



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)



ISSUE NO – 18

APRIL - JUNE, 2023

# e-Newsletter

An Initiative of Hooghly Chapter of EIRC of ICSI



Hooghly Chapter of EIRC of

The Institute of Company Secretaries of India

89 /114/2, D.N. Banerjee Street, Rishra, Hooghly-712248 ( WB)

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### MANAGING COMMITTEE MEMBERS (2023) (HOOGHLY CHAPTER OF EIRC OF THE ICSI)

CS Altab Uddin Kazi (Chairman)  
 CS Mayank Sharma (Vice-Chairman)  
 CS Chandan Gupta (Secretary)  
 CS Krishna Sharma (Treasurer)  
 CS Manohar Mishra (Member)  
 CS Anita Sarswat (Member)  
 CS Mukesh Kumar Shaw (Member)  
 CS Anuj Saraswat (Ex-Officio Member)

### EDITORIAL BOARD MEMBERS (2023)

CS Altab Uddin Kazi  
 CS Mayank Sharma  
 CS Krishna Sharma  
 CS Neha Jain  
 CS Rahul Harsh  
 CS Rahul Goel  
 CS Subrata Bhattacharjee



### DISCLAIMER

Views expressed by the author or contents provided by the contributors to the e-newsletter are their own and ICSI - Hooghly Chapter does not own any responsibility. The Managing Committee is not in any way responsible for the result of any action taken on the basis of contents published in the e-newsletter.

### FOR YOUR KIND ATTENTION

Please update your contact details with us to communicate you about various programs organized by Hooghly Chapter. Please send your details to [hooghly@icsi.edu](mailto:hooghly@icsi.edu). In case you are not receiving a copy of the same, please provide us your details, so as to serve you better.

**Members and students are invited to contribute articles on topics of interest to them.**

### **Constitution of various Sub-Committees:-**

Following are the sub-committees constituted in Hooghly Chapter of EIRC of ICSI:-

1. Editorial Board Sub-Committee
2. Practicing Company Secretaries (PCS) Sub-Committee
3. Career Awareness Programme (CAP) Sub-Committee
4. Professional Development Programme (PDP) Sub-Committee
5. Placement Sub-Committee
6. Company Secretaries Benevolent Fund (CSBF) Sub-Committee
7. Training and Education Sub-Committee

Members of the above mentioned Sub-Committees are as follows:-

Sr No.	Editorial Board Sub-Committee	Practicing Company Secretaries (PCS) Sub-Committee	Career Awareness Programme (CAP) Sub-Committee	Professional Development Programme (PDP) Sub-Committee	Placement Sub-Committee	Company Secretaries Benevolent Fund (CSBF) Sub-Committee	Training and Education Sub-Committee
1	CS Altab Uddin Kazi (Chairman)	CS Manohar Mishra (Chairman)	CS Mayank Sharma (Chairman)	CS Krishna Sharma (Chairman)	CS Chandan Gupta (Chairman)	CS Mukesh Kumar Shaw (Chairman)	CS Anita Sarswat (Chairperson)
2	CS Mayank Sharma	CS Mayank Sharma	CS Altab Uddin Kazi	CS Manohar Mishra	CS Anita Sarswat	CS Altab Uddin Kazi	CS Chandan Gupta
3	CS Krishna Sharma	CS Hemant Sharma	CS Anita Sarswat	CS Ashish Pratihast	CS Anjali Mishra	CS Chandan Gupta	CS Mukesh Kumar Shaw
4	CS Rahul Harsh	CS Hitesh Bhansali	CS Manohar Mishra	CS Diksha Dubey	CS Abhishek Shaw	CS Amar Nath Shaw	CS Mohammad Abdul Karim Khan
5	CS Neha Jain	CS Niraj Kumar	CS Diksha Dubey	CS Jaya Shah	CS Hemanta Ghosh	CS Neha Jain	CS Pooja Bansal
6	CS Rahul Goel	CS Payal Bafna	CS Neha Jain	CS Rita Maity	CS Meenakshi Khatri	CS Pooja Bansal	CS Rahul Thakkar
7	CS Subrata Bhattacharjee	CS Shashi Chandra Jha	CS Prosanta Kumar Ghosh	CS Vinay Somani	CS Prosanta Kumar Ghosh	CS Rajiv Gupta	CS Saiyad Ali





*CS Mayank Sharma  
Vice Chairman &  
Member, Editorial Board*

Over the past six months, the Hooghly Chapter has been buzzing with excitement and learning. We've had fantastic seminars that made learning super interesting. From topics touching every dimension for professionals, these seminars made us think and dream big!

