days Induction Program was presided by CS HariBabu Thota, Vice Chairman, Bangalore Chapter, CS Rekha Kamath, Treasurer, Bangalore Chapter and Dr. R V Tyagarajan, Practicing Company Secretary, Bangalore presided as Chief Guest.

Ms. Noor Sumayya, AEO and Program Coordinator, welcomed the gathering and introduced the dignitaries to the Participants. CS HariBabu Thota, Vice Chairman, Bangalore Chapter welcomed all the participants and congratulated them for clearing their Executive program Examinations and Requested the Chief Guest Dr. R V Tyagarajan, to Inaugurate the program by Lighting the Lamp.

Dr. R V Tyagarajan, Chief Guest, congratulated all the participants and informed them the importance of training. He urged the participants to learn the practical aspects of secretarial work during their training as it will give them good exposure when they become Company Secretaries.

CS Rekha Kamath, Treasurer, informed the topics in the curriculum of 2 Days Induction program are very good and Bangalore Chapter has roped in faculty with good experience and expertise for all the topics and urged the students to take more out of the sessions and be interactive.

The 1st day of the 2 Days Induction Program, started with session on **Interview skills** -CV Enhancement, Do's & Don'ts of Interview & **Corporate etiquettes** - Dressing sense, Behavioral issues, **by Ms. Rashmi Shetty**, Director, Third Eye, Bangalore. And 2nd session on **Companies Act, 2013** - Introduction and Overview, Role and Opportunities for CS & Challenges for CS was taken by CS Navya, Company Secretary Bangalore.

The 2nd Day of the Program was started with Session by CS Anup V Kulkarni, Consultant, J Sagar Associates, Bangalore on topic **Work place management** - Office culture, File management, e-filing (overview) , **Profession, Professional & Professionalism, By CS J. Sundharesan**, [Past Chairman, ICSI- Bangalore Chapter], Founder & Chief Advisor, J Sundharesan & Associates, Company Secretaries, Bangalore & **ICSI Training structure and Compliance** - Complete training structure of ICSI, Expectations of trainer from trainees, various compliances during training **ICSI online services like placement portal, e-library, knowledge portal etc. by Mr. JVLNR Maitreya**, Executive Officer, ICSI Bangalore Chapter.

Link for accessing the photographs of the programme: <https://goo.gl/photos/yfn4dyX3kS1bENME6>

Report on 3 Days E Governance Programme 23rd to 25th November 2015



Bangalore Chapter of ICSI organized 1st batch of 3 Days E Governance Program from 23rd to 25th November 2015 at the Chapter premises.

The 1st Day of the 3 days e-Governance Program started with Session IT Act, 2000 (Overview), Licensed software Vs. Pirated software, Preparing your own website - issues related with domain registration, server, database, language consideration etc, by Mr. Madhu, Proprietor, Computer technology Links, Sensitization and familiarization of Websites MCA, SEBI, RBI, CCI, BSE/NSE, Income Tax, CBEC, Registrar of Trademarks by CS Akash Shetty, Company Secretary, Bangalore.

The 2nd Day of the 3 Days E Governance Program started with Session E-governance & electronic filing initiatives of GOI, XBRL- Overview and filing & Types & Uses of Digital Signature, by CS **K Chandra Sekhar**, DGM & Company Secretary, ACE Designers Limited, Bangalore, E- voting-Provisions & Process, by **CS Vijayamahantesh K**, Company Secretary, Mangalore Chemicals & Fertilizers Limited, UB Group Companies, Bangalore, Legal aspects of e-commerce- the rights available with consumers & duty of professionals; Advanced Google search and Utilization of various gadgets for professional services, by CS **Nandan Shanbhag**, Company Secretary, Flipkart Pvt Ltd, Bangalore.

