

# Info Capsule

## **MCA ISSUED CLARIFICATION REGARDING ONLINE GENERATION OF CHALLANS FOR OFFLINE PAYMENT TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)<sup>1</sup>**

Ministry of Corporate Affairs has issued Clarification regarding online generation of Challans for Offline payment to Investor Education and Protection Fund (IEPF). In terms of Investors Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as notified on 05.09.2016 and as per the prerequisites of e-form IEPF - 1, the companies are required to transfer the amounts to the amount to IEPF through Challans generated on MCA 21 portal.

Also a circular [vide Circular No. 13/2016 dated 05.12.2016] in this regard was also circulated by the MCA communicating that Challans which are not generated on MCA 21 portal will not be accepted after 15.12.2016.

However, it has been noticed by the ministry that there are companies, which have transferred the amount to IEPF prior to 15.12.2016, through Challans not generated on MCA-21 portal and these companies were/are unable to file IEPF-1.

To facilitate filing of e-form IEPF-1 by such companies a procedure has also been provided through this notification.

## **LEGAL AID AND EMPOWERMENT INITIATIVES LAUNCHED<sup>2</sup> Ravi Shankar Prasad calls for Expediting Judicial Reforms**

Minister of Law & Justice and Electronics & IT, Sh. Ravi Shankar Prasad today appealed to all those involved in the delivery of justice to join hands in improving the system to ensure that assistance is available to every citizen irrespective of his socio-economic position. He said this after the launch of three key legal aid and empowerment initiatives of the Department of Justice - including 'Pro bono legal services', 'Tele law service' and 'Nyaya Mitra scheme'. The Minister also mentioned that the country's legal system would be digitally transformed, as digital inclusion holds the key to the country's march towards Digital India.

The Minister emphasized the need for increased opportunities of legal aid and awareness for people, especially the marginalised sections of the society. He said that the three initiatives launched today were aimed at fulfilling the department's core mandate of enhancing 'access to justice' for the poor and vulnerable communities, including making accessible quality and effective legal aid for them. He acknowledged and appreciated the initiatives undertaken, over

<sup>1</sup> Available at : [http://www.mca.gov.in/Ministry/pdf/Notification\\_20042017\\_1.pdf](http://www.mca.gov.in/Ministry/pdf/Notification_20042017_1.pdf)

<sup>2</sup> Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

the last two decades, to safeguard and deliver this right to citizens, first, by the National Legal Services Authority (NALSA) and subsequently by the Department of Justice – both of whom have the shared mandate of delivering adequate and efficient legal aid to the marginalised and vulnerable sections. The Minister also underscored that the initiatives launched by the department here are to supplement the efforts of NALSA and not to overlap the activities undertaken by the legal services authorities.

### **Pro bono legal Services**

The '**Pro bono legal services**' initiative is a web based platform, through which interested lawyers can register themselves to volunteer pro bono services for the underprivileged litigants, who are unable to afford it. The Department of Justice has launched the online application for this initiative on its website [doj.gov.in](http://doj.gov.in). Through this online portal, litigants from marginalised communities (including members of scheduled castes and scheduled tribes, women, children, senior citizens, persons with low income and persons with disabilities) can also apply for legal aid and advice from the pro bono lawyers.

The Minister described this effort as an 'earnest step' towards fulfilling the mandate of quality legal aid for all. He noted that many from the legal fraternity were already volunteering legal support for the underprivileged clients, in an individual capacity. However, he stressed that the time has come to promote the concept of pro bono legal aid in an institutionalized manner and ensure that those who volunteer their valuable time and service towards this public service are duly recognized.

The Minister called upon all lawyers from across the country to wholeheartedly support this initiative and help in fulfilling the constitutional mandate of legal aid for all.

### **Tele Law: Mainstreaming Legal Aid through Common Service Centre**

Through the second initiative, launched by the Minister, the Department of Justice and NALSA are partnering with CSC- E- Governance Service Limited for mainstreaming legal aid to the marginalized communities through the Common Service Centers (CSCs). This initiative, called '**Tele Law**', is aimed at facilitating delivery of legal advice through an expert panel of lawyers – stationed at the State Legal Services Authorities (SLSA). The project would connect lawyers with clients through video conferencing facilities at CSCs, operated by para legal volunteers. For this purpose, this initiative would also play a pivotal role in empowering 1000 women para legal volunteers.

The Minister said that using CSCs for mainstreaming legal aid services for the marginalized at the panchayat levels would ensure that legal aid reaches populations which remained untouched due to geographical challenges and/or lack of infrastructure. He also described the use of CSCs as change agents, enablers of community participation and capacity building in rural settings as commendable.

The project would be launched across 1800 panchayats in Uttar Pradesh, Bihar, North Eastern States and Jammu & Kashmir.

### **District Facilitation Centre to reduce pendency: Engagement of Nyaya Mitra**

The Minister also discussed the issue of heavy pendency of cases in courts across the country. He noted that at present, more than 2.4 crore cases are pending in the district and lower judiciary, of which nearly 10% are more than 10 years old. He called for collective action and efforts in remedying this situation. In this context, the Minister also inaugurated the **Nyaya Mitra** scheme, which is aimed at reducing pendency of cases across selected districts, with special focus on those pending for more than 10 years.

