

CS NIRC-IGSI

NEWSLETTER

National Best Regional Council (2004, 2007, 2008, 2009, 2010, 2011, 2013, 2014, 2015 & 2016)

Insight

48TH FOUNDATION MONTH



THE REGIONAL COUNCIL

Chairman	CS SARIN GURVINDER SINGH	9814685649
Vice-Chairman	CS PANDEY SURESH	9968300649
Secretary	CS GUPTA VIMAL KUMAR	9983324282
Treasurer	CS DAGA SUSSHIL	9829689999
Members	CS GUPTA AMIT	9415005108
(in alphabetical order)	CS GUPTA BHUPESH	9815605702
	CS GUPTA SURYA KANT	9711848828
	CS HARBOLA HIMANSHU	9818993836
	CS KALIA SAURABH	9810979440
	CS KOHLI MONIKA	9810480983
	CS SHUKLA VINAY	9810624262
	CS SUHAG DEVENDER	8130586611
Ex-officio Members	CS CHAUDHARY VINEET K.	9811577123
	CS CHAWLA N.P.S.	9958535300
	CS GUPTA MANISH	9212221110
	CS MEHTA HITENDER	9811510775
	CS PANDEY RANJEET	9810558049
Regional Director	SHRI K. C. KAUSHIK	011-49343002
Research Associates	Dr. BHOLE SHANKAR SIKHWAL	9690144491

MEMBERS OF EXPERT ADVISORY for NIRC-ICSI Newsletter-Insight

CS Harish K. Vaid	- 9810188683
CS N.K. Jain	- 9818348811
CS Ilam C Kamboj	- 9810198429
CS G P Madaan	- 9810530312
CS (Dr.) S Chandrasekran	- 9871529529
CS P.K. Rustagi	- 9811652010
CS (Prof) J P Sharma	- 9910401777

MEMBERS OF EDITORIAL ADVISORY BOARD for NIRC-ICSI Newsletter-Insight

CS Girish Goyal	9413390003
CS Prakash Dev Sharma	9815435315
CS Sanjay Kumar Joshi	9929598071
CS S. Prabhaskar	8920424015
CS Bhuvneshwar Prasad Mishra	9971181155

© The Northern India Regional Council of the
Institute of Company Secretaries of India. 2017.

Printed & Published by :

Mr. K. C. Kaushik for and on behalf of Northern India Regional Council of the Institute of Company Secretaries of India 4, Prasad Nagar Institutional Area, New Delhi-110005; E-mail: niro@icsi.edu; Phones: 49343000; Fax: 25722662; Printed at : KT Printers 18/114 C, Street No.3, East Moti Bagh, Sarai Rohilla, Delhi -110007; Published at: NIRC-ICSI, 4, Prasad Nagar instl. Area, New Delhi.

Help Desk of NIRC-ICSI
011-49343000
niro@icsi.edu



Dear Professional Colleagues,

Greetings from NIRC

“EDUCATION IS THE FOUNDATION UPON WHICH WE BUILD OUR FUTURE”

It gives me immense pleasure to extend heartiest good wishes to all of you. I take this treasured opportunity to write to your good-self and share some of our thoughts in the NIRC.

NIRC had taken pleasure in celebrating July month, 2019 as '48th **FOUNDATION MONTH**'. While the NIRC at large celebrates its glorious existence over the last 48 years, it is an opportune time to reflect on the past and also plan for the future. During this month NIRC have undertaken number of activities to commemorate **48th Foundation Day**.

During this month all round activities has been undertaken as under:-

SKILL SET DEVELOPMENT OF THE MEMBERS & STUDENTS:

During the month various programme were organised to improve professional, legal, management and representational Skills of students & members. Details of programme are listed separately. However during this

month number of major event were held such as GST Day, Budget 2019, 20th Northern Regional Students Conference and Rajasthan State Conference.

INFRASTRUTURE DEVELOPMENT:

NIRC has taken various steps to improve the Infrastructure of NIRC as well as of the chapters. Proposals of various chapters were approved and send to the HQ for the approval. Further to improve infrastructure of the NIRC detailed projects were approved by the Regional Council in its 241st meeting. During this month one new chapter at **Patiala** has been inaugurated and a new premise of the **Ludhiana** chapter was also inaugurated.

TRAINING AND PLACEMENT DEVELOPMENT:

Towards this initiative various student training programmes were also undertaken during the month of July, 2019. Details of programmes are listed separately.

BRAND BUILDING DEVELOPMENT:

To create brand equity of the ICSI, to create bonding between all the stakeholders and to improve the visibility, Convocation June 2019 was held at Chandigarh to distribute the certificate to 375 students. Convocation June 2019 was well attended by the more than 1000 participants including parents and relatives of the respective students. Further social, print and electronic media were used to disseminate the information. Press conference was also held at Patiala to widely cover the information of the opening of the new chapter at Patiala.

HEALTH AND SOCIAL SECURITIES DEVELOPMENT:

In order to encourage more and more members of the Institute under the security umbrella of CSBF, the NIRC has organised the cultural evening to promote the 'CSBF throughout the Northern Region. NIRC has also undertaken to contribute the handsome amount to the CSBF for the benefit of members at large.

ANNUAL GENERAL MEETING 2019 OF NIRC :

Annual General Meeting of NIRC was held on 28.07.2019 and it was well attended by 181 members and Standalone Annual Accounts for the year 2019 were placed before the house for their approval and same were approved unanimously by all the members present in the meeting. I on behalf of NIRC & NIRO thankful to all the members' presents and for their active participation and also thankful to the members who were not present in the meeting for continuous support to NIRC.

Further, NIRC is planning to make the ICSI-NIRC Newsletter more informative and useful for our members. Hence, we take this opportunity to invite all of you to join hands with NIRC in this initiative and contribute articles on contemporary issues i.e. Legal Updates, FAQs and Checklists on various matters relating to the Corporate Laws for the purpose of publishing the same in the NIRC Newsletter. Please send your valuable suggestion(s), if any at chairman.nirc@icsi.edu. or chairmannirc2019@gmail.com. Let's take a pledge to take the Profession of Company Secretaries to greater heights and glories.

Lastly, I am concluding my address with the quote of one of the greatest man Thomas s monson :

"The Past is behind- We Must Learn From It , The Future Is Ahead- We Must Prepare For It, Present Is Now- We Must Live In It.



CS G S Sarin
Chairman
NIRC-ICSI

Process Incorporation of Foreign Subsidiary / WOS

Ms. Preeti Arora | Practising Company Secretary | preetivarora@gmail.com

Mr. Ravi Kumar, ACS | Assistant Manager- En Pointe Adwisers LLP | ravi@enpointeadwisers.com

Whenever we incorporate a Company in India as 'Subsidiary' or 'Wholly owned Subsidiary (WOS)' of a Company incorporated outside India. Many questions came into notice like:

- (i) what information/ Documents required from foreign Company?
- (ii) Whether presence of authorized representative of foreign Company mandatory in India at the time of signing of documents.
- (iii) What are the provisions in respect of Notary / Apostil etc.
- (iv) Which ID Proofs / Identity proof of foreign subscribers required by the Company etc. etc.

Many more questions came into thoughts while incorporation of subsidiary of foreign subsidiary. In this editorial author shall try to clarify all such doubts / queries in practical approach.

PROCESS OF INCORPORATION

STEP – I: Apply for Name Approval:

Before application for name approval, foreign Company has to choose the name on basis of followings:

- a) In case of Subsidiary or WOS, foreign Company can use coin word of its name as coin word for Incorporation of Company in India to take the Benefit of Its goodwill in foreign County.
 - b) 1Foreign Company can apply the same name (name in foreign country) in India by using word "India" in its name.
 - c) If foreign Company having any registered Trade Mark then it can use such trademark for Incorporation of Company in India.
 - d) Any other name as decided by the Foreign Company.
- i. While selecting the name thought came into mind what are the documents/ information required for application of Name by foreign Company?

In case of Foreign Company using Its "Coin" word or "Trademark" following Documents / information required:

- ◆ NOC from the Foreign Company to use the 'Coin' word or 'Trademark' in the form of Resolution.
- ◆ Apostilled copy of Charter of Foreign Company (translated in English language).
- ◆ Such resolution shall be apostille in foreign Country.
- ◆ In case of use of Trademark – copy of trade mark registration documents.

STEP – PROCESS OF NAME APPROVAL

A. Login on MCA Website

Applicant have to login into their account on MCA Website. (Pro-existing users can use earlier account or new users have to create a new account.)

After Login use have to click on the icon "RUN" in MCA Service. An online form shall be open. Applicants have to fill the information online. (This form can't be download)

Note* since 26th January, 2018 e-form INC-1 has been omitted from the Companies Act, 2013.