But that's not all – we the Hooghly Chapter is doing tremendously well in terms of spreading awareness among young students with huge number of Career Awareness Programs. These programs helped future students what we could be, when we grow up and helped them to see the world of possibilities out there.

Our chairman is like a superhero – he made us all feel like a team. We talked, shared ideas, and became pals. It's like a big family here at the Hooghly Chapter!

Looking back, these six months have been awesome. As the Vice Chairman I wish super success for the upcoming years ahead and hope that all of us work in same tandem, with same energy and coalition. Hip-hip-hooray for the Hooghly Chapter!

Best wishes,

CS Mayanak Sharama  
Vice Chairman & Editorial Board Member (2023)  
Hooghly Chapter of EIRC of the ICSI



*CS Krishna Sharma  
Treasurer & Member,  
Editorial Board*

It's a privilege for me to be a part of the Managing Committee and the Editorial Board (2023) of the Hooghly Chapter of EIRC of ICSI under the leadership of a dynamic Chairman CS Altab Uddin Kazi. I feel proud to announce the release of the latest edition of our Hooghly Chapter of e-Newsletter, wherein we shall try to showcase all the recent updates and various knowledge enhancing Articles.

E-Newsletters plays a pivotal role in updation of our knowledge and and fostering us with recent updates and developments in our Profession.

Through this e-newsletter we attempt to keep all its readers enlightened with the recent developments, ideas fostering Corporate Governance in order to promote excellence in our Profession.

I am hopeful that you shall find this edition of the e-newsletter, a fruitful and an informative one. Further I take the opportunity to acknowledge the hard work of all the Students/Members who have shared their valuable insights for enlightening the knowledge of our readers.

Any feedback or suggestions from our readers would be of great help for us to fill up the gaps, if any, in our future editions of the e-Newsletters.

At the outset, I would like to thank all our members for bestowing your trust and confidence upon us and we shall try our level best to live up to your expectations.

Best wishes,

CS Krishna Sharma  
Treasurer & Editorial Board Member (2023)  
Hooghly Chapter of EIRC of the ICSI



*CS Rahul Harsh  
Member, Editorial Board*

**"Learning gives creativity, creativity leads to thinking, thinking provides knowledge, and knowledge makes you great." Dr. APJ ABDUL KALAM**

As a member of Editorial board (2023) of the Hooghly chapter of EIRC of the ICSI, I am very delighted to see that the Hooghly Chapter is releasing its e-newsletter under the leadership of Chairman CS Altab Uddin Kazi.

The dedication and foresight behind this endeavour are evident in the activities and articles described in the e-newsletter. This e-newsletter is a testament to the refreshing leadership and the vision of the Chapter.

I am confident that this e-newsletter will play a pivotal role in fostering knowledge among our students, members and all stakeholders.

A very Happy Independence Day to all of you.

Best wishes,

CS Rahul Harsh  
Editorial Board Member (2023)  
Hooghly Chapter of EIRC of the ICSI



*CS Rahul Goel*  
*Member, Editorial Board*

E-Newsletters are the mirrors of the Institute. It reflects everything happening in the institute and under the leadership of our Enthusiastic Chairman CS Altab Uddin Kazi it is clearly seen. Article by the students and some respective members are being the big source of learning for everyone.

E-Newsletter promises a curated blend of expert articles, thought leadership pieces, legal updates, and interactive discussions. With an emphasis on knowledge enrichment, this newsletter aims to empower Company Secretaries to navigate complex governance challenges with confidence and finesse.

Through this initiative, we seek to foster a vibrant community, where ideas converge, experiences are shared, and connections are forged.

“Take the attitude of a student, never be too big to ask questions, never know too much to learn something new.” —**Augustine Og Mandino**

Warm regards,

CS Rahul Goel  
Editorial Board Member (2023)  
Hooghly Chapter of EIRC of the ICSI





*CS Neha Jain  
Member, Editorial Board*

***“You must be the change you wish to see in the world.”***

I am thrilled to welcome you to the latest edition of our Hooghly Chapter of EIRC e-Newsletter, where we bring you the latest updates and insights on the Governance profession.

At Hooghly Chapter of EIRC, we are committed to serve our members by providing valuable resources and opportunities for professional growth. Our e-newsletter is one of the many initiatives we have undertaken to support our members and promote excellence in our profession.