The 3rd Day of the 3 Days E Governance Program started with session Electronic maintenance of statutory registers - practical approach to be adopted , by **CS Eti Basaniwal**, Company Secretary, Cimplly Five Corporate Secretarial Services Pvt Ltd, Bangalore, ICSI Website & Apps by Mr. JVLNR Maitreya, Executive Officer, Bangalore Chapter, Exposure to MS Office & Advanced features of Power point presentation, Advanced MS Word, Advanced MS Excel by Mr. Santosh Basavaraj, Professional trainer, Bangalore

The Valedictory session of the 3 Days E Governance Program was presided by CS Rekha Kamath, Treasurer Bangalore Chapter. CS S Kailasam, Director, PMCS Advisors Pvt Ltd, presided for the program as Chief Guest. The Dignitaries present shared with the participants the importance of

training and its impact on their academics and profession. They insisted all the participants to be proactive during their training period in honing the required skills and insisted to impart various IT skills to be competitive in today digitalized market. The Program completion certificates of both 2days Induction program and 3 Days E Governance Program were distributed to all the participants by Chief Guest & CS Rekha Kamath, Treasurer Bangalore Chapter.

Link for accessing the Photographs of the programme: <https://goo.gl/photos/N8y9xCJh9DDDeHMMEA>

Report on Joint Seminar on Companies Act 2013, new Concepts and Trends in Association with Hiregange Academy on 28th November 2015 at Jain College Premises.



Bangalore Chapter of ICSI in association with Hiregange Academy organized a Joint Seminar on Companies Act 2013 – New Concepts and trends at Jain College premises, Jayanagar, Bangalore.

The Programme was presided by CS Dattatri H M, Chairman, Bangalore Chapter and CA T V Gopinath, Partner, Hiregange Academy.

Ms. Noor Sumayya, AEO, Bangalore Chapter, welcomed the gathering and invited the Dignitaries to the dais.

CA Gopinath, Partner, Hiregange Academy, speaking on the occasion briefed the gathering on various activities of Hiregange Academy, he thanked all the delegates for attending the programme in such large numbers and informed that they were conducting programmes on indirect taxes and for the first time they are organizing a programme on Companies Act 2013, and thanked Chairman, Bangalore Chapter of ICSI for the support extended.

CS Dattatri H M, Chairman, Bangalore Chapter speaking on the occasion set the context for the event by stating that country has been waiting for some reformation to happen from almost 10 years on Management of Country. He said the economy of the country depends on Industrial activities and agriculture activities and for such a growth we need to have a facilitating law which enables people to get into the economic activities as the laws we are having are more of regulatory in nature. He said from 1991 a relook and a new thought process has emerged in the country for new regulations, where governance, management is required. The first reformation happened was FERA to FEMA, and since then reformation process started and a great welcome change happened with the introduction of Companies Act 2013. He said that decision making which was earlier with government now stands with the shareholders/stakeholders and it is definitely a welcome change which deals with interest and supremacy of Shareholders. He then thanked Hiregange Academy for providing the opportunity and wished all the participants a great success.

1st technical Session:

The 1st technical Session during the programme was taken by CS Malatesha Kalal G, Company Secretary, AB Mauri India Pvt Ltd on topic “Genesis of Company Law”. The Speaker gave an overview of Company law and stated that it is that branch of law which regulates companies in India, which deals exclusively with all aspects relating to companies, from its incorporation to winding up, management and administration, etc. He then informed the gathering on the history of Indian Company Law, before handing over the session to the other speaker CS Anup Kulkarni, Consultant, J Sagar Associates, Bangalore.

CS Anup V Kulkarni, Consultant, J Sagar Associates, speaking on the Highlights of Companies Act 2013 explained - Introduction of One Person Company, Emphasis on Women Director, Emphasis on Independent Director, Different modes of Incorporation of Companies, Regulators (NCLT/SFIO/NFRA), Holding and conducting of Board and General meetings, Increase in reporting framework, Higher auditor accountability, Easier restructuring, Wider Director and Management responsibility, Company Secretary to be considered as Key Managerial Personnel (KMP), More emphasis on role and responsibility of a Company Secretary, Secretarial Audit, Annual Return certification, Inclusive CSR Agenda, Emphasis on Investor Protection, acceptance and payment of dividend, etc before concluding the 1st technical session.