B. Details required to be mentioned in online form:

- (i) Entity type (i.e. Normal Company, Section 8 Company etc.)
- (ii) Proposed name (Auto Check Facility)
- (iii) Comment (Mention Objects of the proposed Company and any other relevant information Like Trade Mark etc.)

C. Choose File:

This option is available to upload the PDF documents. Like:

- i. Apostille copy of Resolution of Foreign Company
- ii. NOC, if Required
- iii. Trade Mark resignation Documents, if required.

¹ If a foreign company is incorporating its subsidiary company in India, then the original name of the holding company as it is may be allowed with the addition of word India or name of any Indian state or city.

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

D. Submission of Form on MCA Website:

After completion of above steps user shall submit the Form with MCA website.

E. Payment of Fees:

There is no option of pay later challan in RUN. Applicant has to pay fees immediately after submission of form. After payment challan shall be generated.

I. Validity of Reserved Name:

Reserved name shall be valid for 20 days from the date of approval of Name.

feature - RUN

- a. DSC & DIN not required for filing of RUN form for reservation of Name. Only account of MCA portal is mandatory.
- b. One Chance of Resubmission of application is allowed in case of reservation of Name.
- c. Reserved name shall be valid for 20 days in case of allotment of name for New Company.
- d. Only two Name can be mentioned in RUN form. Earlier INC-1 allowed 6 names according to the preference.
- e. As per Register office Fees Rules, Fees shall be Rs. 1,000/-
- f. No, there is no need to mention the name or number of proposed Directors in RUN.

NOTE: * Approval of Name through "RUN" is an optional way. Companies can also directly apply for the Name in SPICE form.

STEP – II: Information/ Documents required from foreign Company

- a) Apostille / Notarized copy of resolution of foreign Company 'mentioning the name of authorized representative, no. of subscription of shares'.
- b) Apostille/ Notarized copy of ID Proof of authorized representative, if such person is non – resident of India.
- c) Apostille/ Notarized copy of Charter of Foreign Company.
- d) Name of one Resident Director.
- e) Name of Nominee (in case of incorporation of WOS)

STEP – III: Preparation of Documents for Incorporation of

Company:

After approval of name or for Incorporation of Company applicant have to prepare the following below mentioned Documents;

- ◆ Memorandum of Association of Company (Physical copy of MOA shall be prepare; e-MOA (INC-33) can'tbe prepared).
- ◆ Article of Association of Company (Physical copy of AOA shall be prepare; e-AOA (INC-34)can'tbe prepared).
- ◆ INC-9 declaration by first subscriber(s) and director(s) (Duly apostille or notarized in country of origin).
- ◆ DIR-2 declaration from first Directors along with Copy of Proof of Identity and residential address. (Duly apostille or notarized in country of origin).
- ◆ Declaration from the foreign subscribers in respect of not having PAN.(Duly apostille or notarized in country of origin)
- ◆ NOC from the owner of the property.
- ◆ Proof of Office address (Conveyance/ Lease deed/ Rent Agreement etc. along with rent receipts);
- ◆ Copy of the utility bills (not older than two months)
- ◆ In case of subscribers/ Director does not have a DIN, it is mandatory to attach: Proof of identity and residential address of the subscribers (Duly apostille or notarized in country of origin)
- ◆ Digital Signature with only one Subscriber is enough for Incorporation of Company.
- ◆ DIR-2 from the Resident Director along with self attested copy of PAN and resident Proof.

i. Why foreign Company can't use e-MOA & e-AOA for incorporation of Subsidiary or WOS in India?

Foreign Company can't use e-MOA & AOA, because as per Rule 13(5) Company (Incorporation) Rules, 2014 MOA & AOA signed by person resident outside India should be appostille or notarized before the notary public of country of his origin.

ii. Whether ID proofs of foreign subscribers required being Apostille & Notarized by pubic notary from the country of origin?

ID proof of Authorized representative of foreign Company / nominee of foreign company required to be

apostille in the country of origin, if such person is not citizen of India.

- iii. How many Digital Signatures are required in case of incorporation of Subsidiary/ WOS of foreign Company?

Only one Digital Signature is enough. Because DSC shall be affix only on SPICE "INC-32" form. No need to affix DSC on subscriber sheet of MOA / AOA as physical MOA / AOA used for Incorporation of Company.

- iv. In which situations documents of foreign subscribers not required to be Apostilled?

As per Rule 13(5) if foreign subscriber is present in India on "Business Visa" then documents are not required to be apostille.

- v. If foreign subscriber present in India on VISA other than Business Visa and signed the documents in India, whether such documents are required apostille or notarized in the country of origin?

As the foreign subscriber is present in India and signed the documents in India. However, in absence of Business Visa his documents are mandatorily required to be apostille and notarized in the country of origin.

STEP – IV: FILL THE INFORMATION IN FORM:

Once all the above mentioned documents/ information are available. Applicant has to fill the information in the e-form "Spice" INC-32.

Features of SPICe (inc-32) form:

- ◆ Maximum details of directors are TWENTY (20).
- ◆ Maximum THREE (3) directors are allowed for filing application of allotment of DIN while incorporating a Company.
- ◆ Name of Company can apply the Name also in this form.
- ◆ Affix physical apostilled/ notarized copy of MOA in the Form.
- ◆ Affix physical apostilled/ notarized copy of AOA in the Form.
- ◆ Applying for PAN / TAN will be compulsory for all fresh incorporation applications filed in the new version of the SPICe form.
- ◆ In case of companies incorporated, with effect from the 26th

day of January, 2018, with a nominal capital of less than or equal to rupees ten lakhs or in respect of companies not having a share capital whose number of members as stated in the articles of association does not exceed twenty, fee on INC-32 (SPICe) shall not be applicable

STEP – VI: SUBMISSION OF INC-32 AND AGILE ON MCA-:

Once Spice forms ready with the applicant, upload form on MCA website and make the payment of the same.

STEP – VII: Certificate of Incorporation:-

Incorporation certificate shall be generating with CIN, PAN & TAN.

Company can get GST no. also along with Incorporation.

POST INCORPORATION

- ◆ Step –I: Open Bank Account to receive Subscription Money.
- ◆ Step –II: Receipt of Subscription Money from Foreign Subscriber.
- ◆ Step –III: Filing of e-form 20A – Declaration of Commencement of Business.
- ◆ Step - IV: Collect FIRC Certificate from the Bank as per FDI Guidelines.
- ◆ Step V: Issue Share Certificate to the subscribers.
- ◆ Step VI: File FCGPR with RBI as per FDI Guidelines.

Author – CS Divesh Goyal, GOYAL DIVESH & ASSOCIATES Company Secretary in Practice from Delhi and can be contacted at csdiveshgoyal@gmail.com.

Disclaimer: The entire contents of this document have been prepared on the basis of relevant provisions and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided, I assume no responsibility therefore. Users of this information are expected to refer to the relevant existing provisions of applicable Laws. The user of the information agrees that the information is not a professional advice and is subject to change without notice. I assume no responsibility for the consequences of use of such information. IN NO EVENT SHALL I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION

Compilation of Latest Updates of MCA

CS DIVESH GOYAL | PRACTICING COMPANY SECRETARY | CSDIVESHGOYAL@GMAIL.COM

FIRST:

The Ministry of Corporate Affairs has issue Companies (Appointment and Qualification of Directors) Second Amendment Rules, 2019.

INSERTION OF NEW RULE 12B:

- ◆ In case Company fails to file e-form Active form before due date (i.e. 15th June, 2019) then status of DIN of director of company shall be marked as "Directors of ACTIVE non-compliant Company".
- ◆ Once director will file ACTIVE form status of DIN shall be changed to "Compliant"
- ◆ He will not able to appoint as director in any other company till status of DIN changed to "Director ACTIVE compliance Company".

SECOND:

The Ministry of Corporate Affairs has issue Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2019'.

Amendment in Rule 4:

- ◆ ROC fees for filing of STK-2 increased to Rs. 10,000/- from Rs. 5,000/-
- ◆ Company need to complete filing of AOC-4 and MGT-7 up to the end of financial year in which company ceased to carry its business operation.
- ◆ If STK-2 filed after action taken by ROC in 248 than Company need to complete up to date Annual Filings.
- ◆ Format of Statement of account provided in form STK-8

THIRD:

The Ministry of Corporate Affairs has issue Companies (Incorporation) Fifth Amendment Rules, 2019..

Substitution of Rule 8:

Names which resemble too nearly with name of existing Company.