Hooghly Chapter has taken several initiatives to support our members and students through various challenges. We have organized seminars, training programs, career awareness programs and other virtual events to help our members and students to stay updated on the latest developments and enhance their professional skills.

I hope you find this edition of e-newsletter informative and engaging and I would like to take this opportunity to thank all our contributors for their valuable insights and perspectives. I would also like to thank our readers for their continued support and feedback, which help us to improve and refine our e-newsletter. We welcome your feedback and suggestions for future editions of the e-newsletter. Please feel free to reach out to us with your ideas and contributions.

Thank you for your continued trust and confidence. I look forward to hearing from you and working together to advance the profession.

Best Regards,

CS Neha Jain  
Editorial Board Member (2023)  
Hooghly Chapter of EIRC of the ICSI



*CS Subrata Bhattacharjee  
Member, Editorial Board*

**“Ultimately, education in its real sense is the pursuit of truth. It is an endless journey through knowledge and enlightenment.” -A. P. J. Abdul Kalam**

As a member of Editorial Board (2023) of Hooghly Chapter of EIRC of the ICSI, It is my great pleasure to see that the Hooghly Chapter is relasing its e-newsletter under the able leadership of the Chairman, CS Altab Uddin Kazi.

The objectives of this e-newsletter is to ensuring holistic development of the students and the members. This e-newsletter involving matter which we will look forward to continue serving the other stakeholder efficiently and meeting the evolving expectations of all the stakeholders.



## *From the desk of the Chairman*

**“Don’t take rest after your first victory because if you fail in second, more lips are waiting to say that your first victory was just luck.” - Bharat Ratna (Dr.) APJ Abdul Kalam, Missile man of India.**

Dear Professional Companions,

Greetings from the Hooghly Chapter of EIRC of ICSI!

I hope this message finds you all in good health and high spirits. As we come to the end of another quarter, it is my privilege to present the e-Newsletter of the Hooghly Chapter of ICSI for the second quarter. It feels great to serve our Hooghly Chapter of ICSI and to deliver the best services by every possible way. Hooghly Chapter of ICSI has achieved numerous achievements and milestones during this quarter and has also taken many initiatives, which includes:

- Constitution of various sub-committees.
- Felicitating of the past chairpersons of the Hooghly Chapter by inviting them to the Sangini Banquet, Liluah, for their valuable contribution as the Chapter Chairperson towards the growth and development of the Chapter through their selfless services.
- Achieving highest number of Annual Membership Scheme (AMS) Registration - 65.
- Celebrating International Women’s Day, Mother’s Day, Father’s Day and PCS (Practising Company Secretaries) Day.

I would like to extend my sincere gratitude to my entire Managing Committee Members, Office Incharge – Mr. Chandra Nath Kundu and other Office Staffs (Mr. Om Prakash Shaw and Mr. Upayan Ghosh) of the Hooghly Chapter for their continuous support. I believe that Hooghly Chapter will definitely meet the expectation of the members and students.

The Hooghly Chapter of EIRC of ICSI is regularly releasing its quarterly e-Newsletter since the Year 2020. I would like to take the opportunity to express my sincere thanks and gratitude to the Editorial Board for their endeavour with regard to publishing this e-Newsletter. I am grateful

enough for the support received from our Members, Students, and stakeholders for their contributions by way of articles in this e-Newsletter.

I would like to convey one message to our all readers that never lose hope. With your hard work and dedication you can convert threats into opportunities, your weakness into strength. So, do hard work and put all your efforts and dedication into what you are doing as it will never go into vain and extend my best wishes to all the readers of the e-Newsletter.



**PROGRAMMES (SEMINARS) FOR THE MEMBERS:**

- On 29th April, 2023, live streaming of Capital Markets Week - the programme organised by EIRC of ICSI at the Hooghly Chapter premises.
- On 30th April, 2023 (Full Day Programme) held at the Sangini Banquet, Liluah.
- On 21st May, 2023 (Full Day Programme) held at the Conference hall of Chapter premises.
- On 18th June, 2023 (Full Day Programme) held at the Conference hall of Chapter premises.

As I mentioned in my earlier speech, I always believe in giving opportunities to **new faces**, keeping it in mind I have given opportunity as a speaker to:

- CS Neha Jain on seminar held on 30th April, 2023.
- CS Anita Sarswat on seminar held on 21st May, 2023.
- CS Mayank Sharma on seminar held on 18th June, 2023.