Functionalized through a retired judicial or executive officer (with legal experience) designated as the 'Nyaya Mitra', the project would be operated out of District Facilitation

Centres, housed in CSCs. Nyaya Mitra's responsibilities would include among others assistance to litigants who are suffering due to delay in investigations or trial, by actively identifying such cases through the National Judicial Data Grid, providing legal advice and connecting litigants to DLSA, CSC Tele Law, other government agencies and civil society organisations. He/she shall also refer the marginalized applicants to Lok Adalats for dispute resolution and render assistance towards prison reforms within the district, in coordination with the district judiciary and other stakeholders.

This initiative would be launched in 227 districts including 27 districts from North East and Jammu & Kashmir and 200 districts from Uttar Pradesh, Bihar, Maharashtra, Rajasthan, Odisha, Gujarat, West Bengal etc. and would be operated out of CSCs.

The Minister stated that the department was committed to fulfilling its mandate of securing access to justice through these initiatives and called for support and action for all stakeholders in making them a success.

### SOVEREIGN GOLD BONDS, 2017-18 – SERIES I - OPERATIONAL GUIDELINES<sup>3</sup>

This has reference to the GoI notification F.No.4(8)-(W&M)/2017 and RBI circular IDMD.CDD.No.2760/14.04.050/2016-17 dated April 20, 2017 on the Sovereign Gold Bonds, 2017-18-Series I. FAQs in this regard have been placed on the website ([www.rbi.org.in](http://www.rbi.org.in)). Operational guidelines with regard to this scheme are given below:

#### 1. *Application*

Application forms from investors will be received at branches during normal banking hours from April 24, 2017 to April 28, 2017. Receiving Offices need to ensure that the application is complete in all respects as incomplete applications are liable to be rejected. Relevant additional details may be obtained from the applicants, where necessary. The Receiving Offices may make arrangements to enable the investors to apply online, in the interest of better customer service

#### 2. *Joint holding and nomination*

Multiple joint holders and nominees (of first holder) are permitted. Necessary details may be obtained from the applicants as per practice.

#### 3. *Know-Your-Customer (KYC) requirements*

Know-Your-Customer (KYC) norms shall be the same as that for purchase of physical form of gold. Identification documents such as passport, Permanent Account Number (PAN) Card, Voter's Identity Card, Aadhaar card shall be required. In case of minors only, the bank account number may also be considered as valid for KYC verification. KYC will be done by the issuing banks/SHCIL offices/Post Offices/agents.

#### 4. *Interest on application money*

Applicants will be paid interest at prevailing savings bank rate from the date of realization of payment to the settlement date, ie. the period for which they are out of funds. In case the applicant's bank account is not with the receiving bank, the interest has to be credited by electronic fund transfer to the account details provided by the applicant.

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<sup>3</sup> Available at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10940&Mode=0>

5. *Cancellation*

Cancellation of application is permitted till the closure of the issue, i.e., April 28, 2017. Part cancellation of submitted request for purchase of gold bonds is not permitted. No interest on application money needs to be paid if the application is cancelled.

6. *Lien marking*

As the bonds are government securities, lien marking, etc. will be as per the extant legal provisions of Government Securities Act, 2006 and rules framed there under.

7. *Agency arrangement*

Scheduled Commercial Banks may engage NBFCs, NSC agents and others to collect application forms on their behalf. Banks may enter into arrangements or tie-ups with such entities. Commission for distribution shall be paid at the rate of rupee one per hundred of the total subscription received by the receiving offices on the applications received and receiving offices shall share at least 50% of the commission so received with the agents or sub-agents for the business procured through them.

8. *Processing through RBI's e-Kuber system*

Sovereign Gold Bonds will be available for subscription at the branches of scheduled commercial banks and designated post offices through RBI's e-Kuber system. The e-Kuber system can be accessed either through Ininet or Internet. The Receiving Offices need to enter the data or carry out bulk upload for the subscriptions received by them. They may ensure accuracy of entry of data to prevent occurrence of any inadvertent errors. An immediate confirmation will be provided to them for receipt of application. In addition, a confirmation scroll will be provided for file uploads to enable the Receiving Offices to update their database. On the date of allotment, i.e., May 12, 2017. Certificates of Holding will be generated for all the subscriptions in the name of the sole/principal holder. The Receiving Offices can download the same and take printouts. The Certificates of Holding will also be sent through e-mail to the investors who have provided their email address. The securities will be credited in their de-mat accounts within 2-3 days of allotment, subject to matching of particulars furnished in the application with the Depositories' records.

9. *Printing Certificates of Holding*

Holding Certificate needs to be printed in colour on A4 size 100 GSM paper.

10. *Servicing and follow up*

Receiving Offices, i.e., branches of the Scheduled Commercial Banks, designated post offices, SCHIL and stock exchanges (NSE Ltd and BSE) will "own" the customer and provide necessary services with regards to this bond e.g. update contact details, receive requests for premature encashment, etc. Receiving Offices will be required to preserve applications till the bonds are matured and are repaid.

11. *Tradability*

The Bonds shall be eligible for trading within a fortnight of the issuance on a date as notified by the RBI. (It may be noted that only bonds held in demat form with depositories can be traded in stock exchanges)

**Team ICSI**

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