- ◆ A name applied for shall be deemed to resemble too nearly with the name of an existing company, if, and only if, after comparing the name applied for with the name of an existing company by disregarding the

matters set out in sub-rule (2), the names are same.

- ◆ The following matters are to be disregarded while comparing the names under sub-rule (1):-

FOURTH:

Clarification for form ADT-I filed through GNL-2 under the Companies Act, 2013- reg..

- ◆ In case Companies filled GNL-2 with ROC for appointment of auditor between 01.04.2014-20.10.2014 Company have to file ADT-1 again for such appointment before 15.06.2019
- ◆ There will be NIL ROC fees till 15.06.2019.
- ◆ Old Documents Like (Resolution for appointment, Consent and eligibility certificate of auditor) need to attach in ADT-1.

Author – CS Divesh Goyal, GOYAL DIVESH & ASSOCIATES Company Secretary in Practice from Delhi and can be contacted at csdiveshgoyal@gmail.com).

Disclaimer: The entire contents of this document have been prepared on the basis of relevant provisions and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided, I assume no responsibility therefore. Users of this information are expected to refer to the relevant existing provisions of applicable Laws. The user of the information agrees that the information is not a professional advice and is subject to change without notice. I assume no responsibility for the consequences of use of such information. IN NO EVENT SHALL I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

Compilation of Latest Updates of MCA

CS DIVESH GOYAL | PRACTICING COMPANY SECRETARY | CSDIVESHGOYAL@GMAIL.COM

SHORT SUMMARY:

In this editorial author discussing about **Provisions of loan from shareholders by Private Limited Company, Process of acceptance of loan from shareholder, Treatment of such loan in DPT-3, Balance Sheet** etc.

There are many ambiguity in the corporate and professionals about treatment of Loan from shareholder, whether considered as deposit or not?

SECTION/ RULES INVOLVED:

Section 73	Prohibition on Acceptance of Deposit and relevant rules
Section 179	Power of Board of Directors and relevant rules

IMPORTANT - CIRCULAR/ NOTIFICATION INVOLVED:

Exemption Notification Dated 05 th June, 2015
Exemption Notification Dated 13 th June, 2017

FORMS INVOLVED:

MGT-14	Within 30 days of passing of resolution, if required
DPT-3	Every year till 30 th June

Extract of section/ Rules/ Circular shall be mentioned at the end of the artircor link shall be provided for the same.

A. PROVISIONS – LOAN FROM SHAREHOLDER:

PRIVATE LIMITED COMPANIES

- ◆ Under Companies Act, 1956 it was allowed to accept loan from the Shareholders and such loan considered as non-deposit.
- ◆ Under Companies Act, 2013 since 01st April, 2014 it was not allowed to accept deposit from shareholder
- ◆ MCA issue Exemption notification for Private Limited Companies on 05th June, 2015 states that:

“Chapter V, clauses (a) to (e) of sub-section (2) of section 73, Shall not apply to a private company which accepts from its members **monies not**

exceeding one hundred per cent, of aggregate of the paid up share capital and free reserves, and such company shall file the details of monies so accepted to the Registrar in such manner as may be specified.”

- ◆ MCA issue **Exemption notification** for Private Limited Companies on 13th June, 2017 states that:

“Chapter V, clauses (a) to (e) of sub-section (2) of section 73, Shall not apply to a private company which fulfils all of the following conditions ; namely-

- (a) which is not an associate or a subsidiary company of any other company
- (b) if the borrowings of such a company from banks or financial institutions or any body corporate is less than twice of its paid up share capital or fifty crore rupees, whichever is lower; and
- (c) such a company has no default in repayment of such borrowings subsisting at the time of accepting deposits under this section.”

However, one can opine that

S. No.	Date		Provisions
	From	- To	
	01-04-2014	05-06-2015	Not allowed to accept loan from shareholders
	05-06-2015	13-06-2017	Allowed to accept loan from shareholders upto 100% of paid up share capital and free reserve (subject to exemption of some compliances)
	13-06-2017	Continue...	Allowed to accept loan from shareholders any limit if fulfill three conditions mentioned above.

B. PROCESS – ACCEPTANCE OF LOAN FROM SHAREHOLDER:

If private limited company wants to accept loan from the shareholders then such company have to follow the following below mentioned procedure.

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

STEP-1

To check whether company falls in exemption limit of 05.06.2015 or 13.06.2017 to calculate the amount which such company can accept from shareholders.

STEP-2

- ◆ To Hold a Meeting of Board of Director u/s 179(3)
- ◆ To Pass Board Resolution for Borrowing
- ◆ To issue notice for calling of General Meeting u/s 73(2)

STEP-3

- ◆ To Hold a Meeting of Shareholders u/s 73(2)
- ◆ To Pass ordinary resolution to accept loan from shareholder

STEP-4

Company shall file e-form DPT-3 for such loan at the time of acceptance of same.

STEP-5

- ◆ Company shall file e-form DPT-3 every year for such loan on or before 30th June.

C. TREATMENT-LOAN FROM SHAREHOLDER:

As per provisions mentioned above Private Limited Company can accept loan from shareholders subject to exemption of compliance of Section 73(2) provision (a) to (e).

However, such loan from shareholder is no where mentioned under exemption list of definition of Deposit.

First:

Therefore, one can opine that,

Loan received from shareholder shall be considered as deposit for Private Limited Company. However, such PVT Company can accept the same subject to above mentioned exemptions.

Second:

- ◆ Every year while filing e-form DPT-3 Company has to show such loan in category of Deposit;
- ◆ Company have to select remote button no. 2 or 4
- ◆ Company has to attach certificate of Statutory Auditor for the same.

D. CONSEQUENCIES:

a) Fine on Contravention on Section 73:

The company shall,

- ◆ in addition to the payment of the amount of deposit or part thereof and
- ◆ the interest due,
- ◆ be punishable with fine which shall not be less than one crore rupees or twice the amount of deposit accepted by the company, whichever is lower rupees but which may extend to ten crore rupees; and
- ◆ every officer of the company who is in default shall be punishable with imprisonment which may extend to seven years and with fine which shall not be less than twenty-five lakh rupees but which may extend to two crore rupees,

B) PUNISHMENT FOR NON FILING OF DPT-3: RULE 21

The Company and every officer of the company who is in default shall be punishable with fine which may extend to five thousand rupees and where the contravention is a continuing one, with a further fine which may extend to five hundred rupees for every day after the first day during which the contravention continues

(Author – CS Divesh Goyal, GOYAL DIVESH & ASSOCIATES Company Secretary in Practice from Delhi and can be contacted at csdiveshgoyal@gmail.com).
Disclaimer: The entire contents of this document have been prepared on the basis of relevant provisions and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided, I assume no responsibility therefore. Users of this information are expected to refer to the relevant existing provisions of applicable Laws. The user of the information agrees that the information is not a professional advice and is subject to change without notice. I assume no responsibility for the consequences of use of such information. IN NO EVENT SHALL I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION

GST – An insight into issues and action agenda

DR. S K GUPTA MD & CEO | IPA OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

CA ANANT BHATIA | PARTNER – BHATIA AND BHATIA, CHARTERED ACCOUNTANTS

India took a giant leap forward and brought in the much-awaited tax reforms with the introduction of GST in July 2017. Until then, businesses in India struggled with a plethora of taxes which did not augur well for progressive economic development of the country. Post GST regime, India climbed significant notches higher to be ranked 77 in the 2018 World Bank report on 'The Ease of Doing Business', making India one of the top-ranked nations in South Asia. A remarkable feature of GST implementation is that thirty-one States came together with the Centre to form a unique federal body called GST Council which took all the decisions relating to policies and their implementation unanimously without any voting, in the spirit of cooperative federalism.

ONE NATION ONE TAX

GST has transformed India into one unified marketplace. For the first time, manufactured goods and services are on the same tax platform and all products and services are subject to the same tax rates throughout the country. GST dismantled inter-State tax barriers for seamless transportation. Artificial distortions in the supply chain, as for example, creating depots in all states to avoid central sales tax, are left behind now. GST Regime is a simpler system of taxation with smaller number of exemptions enabling a seamless input tax credit flow between the manufacturer, retailer, and supplier of service.

Before the implementation of GST, taxation laws between the centre and states were clearly demarcated. There were no overlaps between the fiscal powers, whatsoever. The centre would levy tax on goods manufacture, except alcohol for consumption, narcotics, opium, etc. The states had the power to charge tax on the sale of goods. The centre would levy the Central Sales Tax that was collected by the originating states. The Centre was also levying service tax on all types of services. Additionally, the Centre was charging and collecting additional duties of customs on goods that were imported into or exported from India. This tax was levied in addition to the Basic Customs Duty. Therefore, the main aim of GST was to mitigate the cascading effect of taxation to a reasonable low level and to provide uniformity in laws, harmonization of rates of tax, and procedures across states.