**INITIATIVES FOR THE STUDENTS:**

- ❖ **Class Room Teaching for CSEET:** Your Chapter has commenced 12th Batch of Class Room Teaching for CSEET with eminent faculties for July 2023 Examinations.
- ❖ **Online Oral Tutition Centre (OTC) Teaching for Executive Students:** Your Chapter has commenced 6th Batch of OTC for Executive Students with eminent faculties for December 2023 Examinations.
- ❖ **Students Programme held for Executive Students**
  - On 21st April, 2023, live streaming of 'Lakshya' - the programme organised by EIRC at the Hooghly Chapter premises.
  - On 13th May, 2023 on Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by CS Chandan Gupta.
  - On 14th May, 2023, online sessions on 'Imtihan – Taiyari Jeet Ki' by CS Rahul Harsh, CS Diksha Dubey and CS Prosanta Kumar Ghosh.
- ❖ **Career Awareness Programmes (CAP):** To continue to make the students aware of our profession, your Chapter has been giving utmost efforts to conduct Career Awareness Programmes (CAP). We have got huge response from the teachers and the management as well. It had organized CAP at:
  - Lalbaba College, Belurmath by CS Aaditya Purohit on 27-04-2023.
  - Raja Peary Mohan College, Uttarpara by CS Dina Bhattacharjee and me on 16-05-2023.
  - Mearberh Ramkrishna Sikshaniketan, Hooghly by CS Neha Chomal on 21-06-2023.
  - Holy Home School, Serampore by CS Amrita Bhattacharya on 23-06-2023.
  - Lalbagan Balika Vidyalaya, Chandannagore by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of EIRC of ICSI on 26-06-2023.
  - Rishra Brahmanand High School, Rishra by CS Anand Malakar on 27-06-2023.

❖ **One Day Orientation Programmes (ODOP):** Your Chapter had organised the following One Day Orientation Programmes:

- 42<sup>nd</sup> One Day Orientation Programme at Chapter premises on 05-04-2023 by CS Nitin Chaturvedi, CS Diksha Dubey and me.
- 43<sup>rd</sup> One Day Orientation Programme at Chapter premises on 18-05-2023. A good number of students attended the programme by CS Anand Malakar and me.
- 44<sup>th</sup> One Day Orientation Programme organized by the Chapter on 13-06-2023 by CS Abhishek Agarwal and me.

### **Yoga Day Celebration**

- On 21st June, 2023, Yoga session for Members and Students by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of EIRC of ICSI and Certified Yoga Instructor.

### **Company Secretaries Benevolent Fund (CSBF)**



The Company Secretaries Benevolent Fund (CSBF) is a Society registered with the Societies Registration Act, 1860 and recognized under Section 12A of the Income Tax Act, 1961. The CSBF was established in the year 1976 by the Institute of Company Secretaries of India (ICSI) (a Statutory Body under an Act of Parliament), for creating a security umbrella for the Company Secretaries and/or their dependent family members in their hour of need. The donation to the CSBF qualifies for the deduction under Section 80G of the Income Tax Act, 1961.

The members of ICSI are eligible to become members of the CSBF on payment of one time subscription fee (at present Rs. 10,000/-). *All of us want to protect our family, specially in our absence, so all the members of ICSI should take its benefits by getting registered into CSBF Scheme.* A unique number known as Life Membership number is allotted on admission to CSBF. Presently, the financial assistance provided by the CSBF is as under:

Sl. No.	Amount	Reason
1.	Rs. 10 Lakh	In case of unfortunate demise of a Company Secretary upto the age of 60 years
2.	Rs. 3 Lakh	In case of unfortunate demise of a Company Secretary above the age of 60 years
3.	Rs. 50,000	One-time per child (upto two children) for education of minor children of a deceased Company Secretary upto the age of 60 years
4.	Upto Rs. 75,000	For reimbursement of medical expenses incurred on self / declared dependents in deserving cases

**HOW TO JOIN:**

By making an online application using the link <https://stimulate.icsi.edu/> along with one time subscription fee of Rs.10,000/-

CSBF is a collective effort towards extending the much needed financial support to the community of Company Secretaries in times of distress. Since life has no guarantee, I would request you all to enrol yourselves into CSBF to help raising the corpus for those families in distress. I appeal to all the members, who have not yet enrolled for the CSBF, to become a proud member of the Benevolent Fund.