2nd technical Session:

The Second technical session during the program was taken by CS Madhu N Rao, Practicing Company Secretary, on topic SCHEDULE III OF COMPANIES ACT 2013 –“Disclosures & Compliances, the speaker informed the salient features of schedule III includes Classification – Assets and Liabilities He then informed the gathering on equity and liability classification, asset classification, changes introduced in Schedule III, before concluding his session.

3rd technical Session:

The third technical session was slightly different from the other two as it was talk show presided by CS S C Sharada, Immediate Past Chairman and Practicing Company Secretary and CS S Kannan, Consultant Company Secretary and Past Chairman, Bangalore Chapter on topic “Rights & Obligations of Directors & Shareholders and Shareholder Supremacy.

CS S.C.Sharada, Past Chairman, Bangalore Chapter started the Session stating that now a days start up is the buzz word as everybody wants to start entrepreneurship. She informed that now a days being Director is not very cool as the responsibilities that a Director undertakes are very Honorius.

CS S.C.Sharada, then answered questions posed by CS S.Kannan, on Directors, and Informed that according to Section 2(34) says Director means a director appointed to the Board of a Company. which makes one thing clear that unless you are appointed to the board you cannot be called a director. She informed that some companies give the designation of Branch Director, Technical Director, Marketing Director etc but unless they are appointed as Directors on the Board they cannot use the designation as Director, which was clarified by Department of Company Affairs. She informed that a Director can be appointed by its shareholders for managing the affairs of the Company. Even if a director is appointed by the Board it will last only until the AGM where shareholders need to confirm the appointment. They further discussed on different types of Directors (Resident Director, Women Director, Small Shareholders Director etc.) and informed that to know the Directors of a Company, one has to visit MCA Portal where there will be a list of authorized Companies, and from which one can find out the list of Directors of that Particular Company. The speaker then threw some light on the Qualifications, duties, Rights of Directors, Role of Directors in Corporate Governance etc.

Later CS S.Kannan, Consultant Company Secretary and Past Chairman, Bangalore Chapter, speaking about Shareholders informed that anybody can become a shareholder by buying shares in that particular company. He then answered questions posed by Co Speaker CS S.C Sharada on types of Shareholders, rights of Shareholders, dissenting shareholders and his rights, and how is it protected by Companies Act 2013.

The session was very interactive and well appreciated by the audience and it ended with vote of thanks to the speakers.

4th Technical Session:

The 4th Technical Session during the program was taken by CS Swaroop Suryanarayana, Practicing Company Secretary, Bangalore on topic “Digital India & Companies Act 2013. The Speaker started his session by informing the gathering that Digital India is an initiative to ensure that Government services are made available to citizens electronically by improving online infrastructure and by

increasing Internet connectivity, he informed Digital India will not be supplementary, it will be complementary. A two-way platform will be created where both the service providers and the consumers stand to benefit. He then informed Digital India will help compliance checks and make audit easier, and will have access to information would make things transparent and would help not only the company secretaries to make Indian companies compliant but would also help the government for obvious reasons. Digital India could serve as a means and medium of good corporate governance and informed frauds and errors can also be controlled in transparent manner.

The Speaker informed that digital India will add great support to Companies Act 2013 wherein it helps users in setting up of business i.e, incorporation, OPC, Private Company, Public Company – Listed, Unlisted, Section 8 Company, Foreign Company, Anywhere, anytime secure electronic filing for MCA transactions, Compliance Filings, Approval Services, Change Services, Charge Management, Information Services, Use of Digital Signatures to ensure the security of electronic forms and documents in line with the Information Technology Act, request for documents to be scanned and digitize, Inspection of documents and to obtain Certified Copies etc and many more before concluding his session.

The program ended with vote of Thanks to all the Speakers and the participants attended.