The GST is a reform designed to create an ecosystem where free and fair competition can thrive. The centre and state in unison decided to pool in their resource and sovereignty to create this fiscal consolidation for the common goal of economic prosperity.

India's first federal institution, the GST reform does away with the
*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

old multilayer arbitrary tax scheme, making it easier to administer taxes while making revenue collection more efficient. When centre and state have the autonomy to levy charges based on their preferences, the entire system is distorted and the movement of goods also becomes difficult. Therefore, rooting out redundancy in a tax regime was imperative to escape the cascading effect. GST has put in place simple and homogeneous tax, the benefits of which can be utilized by the centre and the state equally.

GST RATE SLABS

GST is a destination - based system applicable on the 'supply' of services or goods as opposed to the earlier concept of origin-based structure of taxation on goods manufacture, sale of goods, or service provision. CGST, IGST, and SGST/UTGST are levied at rates that would be mutually agreed upon by the centre and state. As of now, there are four tax rates under the GST regime, i.e., 5%, 12%, 18%, and 28%. Some goods and services are also classified as exempt from tax. Additionally, a cess above the peak rate of 28% is levied on certain luxury goods. There are automated and simplified methods for processes such as registration, refunds, returns, tax payments, etc., and all interactions are handled by the common GSTN portal.

APPLICABILITY OF GST

Taxpayers with annual turnover of INR 40 lakh are exempt from GST. For special category states, this cut-off is INR 20 lakh. However, for the small-scale taxpayers with annual turnover of INR 1.5 crore or below an option of composition is also available. A huge segment of small-scale retailers may be either exempt from tax or may benefit from low tax rates based on the composition scheme. The choice of threshold exemption and the composition scheme are optional. Further, the input tax credit process is more accurate and transparent, as electronic matching is performed.

UNFOLDING THE AMBIGUITY / ISSUES IN GST

GST was touted as India's second tryst with destiny. However, almost two years down the line and after multiple policy updates, it seems that not everything has unfolded as planned. The post-GST era has so far witnessed numerous strikes by exporters, error and mismatch in returns filed as well as the World Bank calling GST a very complex taxation system. There have been more than 500 amendments in the last two years by way of notifications and circulars. Still there are numerous unresolved issues and technical glitches which are being faced by the taxpayers.

A major objective of GST was to reduce the cascading effect of various taxes. However, petroleum products and alcoholic liquor for human consumption continued to be outside the scope of GST, hence the cascading effect continues to exist. The supplier of these products still pays VAT/ CST/ Excise duty and are not able to avail the GST input credit on the input services, thus resulting into cascading effect to that extent. Further, post implementation of GST the prices of other goods were expected to reduce. But in reality, implementation of GST has increased the prices of many products. This is because the benefit of removal of the cascading effect has not been passed on to the consumers and has been availed by the suppliers thereby increasing their margins. This trend of not passing on the price benefit, creates a rift or a grudge in the minds of the consumers against GST.

Following is the synopsis of the issues that currently plague the GST taxation system in India as well as the taxpayer's concerns and grievances.

GST REGISTRATION

The taxpayers are required to apply for registration on the GSTIN portal. Undoubtedly, the process is smooth and automated yet the applicant continues to face issues.

- a) The taxpayers are required to apply for registration on the GSTIN portal. Undoubtedly, the process is smooth and automated yet the applicant continues to face issues. Initially, as a part of the GST registration process, the taxpayer is required to enter a phone number and email ID along with the basic details. Thereafter he is allotted a provisional ID i.e. TRN. Till the taxpayer completes his registration process and is allotted a unique GST Number and login credentials, he has to login to the portal using the provisional ID and OTP that is received on the registered phone number/ Email ID. However, on account of the technical snag, many a times the portal logs out itself, and the OTP is re-required to log-in again and move ahead with the registration application. The problem arises because generally the registration process is undertaken by the professionals like CA, CS etc., but the contact details are given for the client/ taxpayer and the person having the registered mobile and email ID could be unavailable which leads to delays in the registration process. This could be resolved by providing provisional password to the applicant until the registration application is submitted.
- b) Further, searching the Ward/ Circle number of the taxpayer is a lengthy, in-depth and complex process. The problem occurs while searching the correct ward/ circle number at the time of registration since ward and circle are based on the pin code and exact locality of the taxpayer and one needs to search it on the internet, which makes the registration process indeed difficult for the taxpayer. This issue can be easily resolved by giving a drop-down menu in the registration form which automatically picks up the ward/ circle number based on the address and area pin code entered by the applicant.

FILING RETURNS UNDER GST

Once registered, the taxpayer is mandatorily required to file GSTR-1, GSTR-3B, GSTR-9 and GSTR-9C on the GSTIN portal. Simple as it may seem, is very troublesome on the technical front and the complex structure-wise.

- a) Once registered, the taxpayer is mandatorily required to file GSTR-1, GSTR-3B, GSTR-9 and GSTR-9C on the GSTIN portal. Simple as it may seem, is very troublesome on the technical front and the complex structure-wise. Firstly, this tax reform is new and the taxpayer is not well versed with the new rules being implemented on frequent basis. Further, there is always a chance of human error. Despite this, unlike all other tax laws, the taxpayer is not given a chance to make rectifications. Further, if any change needs to be made in any of the return, then one needs to wait for the next return or annual return thereby increasing the interest on daily basis, if any liability arises due to such rectification. For example, if a taxpayer avails extra ITC or declares less output, in a particular month by mistake, he cannot rectify that return, and will have to do it in the following month; making him liable to interest.
- b) The major hurdle a taxpayer faces is 'What if the supplier fails to file his return'. Technically, if a supplier files incorrect return or no return, the taxpayer automatically becomes ineligible to avail the benefit of ITC. This is ironical as the taxpayer fulfilled his obligations by paying taxes and filing returns but the supplier being at fault creates a problem for the taxpayer.
- c) The return is basically in ledger format so only credit figures are acceptable and no negative figures can be entered. Now let's say, a taxpayer availed extra ITC in a month, he cannot rectify his return but he can set off the extra ITC in the next month. However, if in the following month, he has no ITC, there is no provision available to him to rectify his mistake. Basically, neither he can rectify his mistake at first nor he can do it the next month because negative figures are not acceptable. Ideally, he will have to wait for the filing of annual return or for the subsequent month in which ITC is available. The same is the scenario with the output tax.
- d) Table 6 and Table 18 of GSTR-9 requires split up of the total amount of their ITC into inputs, capital goods, and input services and the inward supply on the basis of HSN code respectively. A specified class of taxpayers having an annual turnover of INR 1.5 crores and above but not exceeding INR 5 crores, were required to report only first two digits of the HSN code in GSTR-1. On the contrary, the taxpayer is required to provide six-digit HSN code in GSTR-9. In addition to the above, GSTR-9C requires auditor to report the ITC claimed during the year based on expenses. Since these bifurcations and records were not required in GSTR-3B returns, the taxpayers never maintained them and will now have to compute the amounts owed from the invoices. Now it becomes difficult for both taxpayer and the auditor to prepare and review the same. Moreover, there is ambiguity about the expense figures to be entered in the return. There is no

clarification whether these amounts should be pre-GST or post-GST, taxable or non-taxable and there is disconnect between the views of different auditors.

- e) The taxpayer faces trouble in matching his books with GSTR- 2A. For example, a supplier mistakenly forgets to upload the details of an invoice in a particular month and has uploaded the same in any subsequent month. Ideally, it should reflect in the month to which it pertains but practically due to the technical glitch that does not take place. It reflects in the month in which the supplier files it and now it creates a problem for the taxpayer to locate that invoice as he has to check each of the subsequent months. To increase his troubles, every time a taxpayer logs into his portal and opens the return for a particular month to open the details of one vendor, and now wishes to check the details of another vendor of the same month or otherwise, he will ideally press the back button, but this back button takes him back to the main menu where he will have to select the month and the year again. If in order to avoid this situation, he simply downloads the return in excel format, the download time for one month's return can take upto 20-25 minutes, and sometimes despite the wait for the aforesaid time, the download still fails and the taxpayer has to re-download the return. In addition to this, GSTR-2A is available on the portal on monthly/ quarterly basis. Annual 2A cannot be downloaded. This has increased the difficulty to match the books of accounts with GSTR- 2A.
- f) In GSTR-9C all the figures are to be auto-populated from GSTR-9. However, this return is available only in offline mode and hence the figure are not auto-populated. Therefore, the auditor is required to manually enter the aggregate annual figures deriving from GSTR 9, which is prone to human error. Inter alia, an auditor can upload GSTR-9C only after the taxpayer has uploaded GSTR-9. Failure on the part of the taxpayer entails a failure on the part of the auditor. There should be some time gap between filling of GSTR- 9 and GSTR- 9C. The auditor should be given a reasonable time of at least 15 days.

GST - ENIGMA FOR EXPORTERS

The export of every country is considered to be a major backbone for the growth of its economy. As a developing country, India has to concentrate on its exports with the aim to bring in globalization and to expand new economic opportunities for the country. Evils of GST have adversely impacted even the exporters of India. The technical glitches also encompass the refund processing system.

- a) For taxpayers who export goods or services can choose between Export under Bond/ Letter of Undertaking without payment of tax and claim refund of Input Tax Credit or pay IGST after setting-off ITC and claim the refund of tax paid. In case if they opt for the former, an application for GST refund shall be filed online in Form RFD 01 and shall be filed within a maximum of 2 years from the relevant date. The exporter of supply of services shall apply for the refund in the year in which the payment of the export is realized. While filing for the refund application, he is required to specify the FIRC number and the invoice number and the exporter can claim

a refund only once against an invoice. In case the exporter raises an invoice in one financial year, but the payment was received in parts and the final payment being received in the next financial year, he will have to apply for the refund more than once. Due to this technical glitch of the portal he cannot apply for a refund twice against the same invoice number. This technical problem needs to be rectified in the GSTIN system.

- b) After filing the application online, the gears are shifted from technical to manual as it is further to be submitted manually to the concerned Authority. Therefore, the entire purpose to make the process automated and smooth gets defeated here. This loophole paves the path for unethical practices. In order to move the application in the department, the applicant is required to submit the documents based on the basic check-list issued by the CBIC. However, in reality the concerned officer asks for additional documents. These documents differ from one department to another, which makes it difficult for the professionals to file the application in one go. Moreover, these requirements are more or less irrelevant and illogical for instance printout of GSTR-1, GSTR-2A and GSTR-3B, etc. Now let's say, CGST and SGST both are to be refunded, the refund amount will be approved by one department (centre or state, depending upon his jurisdiction) for both the departments on the basis of the application made. The said department shall sanction the refund of its component GST (CGST or SGST) and further the same application will be forwarded to the other department and the exporter shall claim the refund of the other component of GST from the other department. Basically, the applicant shall have to claim the refund from both the departments for their individual components based on one application. This makes the refund process very time consuming and cumbersome for the applicant as the entire refund is not processed in one go.
- c) For claiming the refund of input, the department requires mapping of GSTR-2A vis-à-vis electronic credit ledger. However, GSTR-2A continuously gets updated, thereby creating a hindrance in matching the credit and claiming the refund.
- d) Similarly, tax paid by any other taxpayers automatically gets credited to the cash ledger on the portal. Some taxpayers may have mistakenly paid tax in excess of the required amount. Sadly, this again entails the similar issue as stated above to apply for the refund as they are not allowed to make intra head adjustments for cash ledger. Therefore, intra head adjustment should be allowed to negate the unnecessary harassment of the assessee and workload of the department officials. The entire refund process should be made simpler and free flowing in order to boost exports of the country.

Hiccups in Input Tax Credit

One of the fundamental features of GST is the seamless flow of input credit across the chain i.e. from manufacturer of goods till it is consumed across the country.

- a) The input credit of CGST can be used only for paying CGST on the output. Similarly, input credit of SGST/UTGST will be used only for

the payment of SGST/UTGST. Therefore, the two channels of input tax credit cannot be cross-utilised, except for the payment of IGST for inter-state supplies. This creates a hindrance for the taxpayer as he cannot avail the ITC of the same, thereby increasing the working capital requirement.

- b) Additionally, the recent tweak in the rule on availing ITC has created cash flow problems for some companies. The change is in the way companies can set off tax paid on inputs against those levied on the goods/services they sell, which is meant to avoid double counting of taxes. A comparison between the two rules is as under:

Output	Old Rule		New Rule	
	1st Utilization	2nd Utilization	1st Utilization	2nd Utilization
CGST	CGST	IGST	IGST	CGST
SGST	SGST	IGST	IGST	SGST
IGST	IGST	CGST/SGST	IGST	CGST/SGST

- ◆ It is worthwhile to mention that though the new rules have been implemented w.e.f. 1st April 2019, however, the GSTIN portal is still following the old rule while setting-off the input against the output in some cases.
- ◆ c) The credit claimed on the purchases in which the payment has not been given to the suppliers within the 180 days must be reversed. To keep a note of this, the taxpayer has to ensure timely payments, however, based on the nature of the service/ terms of the contract, it may not be practically possible to make the payment within the stipulated time. In contrast with the same, the government has already received the taxes from the supplier and is at a no loss situation. Therefore, ideally this input should not be reversed. In a recent case of Bharti Telemedia limited Vs. Union of India, The Hon'ble Delhi high court, issued notice to the Union of India, challenging section 16(2)(c) and 16(2)(d), which provide for reversal of input tax credit in case the supplier doesn't file his return or payment is not made within 180 days respectively.

E - Way bill

In order to by-pass numerous inter-state clearances for sellers and transporters, e-way bill was introduced under the GST regime. E-way bill had the potential to liberate interstate trade from all sorts of obstructions. However, the GST network turned to be a major block. The inability of the network to handle large volume e-way bill requests has been a major disappointment. Immediately e-way bill was rolled back. In the aftermath of the failure, goods carrying vehicles were left stranded. Over time, most of the issues related to the E-way bills were resolved but some of the issues still remain open.

E-way bills have specific time lines and validity based on the distance to be covered by the vehicles. Once generated, it can be cancelled with 24 hours of its generation. Problem arises when the vehicle is not able to deliver the said goods within the specified time line or the transporter doesn't come for pickup of the goods within

24 hours. Another problem arises when a big container carrying heavy goods breaks down during its journey and its content is shifted to two small vehicles. There no provision to facilitate such practical scenario. If the aforesaid hindrances are removed, then the purpose of E-way will be achieved.

Anti-profiteering

There is little clarity over the clause has led to confusion over setting of selling prices for goods. The law doesn't clarify how the costs incurred on account of transition from GST to non-GST era are to be factored in. It also doesn't specify the method of passing on the benefits by loss-making units. Provisions of the anti-profiteering clause should be elaborated to clarify the method of computing the benefit and mechanism for passing on the said benefit. This shall enable the industry to take up necessary changes required and avoid unnecessary litigation.

Cross charge of employee cost

The issue became headline when an Authority for Advance Rulings (AAR) said that activities performed by employees based at corporate office for the branch office located in a different State (distinct person) shall be treated as a supply of service and thus would be subject to the levy of GST. It has also held that value for the purpose of such supply will include the cost of employees. A clarification in this respect is required stating that employee cost will not be required to be cross charged from branches/ other units operating under a different GSTIN.

The way forward

Introduction of Goods and Services Tax (GST) is a major step in the reform of indirect taxation in India. GST has simplified and harmonize the indirect tax regime in the country because several Central and State taxes are merged into GST. It has eliminated cascading or double taxation. It is expected to reduce cost of production and inflation in the economy, thereby making the Indian trade and industry more competitive, domestically as well as internationally. Besides, it is also expected that introduction of GST will foster a common or seamless Indian market and contribute significantly to the growth of the economy. There is consensus among experts and industry that GST has made vast progress from its early days of teething troubles. GST is still a work in progress. GST remains and epitome of benchmarks and learnings. Goods and Service Tax, with end-to-end IT enabled tax mechanism has great scope of bringing buoyance to government revenue. Improvement on technical front and immediate implementation of the new rules on the portal would help the honest taxpayers in smoothly filing the returns, pay accurate taxes, avail appropriate ITC and claim refunds timely and further curb the malicious activity of tax evasion. In need of help, the taxpayer is suggested to contact the call centre, but the help provided seems to be insufficient as they are themselves not well versed with the new tax structure and relevant rules. It is obvious that introduction of every new legislation faces teething trouble or glitches for initial some period, the same is valid for GST. Therefore, going forward, GST augurs well for Government and business both.