You tube Links of the Presentations Made are as below:-

1st Technical Session – By CS Malatesha G Kalal & CS Anup V Kulkarni

<https://www.youtube.com/watch?v=-dCqrdK32D8&feature=youtu.be>

2nd Technical Session – By CS Madhu N Rao

<https://www.youtube.com/watch?v=w0NOWT5LPD4&feature=youtu.be>

3rd Technical Session – By CS Sharada S C and CS Kannan S

<https://www.youtube.com/watch?v=39E5r6Aum48&feature=youtu.be>

4th Technical Session – By CS Swaroop Suryanarayan

<https://www.youtube.com/watch?v=NjIFd49DoKY&feature=youtu.be>

Link for accessing the Photographs of the programme: <https://goo.gl/photos/VnYa2EL7qQQ7Reez7>

Report on Student Study Circle Meeting 01st November 2015 on topic “Loans to Directors, Intercorporate Loans and Investments”.

Bangalore Chapter of ICSI organized Student Study Circle Meeting on 01st November 2015 at the Chapter Premises. The Meeting was presided by CS Venkatraman Hegde, Practicing Company Secretary, who took session on topic “Loans to Directors, Intercorporate Loans and Investments”.

During the session the speaker informed SECTION 185- LOAN TO DIRECTORS by explaining that no company shall, directly or indirectly, advance any loan to any of its Directors. (OR) “to any other person in whom director is interested” which means-

Any director of the lending company, or of a company which is its holding company or any partner or relative of any such director;

Any firm in which any such director or relative is a partner;

Any private company of which any such director is a director or member;

The Speaker then explained the participants on exemption to private limited companies, Nidhi companies, Government Companies etc. The Speaker then informed the gathering on Section 186 : Loans and Investment by Company explaining a company shall not make investment through not more than two layers of investment companies: Provided that the provisions of this sub-section shall not affect,— (i) a company from acquiring any other company incorporated in a country outside India if such other company has investment subsidiaries beyond two layers as per the laws of such country; (ii) a subsidiary company from having any investment subsidiary for the purposes of meeting the requirements under any law or under any rule or regulation framed under any law for the time being in force. No company shall directly or indirectly — (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate etc. along with punishment and penalties before concluding his session.

The Session ended with vote of Thanks and presentation of Memento to the Speaker.

Report on Student Study Circle Meeting 8th November 2015 on topic “Overview of Trademark Law”.

Bangalore Chapter of ICSI organized Student Study Circle Meeting on 8th November 2015 at the Chapter Premises. The Meeting was presided by CS Sriram Venkatraman, Corporate Law Consultant, Conscientia Consultancy Pvt Ltd on topic “Overview of Trademark Law”.

The Speaker started his session by defining Copyright, Patent, Trademark. While explaining trademark the speaker informed A trademark is a word, symbol, slogan, design, sound, color etc. or combination thereof that serves to identify the source of goods or services and **distinguish** them from others. Section 2 (za) of The Trademarks Act, 1999 defines ‘trademark’ as a mark capable of being represented graphically and which is capable of **distinguishing** the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; Explaining the symbols the speaker informed TM (for an UNREGISTERED TRADEMARK,

that is, a mark used to promote or brand goods) ® (for a REGISTERED TRADEMARK). The Speaker then informed the gathering that the law which governs trademark is The Trade & Merchandise Marks Act, 1958 (replaced in 1999 by new Act), The Trademarks Act, 1999. Explaining the functions of Trademark the speaker informed trademarks identifies the product of its origin, guarantees its unchanged quality, advertises the products, creates an image for products. The Speaker informed the gathering on how to select a trademark, classification of goods and services, who can apply to register, offices of trademark, check list, penalty etc before concluding his session.

The Session ended with Vote of Thanks and Presentation of Memento to the Speaker.

Report on Student Study Circle Meeting 15th November 2015 on topic “Financial Treasury and Forex Management”.

Bangalore Chapter of ICSI organized Student Study Circle Meeting on 15th November 2015 at the Chapter Premises. The Meeting was presided by CS Shrikant M, Company Secretary, Kronos Systems India Pvt Ltd on topic “Financial Treasury and Forex Management”.