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

**NORTHERN
INDIA
REGIONAL
COUNCIL**

**Organising
SEMINAR**
On The Theme

Insight of Companies (Amendment) Act, 2019

on **Saturday, the 31st August, 2019** at **Hotel HOLIDAY INN**
from 10.00 AM to 5.00P.M. Mayur Vihar, Delhi-110091



Guest Speaker

CS Vinod Kothari
Vinod Kothari Consultants



Chief Guest

Shri Gyaneshwar Kumar Singh
Joint Secretary
Ministry of Corporate Affairs,
Government of India



Guest Speaker

CS Kumudani Sharma
DGM & Dy Company Secretary
Oil India Limited

Fee:

Delegate Fee: Rs. 1750/- (Inclusive of GST)
No Delegation fee for Corporate Member of NIRC-ICSI

In order to make necessary arrangements, Members & Students are requested to enrol well in advance with Regional Director, NIRC-ICSI, 4, Prasad Nagar Institutional Area, New Delhi. The cheque for delegate fee may please be drawn in favour of NIRC of ICSI payable at New Delhi. Tel.:+91-11-49343003, E-mail: niro@icsi.edu

PROGRAM CREDIT HOURS: 04, PDP FOR STUDENT: 08

(Credit Hours will be given to only those members who join the programme upto 11.00 AM and mark the attendance both at the beginning & conclusion of the programme)

The fee may also be paid through Paytm by the following link:
m.p-y.tm/icsineww

With Best Regards

CS G. S. SARIN
CHAIRMAN, NIRC- ICSI
Mobile: 9814655649
Email: chairman.nirc@icsi.edu
chairmannirc2019@gmail.com

CS SURESH PANDEY
VICE-CHAIRMAN, NIRC-ICSI
Mobile: 9968300549
Email: cs.sureshpandey@gmail.com

CS VIMAL GUPTA
Secretary NIRC-ICSI
Mobile: 9314324282
Email: vimalg_jr@yahoo.co.in
vimalara17000@gmail.com

CS SUSSHIL DAGA
Treasurer NIRC-ICSI
Mobile: 9829699999
E-mail: cs.sushil@gmail.com

CS HIMANSHU HARBOLA
Chairman, PDPC, NIRC-ICSI
Mobile: 9818993836, 8766360994
Email: himanshuharbola8@gmail.com

Support Partner:



**DUCTRUS RESOLUTION
PROFESSIONALS PRIVATE LIMITED.**



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

**NORTHERN
INDIA
REGIONAL
COUNCIL**

YUVA Corporate Membership Scheme of NIRC-ICSI for Young Members for the year 2019-20

The NIRC of ICSI has come out with a unique Corporate Membership for Young Members of ICSI. The whole idea behind the scheme was to build the capacity of our young members and to give them a fair chance to attend the seminars of professional interest at a reasonable cost. The scheme is named as YUVA Corporate Membership Scheme of NIRC-ICSI.

The YUVA Corporate Membership Scheme for young members of NIRC of ICSI is open for members of the Institute from Northern Region who have been awarded the membership on or after 1st January, 2017 and is open for the Year 2019-20 (June'19 to May'20). Only First 300 members will be enrolled for the YUVA Corporate Membership Scheme. Anyone becoming a member under the Scheme shall be entitled to the following benefits:

- Separate Programs will be organised under this Scheme at NIRC - ICSI Auditorium only.
- To attend all the paid programs as may be organised by NIRC for Young Members by self only (Except workshop and residential programs) at NIRC Auditorium, ICSI- NIRC Building free of charge throughout the year 2019-20.
- Minimum 12 Programs will be organised under this Scheme on the topic of Professional interest and soft skills.
- Credit hours will be given to only those members who joins the program upto 10.30 a.m.
- Following other benefits of regular Corporate Members Scheme, for the year 2019-20 will also be extended to the members as under:
- Invitation for New Year Celebration and Dinner free of cost.
- Concessional fee will be charged for the State Conferences and other residential programs as

may be organized by the NIRC during the year.

The fee structure for the corporate membership for young members for financial year 2019-20 is as under:

Particulars	Amount After 15/07/2019
For Members including PCS	Rs.3,500/-
(The above all amounts are inclusive of GST) (GSTIN 07AAATT1103F22) (Pan No. AAATT1103F)	

Your Regional Council has decided that Rs.100/- per member who joins the NIRC Corporate Membership Scheme for the year 2019-20 will be contributed to Company Secretaries Benevolent Fund (CSBF) to increase the corpus of the CSBF.

The payment for YUVA Corporate Membership can be made through following options:

Option	Mode	Remarks
1	By Cash	At NIRC Building, 4 Prasad Nagar Institutional Area, New Delhi on all working days from 11 AM to 4 PM
2	NEFT Transfer	To NIRC-ICSI Saving Bank Account No. SB-9002010030267 Syndicate Bank, East Patel Nagar, New Delhi - 110006, RTGS/NEFT IFSC - SVN0000006
3	Paytm Payment	The fee may also be paid through Paytm through the following link https://bit.ly/2X00000
4	By DD	In favour of "NIRC of the ICSI" and sent to Regional Director, NIRC of ICSI, 4, Prasad Nagar Institutional Area, New Delhi-110006
5	By Cheque	In favour of "NIRC of the ICSI" and sent to Regional Director, NIRC of ICSI, 4, Prasad Nagar Institutional Area, New Delhi-110006

Note: It requested that after making the payment, please complete the form by clicking on the below mentioned link. The relevant information is being requested to enable NIRO to update the records and also to issue YUVA corporate membership number of NIRC-ICSI.

**For enrolment form, please visit
www.icsi.edu/niro & also go to link:**

<https://docs.google.com/forms/d/1APq3iMqbrh71beWODp74a6-viB7-ftMOtDIEUxJUKAE/edit>

CS G.S. SARIN CHAIRMAN, NIRC-ICSI
CS SURESH PANDEY VICE-CHAIRMAN, NIRC-ICSI
CS VINAY GUPTA MEMBER, NIRC-ICSI
CS SUSSHIL DAGA TREASURER NIRC-ICSI
 Mobile: 9814685849 & CHAIRMAN- POS COMMITTEE-NIRC Mobile: 9983324282 Mobile: 982968999

NEWS FROM THE NIRC

S.No	Date	Program Summary	Present
1	01/07/2019 to 05/07/2019	7th Batch of 5 Days Skill Entrepreneurship Development Program	Faculties and Students of ICSI
2	04/07/2019	Valedictory Function of 293rd Batch of MSOP	Guest of Honour: Ms. Rupa Sarkar, General Manager and Company Secretary, IFCI Limited, New Delhi ; Present: CS Suresh Pandey, Vice-Chairman, NIRC-ICSI, CS Devender Suhag, Chairman-MSOP Committee and Regional Council Member, NIRC-ICSI, CS Bhupesh Gupta, Member, NIRC-ICSI, CS Surya Kant Gupta, Regional Council Member and students.
3	08/07/2019 to 09/07/2019	27th Batch of 2 Days Induction Program	Faculties and Students of ICSI
4	13/07/2019 to 14/07/2019	Rajasthan State Conference at Bhilwara	CS Ranjeet Pandey, President, ICSI, CS G S Sarin, Chairman, NIRC-ICSI
5	10/07/2019 to 12/07/2019	28th Batch of 3 Days e-Governance Program	Faculties and Students of ICSI
6	15/07/2019 to 23/07/2019	75th Batch of 8 Days Executive Development Program	Faculties and Students of ICSI
7	15/07/2019	Inaugural Function of 294th Batch of MSOP	Present: CS G S Sarin, Chairman, NIRC-ICSI, CS Manish Gupta, Central Council Member, ICSI, CS Surya Kant Gupta, Regional Council Member and students.
8	19/7/2019	Program on SBO & NAFRA at NIRC-ICSI	Speaker: CS Sameet Gambhir, Company Secretary DCM Shriram Ltd., CS Deepak Sharma
9	26/07/2019	Program on SBO at NIRC-ICSI	Speaker: CS Arvind Kohli, Panelist on the topic: "SBO"
10	27/07/2019	Seminar on the theme: "Attaining proficiency in appearance skills before NCLT-NCLAT (Need of the hour for CS Professionals)"	Present: CS G S Sarin, Chairman, NIRC-ICSI, CS Manish Gupta, Central Council Member, ICSI, CS Surya Kant Gupta, Regional Council Member and students.
11	27/07/2019	Annual General Meeting on NIRC-ICSI	Council Member, ICSI, Regional Council Members of NIRC-ICSI, Members of the ICSI
12	28/07/2019	Student Regional Conference at Airforce Auditorium	Chief Guest: Hon'ble Justice Mr. Talwant Singh Ji, Judge, Delhi High Court; Guest Speaker: Dr. Ritesh Malik, Entrepreneur; CS (Dr.) Pawan Agrawal; International Motivational Speaker, Dabbawala Mumbai; Mr. P S Rathore, Life Coach; Present: CS G S Sarin, Chairman, NIRC-ICSI, CS Hitender Mehta, Central Council Member, ICSI, CS Suresh Pandey, Vice-Chairman, NIRC-ICSI, CS Susshil Daga, Treasurer, NIRC-ICSI, CS Devender Suhag, Chairman-MSOP Committee and Regional Council Member, NIRC-ICSI, CS Surya Kant Gupta, Regional Council Member, CS Himanshu Harbola, Regional Council Member, CS Bhupesh Gupta, Regional Council Member and students.
13	28/07/2019	Cultural Evening Program	Members of the ICSI
14	29/07/2019 to 02/08/2019	14th Batch of 5 Days Skill Development Program	Faculties and Students of ICSI
15	31/07/2019	Valedictory Function of 294th Batch of MSOP	Guest of Honour: CS Gaurav Arora, Vice President, Yes Bank, New Delhi; CS Vikas Goel, Company Secretary, Brahmos Aerospace, New Delhi; CS Ram Prakash Sharma, Company Secretary, Godfrey Philips, New Delhi; Present: CS Hitender Mehta, Central Council Member, ICSI, CS Suresh Pandey, Vice-Chairman, NIRC-ICSI, CS Susshil Daga, Treasurer, NIRC-ICSI, CS Devender Suhag, Chairman-MSOP Committee and Regional Council Member, NIRC-ICSI, CS Surya Kant Gupta, Regional Council Member and students.