The Speaker started his session by explaining Foreign Exchange Market, Trading Hours, Major players in Foreign Exchange Market, Top Currency traders and Commercial banks, primary rates and cross rates, Bid and ask price, concept of commodity and price exchange rate, what companies do to mitigate risk, etc

The Speaker then gave examination tips for the students on the subject, by explaining how arbitrage occurs, and what the meaning of cross rates is. How to apply those principals on exam. Forex questions are now a days more prevalent in professional exams. Explaining exchange rate the speaker informed Exchange Rate is the rate @ which one currency is exchanged i.e. bought and sold for another currency. The Speaker then informed the gathering on Quotation of Currencies, Quotations by Banks, spot rate vs forward rate, dividend policy, etc quoting various examples with interpretations before concluding his session.

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

Report on Student Study Circle Meeting 22nd November 2015 on topic “Overview of Competition Law”.

Bangalore Chapter of ICSI organized Student Study Circle Meeting on 22nd November 2015 at the Chapter Premises. The Meeting was presided by CS Hemant Kothari, Company Secretary, Elbit Plaza India Management Services Pvt Ltd on topic “Overview of Competition Law”.

The Speaker, started his session by explaining the regulatory framework of Competition Law, thereby explaining the evolution process of Competition Law in India. The Speaker informed Post independence Indian economy was under the regime controls & regulations like industrial license, controller of capital issues, FERA etc. He informed that the 1st competition law was enacted in 1969- MRTP Act, 1969, thereafter Patent Act, 1970, Consumer Protection Act, 1986 etc. The Speaker informed with the opening of the economy and liberalization in trade in early 1990s, need for new law arose leading to enactment of CA, 2002. Explaining the objectives of Competition Law the Speaker

informed that the objectives are to prevent practices having adverse effect on competition, promote and sustain competition, protect the interest of consumers, ensure freedom of trade by other participants in India. The Speaker then informed the gathering on various definitions and terms in Competition Law, explaining the features of Competition Act 2002 is to Prohibit anti-competitive agreements, Prohibit abuse of dominant position, Regulates combinations, Replaces Monopolies & Restrictive Trade Practices Act, 1969, Covers both goods and provision of services. The Speaker then informed the gathering on Competition Commission of India, Jurisdictions, Acts outside India: Section 32, Competition Act, 2002 –Ambit Sections 4, 5 & 6 before concluding his session.

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

Report on Student Study Circle Meeting 29th November 2015 on Topic “Charges and Rights Issue”

Bangalore Chapter of ICSI organized Student Study Circle Meeting on 29th November 2015 at the Chapter premises on Topic “Charges and Rights Issue” by CS Malatesha Kalal G, Company Secretary, AB Mauri India Pvt Ltd.

Speaking on the occasion the speaker informed A charge is a right created by any person including a company referred to as “the borrower” on its assets and properties, present and future, in favour of a financial institution or a bank, referred to as “the lender”, which has agreed to extend financial assistance. Explaining the essential features of the charge the speaker informed that there should be two parties to the transaction, the creator of the charge and the charge holder. The subject-matter of charge, may be current or future assets and other properties of the borrower. The intention of the borrower to offer one or more of its specific assets or properties as security for repayment of the borrowed money together with payment of interest at the agreed rate should be manifested by an agreement entered into by him in favour of the lender, written or otherwise. The Speaker then explained the gathering on Section 77: Duty to register charges, Section 78, Certification of registration, Section 79 - Acquiring Property Under Charge and Modification Of Charge, Verification Of Instruments, Section 81-Register of Charges by Registrar, Intimation of appointment of Receiver or Manager (Section 84): Company’s Register of Charges (Section 85), Procedure for registration of Creation, Modification, Satisfaction of Charge, before concluding his session on charges.

Speaking on the topic Rights issue the speaker informed **Right Issue**’ means offering shares to existing members in proportion to their existing shareholding. The object is, of course, to ensure equitable distribution of Shares and the proportion of voting rights is not affected by issue of Fresh shares. As per Section 62(1) of the Companies act, 2013 if the Company decides to issue fresh shares, these **should be offered** to existing shareholders in proportion to existing persons who are holders of equity shares. He informed a rights issue is directly offered to all existing shareholders of the Company in proportion to their current holding, the company also set a time limit for the shareholder to buy the shares. Companies pursue Rights Issue as an avenue to raise funds for various reasons, ranging from expansion or acquisitions to paying down debts. The Speaker informed Section 62 of Companies Act, 2013 contains provisions on “further issue of capital”, and enacts the