NEWS FROM CHAPTERS

The Chapters of NIRC-ICSI organised the following programs:

CHAPTER	DATE	NAME OF ACTIVITES	CHIEF GUEST/SPEAKER	PRESENT
Agra	01/07/2019	GST Day Celebration	CA Nikhil Gupta	Members and Students
	01/07/2019	Van Mahostav (Student Month)	-	Member
	04/07/2019	Company Law Quiz Contest (Student Month)	-	Student
	06/07/2019	Members Session - Learning Symposium	CS Shikhar Goel	Members and Students
	13/07/2019	Members Session - Amendments Class	CS Manish Durga	Members and Students
	14/07/2019	Health Check-up Camp for Members	Dr Deepak Agarwal	Members and Students
	19/07/2019	National Flag Adoption Day, Samadhan Diwas- Zero Grievance Day and Soft Skill session	Mr Pardeep Tomar (For Soft Skill)	Students
	28/07/2019	Members and Student Conference	Dr (FCS) S. S. Sharma (Chief Guest), CS Deepak Gajrani (Eminent Speaker)	Members and Students
	28/07/2019	Cultural Evening	No Guest	Members and Students
Bikaner	01/07/2019	Blood Donation Camp	CS Komlata Bhargav	
	01/07/2019	Van Mahostav	CS Animesh Suthar	
	04/07/2019	Quiz Competition	CS Komalata Bhargav & Ravinder Nath Goswami	
	08/07/2019	Oral Coaching Classes	CS Maulik Chandanani	
	09/07/2019	Cultural Event	CS Pradkshina Goswami	
	10/07/2019	Felicitation Program	CS Nakul Sharma	
	11/07/2019	Word Population Day	CS Narayan Das Daga	
	11/07/2019	PPT Making Competition	CS Manisha Pandey	
	12/07/2019	Web Cast	HQ LIVE	
	15/07/2019	Parent & Teachers	CS Shruti Vyas	
	17/07/2019	Teacher Induction Program	CS Animesh Suthar	
	18/07/2019	Moot Court	CS Shikhar Goel	
	19/07/2019	Samadhan Divas	CS Animesh Suthar	
	19/07/2019	Soft Skill Development Programme	CS Pragya Noulakha	
	22/07/2019	National Flag Adoption Day	CS Shruti Vyas	
	22/07/2019	Career Awareness Programme	Mr. Ritesh Ji Vyas	
	26/07/2019	Kargli Vijay Diwas	Mr. Col (Retd) B.S. Bhati	
29/07/2019	Swachh Bharat Abhiyan	Mr. Rakesh Swami		
Lucknow	20/07/2019	Study Circle Meeting on Significant Beneficial Ownership (SBO)	Key Note Speaker : CS Kiran Pandey	CS Aditya Agrawal, CS Manish Kumar Mishra, CS Atul Kumar Rawat, CS Narendra Devnath Ojha, CS Subhash Tiwari, 49 (Members)
Ludhiana	06/07/2019	Study Session Meeting	-	46 Members & 3 Students
	22/07/2019	Study Session Meeting (Interactive)	President, ICSI	
Jaipur	01/07/2019	Programme on GST Day on the Topic Annual GST Return and E-Voting & Security Admission in depository system	CS Manish Gupta	33
			Council Member, The ICSI	
	06/07/2019	Study Circle Meeting on Companies (Significant Beneficial Ownership) Amendment Rules, 2019	CS Deepak Arora Practicing Company Secretary Past Member - NIRC of ICSI	48
	19/07/2019	Study Circle Meeting & Interactive Session on Companies (Significant Beneficial Ownership) Amendment Rules, 2019	CS Deepak Kumar Khaitan Concil Member, The ICSI	62

CHAPTER	DATE	NAME OF ACTIVITES	CHIEF GUEST/SPEAKER	PRESENT
	19/07/19	3 Days Unique Residential Workshop on National Company Law Tribunal (NCLT)	CS Praveen Soni Concil Member, The ICSI Shri Balvinder Singh Member - NCLAT CS Nesar Ahmad Past President, The ICSI CS Deepak Kumar Khaitan Council Member, The ICSI CS Siddhartha Murarka Council Member, The ICSI CS Sandeep Taneja Sr. NCLT Practitioner CS Amol Vyas Sr. NCLT Practitioner	35
Chandigarh	01/07/2019	GST Day Celebration & Half day Seminar on "Role of Company Secretary under GST Laws"	Chief Guest: CS Kumar Gaurav Dhawan, IRS Additional Commissioner, Central Board of Indirect Taxes and Customs(GST), Chandigarh. Key Speaker: CS Jagmohan Bansal, GST Laws Practitioner.	31
	11/07/2019	Seminar on "Union Budget 2019-20 & Emerging Area of Valuation"	Key Speakers: i) CA(Dr.)Girish Ahuja, Eminent Tax Expert . ii) CS Jalaj Srivastava, Practicing Company Secretary.	84
	21/07/2019	Seminar on "Critical Aspects of SBO Rules & BEN Forms"	Key Speakers: i) CS Satwinder Singh, Partner, Vaish Associates. ii) CS Lokesh Dhyani, Senior Associate, Vaish Associates.	52
Gurgaon	03/07/2019	GST Day Celebrations	Chief Guest – Shri Dilbag Singh, Joint Commissioner Guest of Honour: CS P.K. Mittal – Past Central Council Member Speakers: 1. CS Atul Gupta – Partner, Lakshmikumaran & Sridharan 2. CS P.K. Mittal – Past Central Council Member 3. CS Chandra S. Sharma, DGM-Legal & CS – Godfrey Phillips India Ltd.	CS Vinay Shukla – Regional Council Member CS Mohit S. Nigam – Chairman, Gurgaon Chapter CS Nitin Grover – Vice-Chairman, Gurgaon Chapter CS Vikas Yadav – Secretary , Gurgaon Chapter CS Sahil Gaur – Treasurer, Gurgaon Chapter
	24/07/2019	One Day Workshop – Equip Yourself for Income Tax Return Filing	Speaker: CA Devki Nandan Jindal	CS Mohit S. Nigam – Chairman, Gurgaon Chapter CS Vikas Yadav – Secretary , Gurgaon Chapter CS Sahil Gaur – Treasurer, Gurgaon Chapter
	26/07/2019	Study Circle Meeting	Speaker: CS Sameet Gambhir	CS Mohit S. Nigam – Chairman, Gurgaon Chapter CS Sahil Gaur – Treasurer, Gurgaon Chapter
Ghaziabad	01/07/2019	GST Day	CA Mohit Golcha	20
	13/07/2019	NCLT Class Room Series	CS Ashutosh Gupta & Adv. Sachin Chopra	28
	14/07/2019	NCLT Class Room Series	CS Nesar Ahmed	20
	20/07/2019	NCLT Class Room Series	CS P.K. Mittal	16
	21/07/2019	NCLT Class Room Series	CS G P Madaan	18
	28/07/2019	NCLT Class Room Series	CA Kamal Garg	14