principle of pre-emptive rights of shareholders of a company to subscribe to new shares of the company, he informed the Provisions of Section 62 of Companies Act, 2013 are mandatory for all Private companies, public companies, listed as well as unlisted companies. The Speaker then informed the gathering on RELEVANT PROVISIONS OF COMPANIES ACT, 2013: Sec 62 (1), PROCEDURE FOR ALLOTMENT OF SHARES ON RIGHT ISSUE BASIS, PROCESS OF RENUNCIATION OF RIGHT OF SHARES, etc. before concluding his session.

The Session ended with vote of Thanks and Presentation of Memento to the speaker

Report on Preparatory Examinations 8th November 2015

ICSI Bangalore conducted a preparatory examination for its students on 08th November 2015. The preparatory examinations were conducted by a team of Company Secretaries (CS Harish B N, CS Ankush Sethi, CS Kempegowda, CS Rahul Agarwal, CS Vivek Hegde, CS Vivek Fanipathi Hegde, CS Nandan Shandbagh, CS Rashika Dugar, CS Padma S, CS Akash Shetty, CS Mahesh,) who for the benefit of students appearing in the examinations, prepared question papers for all the subjects. The papers were evaluated and evaluators provided their observation to the students during the one to one review session held on 22nd November 2015 for improvement in the ensuing December session of examination.

The highlights from the said session which the evaluators provided to the students are as below:

Before answering the questions in the examination hall, the evaluators asked the students to understand the question, Explain – Describe – Comment - Elucidate, and while addressing the Case laws the evaluators asked the students to allocate time like the below:

Facts of the case- 0.5 min, Legal provisions / citations- 1.5 min, Interpretation- 2 min, Conclusion [only opinions]- 1 min,

The evaluators advised the students while approaching Practical questions, to show the working calculations, Put step numbers, write the conclusion (most important), Examination etiquettes, Question numbers to be followed and clearly mentioned, start every answer on a fresh page, No short forms (e.g. Central govt / cg) , to the point answers , do not attempt extra questions, legible handwriting.

Report on Session on “How to Face Examinations” 22nd November 2015

Bangalore Chapter of ICSI organized a Session on “How to Face Examinations” on 22nd November 2015 at the Chapter Premises. The Programme was presided by speaker CS Anup V Kulkarni, Consultant, J Sagar Associates, Bangalore. The Session was aimed at motivating and guiding students on how to write the exams and succeed. During the session the speaker gave valuable tips and suggestions to the students which are as below:-

1. Change your Strategy-The Speaker informed the students that if you are working hard and still unable to clear the exams then take a break and try to understand where you are going wrong. It might be possible that you know the answer and you had written well but still you were unable to convince the evaluator. It's time to consult some qualified CS or your friend who can guide you in designing the strategy.
2. Early wakeup call-The Speaker informed the students that it is always advisable to start your preparations early from the Day 1 itself as last moment Studies will only create stress and won't fetch good results.
3. 100% dedication-The Speaker advised the students to have complete focus only on studies and avoid all other distractions like- whatsapp, messengers, phone calls, watching T.V., going out for parties, etc. and advised that you have the whole life pending for all these enjoyments, but not during the time of examinations.
4. Wrong perception-The Speaker suggested the students to do not consider CS exams as their college exams, where attempting paper for only 70-80% can fetch you passing results. He asked them to try to attempt whole 100% paper by matching your speed of writing with time.
5. First impression is the last impression- start answering with the question with which you are more comfortable and write your answer in points as far as possible. Further highlight heading, question number, important words, etc. while writing answers.
6. Legible handwriting-The Speaker advised the students not to speed up or write in hurry, he informed you need to maintain legible handwriting while writing answers as evaluator will not spend hours in understanding what you are trying to express.
7. Positive attitude-the speaker advised the students to keep all their fear and worries aside and be calm and confident that you will clear these exams this time. He said if you think you can clear- then you can't, however, if you think you will clear- then YES you are going to clear this time.

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