CHAPTER	DATE	NAME OF ACTIVITES	CHIEF GUEST/SPEAKER	PRESENT
Jodhpur	01/07/2019	Blood Donation Camp & Van Mahotsav		Members & Students
	4/07/2019	Quiz contest		Student
	5/07/2019	Mock Test & Revision classes		Student
	9/07/2019	Cultural Program for Students		Student
	10/07/2019	Felicitation of Merit Holders Dec		Student
	11/07/2019	PowerPoint Competition		Student
	12/07/2019	Webcast for Student		Student
	19/07/2019	Samadhan Diwas		Student
	25/07/2019	CS Foundation Result		Student
	26/07/2019	CS Registration Day		Student
	26/07/2019	CAP at Sumer College		Student
	27/07/2019	Orientation Prog of CMA on IBC		CS/CMA members
	29/07/2019	Swachh Bharat Abhiyan on		Staff
	30/07/2019	CAP at LBN School, Sojati Gate,		Student
	30/07/2019	CAP at Mahalaxmi Girls College,		Student
Kota	12/07/2019	Study session on topic "Recent developments for CS profession"	CS Nidhi Singh	Members
Ajmer	01/07/2019	GST Day Celebration	CS Vimal Kumar Gupta, Secretary –NIRC of ICSI CHIEF GUEST CA Pulkit Khandelwal Practicing Company Secretary GUEST SPEAKER	Members and Professional Students of Ajmer Chapter
Faridabad	20/07/2019	Faridabad Chapter Organised Interactive Session on Form NFRA-1 & BEN-2 on Saturday, 20th July, 2019 at Chapter premises	CS Vijay Gupta, FCS, FCA Practicing Chartered Accountant Treasurer, NIRC-ICAI	40

COMPANY SECRETARIES BENEVOLENT FUND

MEMBERS ENROLLED REGIONWISE AS LIFE MEMBERS OF THE COMPANY SECRETARIES BENEVOLENT FUND DURING THE PERIOD OF 26/06/2019 TO 31/07/2019

S. No.	LM. No.	NAME	MEMBER No.	CITY
1	13379	MS. PRIYA CHHABRA	ACS - 51094	GHAZIABAD
2	13380	MR. MUNESH KUMAR GAUR	ACS - 39597	NEW DELHI
3	13381	MS. REENA RANI	ACS - 54543	FATEHABAD
4	13385	MS. DEEPALI AGGARWAL	ACS - 54521	NEW DELHI
5	13403	MR. AMAN JAIN	ACS - 46532	ALWAR
6	13405	MR. KAMAL KUMAR	ACS - 48657	HAMIRPUR

CHAPTERS OF NIRC-ICSI

Agra, Ajmer, Allahabad, Alwar, Amritsar, Bareilly, Bhilwara, Bikaner, Chandigarh, Dehradun, Faridabad, Ghaziabad, Gurgaon, Jaipur, Jalandhar, Jammu, Jodhpur, Kanpur, Karnal-Panipat, Kota, Lucknow, Ludhiana, Meerut, Modinagar, Noida, Shimla, Srinagar, Patiala, Udaipur, Varanasi.



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

**NORTHERN
INDIA
REGIONAL
COUNCIL**

ANNUAL SPONSORSHIP SCHEME – 2019 FOR NIRC PROGRAMS

As you are kindly aware that the NIRC conducts more than 100 professional development programs/study groups/workshops for members and about 100 training programs for students in a year. Majority of the programs for members are conducted in good hotels/auditoriums with attendance of around 400 members in professional development programs & more than 100 in others.

In most of the programs organized by NIRC, very nominal participation fee is charged from the members, therefore, in order to partly bear the cost involved in organizing the programs, NIRC has come out with an Annual Sponsorship Scheme – 2019. The details and the benefits of the scheme are placed below. The Members are requested to kindly consider the above scheme and partly sponsor the NIRC programs for the year 2019.

The cheque / demand draft towards sponsorship amount may please be drawn in favor of “NIRC-ICSI” payable at New Delhi.

This gesture on the one hand will encourage the Regional Council in holding further Professional Development Programs and on the other hand will give mileage to your organization.

NIRC-ICSI eagerly waits for favorable response from the members. For any clarification regarding the Annual Sponsorship Scheme, please feel free to revert to Chairman, NIRC at niro@icsi.edu.

Principle Sponsor – Rs.5,00,000/- annually

- Logo display at full day Program Backdrop (12 Programs)
- Logo at the backdrop of study Circle Meetings organized for PCS, workshops organized by NIRC, Study Groups meetings organized by NIRC.
- Logo display on backdrop of the full day program of all State Conference / Regional Conference / Regional PCS Conference as may be organized by NIRC (6 Programs)
- Display at full day Program, Standees / Banners at all State Conference / Regional Conference / Regional PCS Conference as may be organized by NIRC. (6 Programs)
- Stall at the venue of full day Program (6 Programs)
- Speaking slot (max. half an hour) to any speaker from the sponsoring organization or any other speaker authorized by such organization subject to confirmation by Chairman NIRC-ICSI (2 Programs)
- Delegate fee exemption for 03 delegates in the whole day seminar organized by NIRC.
- Display of logo at E-mails which will be circular to all Members (around 21000 members) of the NIRC of ICSI and other professionals.

- Distribution of pamphlet / handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization. (6 Programs)
- Name / logo of sponsoring organization will be Published in the announcement of the program in NIRC Newsletter.
- One full page advertisement in NIRC Newsletter. (3 Colour & 2 Black & white)
- Special acknowledgement at the programs organized by NIRC.
- Recognizing the MD & CS of the organization at our annual general meeting.

Platinum Sponsor – Rs. 3,00,000/- annually

- Logo display at Program Backdrop (8 Programs)
- Logo display on backdrop of the full day program of all State Conference / Regional Conference/Regional PCS conference as may be organized by NIRC. (4 Programs)
- Display at full day Program, Standees / Banners at all State Conference / Regional Conference/Regional PCS Conference as may be organized by NIRC. (4 Programs)
- Stall at the venue(5 Programs)
- Delegate fee exemption for 02 delegates in all the whole day seminars organized by NIRC
- Display of logo at E-Mails which will be sent to all Members of the ICSI and other Professional.
- Distribution of pamphlet/handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization. (5 Programs)
- Name / logo of sponsoring organization will be published in the announcement of the program in NIRC Newsletter.
- One full page advertisement in NIRC Newsletter.(2 Colour & 1 Black & white)
- Special acknowledgement at the programs organized by NIRC.
- Special acknowledgement for MD & CS at the Annual General Meeting of NIRC of ICSI.

Gold Sponsor – Rs. 2,00,000/- annually

- Logo display at Program Backdrop(5 Programs)
- Logo display on backdrop of the full day program of all State Conference / Regional Conference / Regional PCS Conference as may be organized by NIRC.(2 Programs)
- Display at full day Program standees / Banners at all State Conference / Regional Conference / Regional PCS Conference as may be organized by NIRC (2 Programs)
- Stall at the venue (4 programs)
- Delegate fee exemption for 01 delegate in all the whole day seminars organized by NIRC.
- Distribution of pamphlet/handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization.(4 Programs)
- One full page advertisement in NIRC Newsletter.(1 Colour & 1 Black & White)
- Special acknowledgement at the programs organized by NIRC.
- Special acknowledgement for MD & CS at the Annual General Meeting of NIRC-ICSI.

Sliver Sponsor – Rs. 1,00,000/- annually

- Logo display at Program Backdrop on alternate month (3 Programs)
- Stall at the venue (3 Programs)
- Distribution of pamphlets/ handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization. (3 Programs)
- One full page advertisement in NIRC Newsletter. (1 Black & White)
- Special acknowledgement at the programs organized by NIRC.

Web casting Sponsor of program – Rs. 2,00,000/- annually (6 Programs)

- Logo display on the screen in all the chapters of NIRC-ICSI during the web casting of the programs.
- Logo display at Program Backdrop (6 Programs)
- Stall at the venue (3 Programs)
- Distribution of pamphlet / handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization. (3 Programs)
- One full page advertisement in NIRC Newsletter. (1 colour & 1 Black & white)
- Special acknowledgement at the programs organized by NIRC.
- Special acknowledgement for MD & CS at the Annual General Meeting of NIRC of ICSI.

Sponsorship for Single Program – Rs. 50,000/-

- Logo display at Program Backdrop(1 Programs)
- Stall at the Venue(1 Program)
- Distribution of pamphlets / handouts of the sponsoring organization to the delegates, if such pamphlets are provided by the sponsoring organization. (1 Programs)
- Special acknowledgement at the programs organized by NIRC.

With Regards

CS G.S. SARIN
CHAIRMAN, NIRC- ICSI
Mobile: 9814685649

CS SURESH PANDEY
Vice Chairman NIRC- ICSI
Mobile: 9968300649

CS VIMAL GUPTA
Secretary NIRC-ICSI
Mob. 9983324282

CS SUSSHIL DAGA
Treasurer NIRC-ICSI
Mob. 982968999