**❖ Foundation Day Celebration & International Women’s Day Celebration**

8th March, 2008 is celebrated as the Foundation Day of the Hooghly Chapter every year, due to Holi on 8th March, 2023, we planned to celebrate it on Sunday, 12th March, 2023, but due to some unavoidable circumstances, we had to postpone it. We celebrated it in a grand way on April 30, 2023. We felicitated the past chairpersons of the Hooghly Chapter of EIRC of ICSI and also celebrated International Women’s Day that day.

I also look forward to your views and suggestions on any matters which you feel may strengthen the profession and improve quality of services for the members and students. Together, we can shape the future of the Company Secretary profession and make a lasting impact on the corporate landscape. Thank to you all once again for your continuous support.

Success is not the key to happiness rather happiness is the key to success. If you love what you are doing, you will be successful.

I wish you all a very Happy Independence Day. Happy Reading.

**“सत्यं वद । धर्मं चर ।”**

With best Regards,

**CS Altab Uddin Kazi**  
**Chairman,**  
**Hooghly Chapter of EIRC of ICSI**  
**Ph: 8013688690**  
**Email: csaltabkazi@gmail.com**

## ❖ Important Announcement for Students

- CSEET Batch for November 2023 Session




VISION  
"To be a global leader in promoting good corporate governance"



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भारतीय कम्पनी सचिव संस्थान  
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Statutory body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)

HOOGHLY  
CHAPTER



MISSION  
"To develop high calibre professionals facilitating good corporate governance"

ICSI Motto  
सत्यं वद। धर्मं चर। *Speak the truth; abide by the law*

# ONLINE CLASSES FOR CSEET

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST  
**12th BATCH NOV, 2023**

**SUBJECTS**

- Business Communication
- Legal Aptitude and Logical Reasoning
- Economic & Business Environment
- Current Affairs, presentation and Communication Skills

**SALIENT FEATURES**

Detailed coverage of the Syllabus  
Classes will commence from 3rd week of Aug 2023  
100% Success in January -2023 Batch

**Mode of Payment (Online)**

Name of Account : Institute of Company Secretaries of India -Hooghly Chapter  
Savings Account No : 58840100003797  
Bank Name : Bank of Baroda  
IFSC Code( For RTGS /NEFT ) : BARB0RISHRA

Interested student make the payment directly and send the  
payment receipt to [hooghly@icsi.edu](mailto:hooghly@icsi.edu) or deposit cash at Hooghly Chapter

**Chapter office.**

For More Details please contact :  
Mr. C. N. Kundu (Office in- charge) ; Ph. No : 033-2672 0315

Hooghly Chapter of EIRC of the ICSI  
89/114/2; D.N. Banerjee Street, Rishra Hooghly -712248(WB) ; Ph . No : 033-2672 0315  
Email: [hooghly@icsi.edu](mailto:hooghly@icsi.edu), website: [https:// www.icsi.edu/hooghly/home/](https://www.icsi.edu/hooghly/home/)


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- OTC Batch for December 2023 Session for students of both Old & New Syllabus




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HOOGHLY  
CHAPTER



**75  
Azadi Ka  
Amrit Mahotsav**

**VISION**  
"To be a global leader in promoting  
good corporate governance"

**ICSI Motto**  
सत्यं वद। धर्मं चर।  
सुखं तेजः त्रुतिः शोके तेजः हार

**MISSION**  
"To develop high calibre professionals  
facilitating good corporate governance"

# Online Classes For CS Executive

## DECEMBER, 2023

**SALIENT FEATURES**


- 01** Detailed coverage of the Syllabus
- 02** Eminent & Experienced Faculties
- 03** Mock Test & Personal Attention
- 04** Class starts from July, 2023
- 05** Exemption from ICSI Pre-Examination Test

**COVERAGE:-**

**Both Old (2017) & New (2023) Syllabus**

**FEES:**

Both Modules: Rs. 15,000/-  
Single Module: Rs. 8,000/-  
Single Subject: Rs. 2,500/- (Per Subject)



**Mode of Payment (Online)**

Name of Account : Institute of Company Secretaries of India – Hooghly Chapter  
Savings Account No.: 58840100003797  
Bank Name: Bank of Baroda  
IFCS Code (for RTGS/ NEFT): BARBORISHRA

**Interested student make the payment directly and send the payment receipt to [hooghly@icsi.edu](mailto:hooghly@icsi.edu) or deposit Cash at Hooghly Chapter office.**


For More details please contact:  
Mr. C. N. Kundu (Office In-charge)  
Ph. No.: 033-2672 0315

Hooghly Chapter of EIRC of the ICSI  
89/114/2; D. N. Banerjee Street, Rishra, Hooghly-712248 (WB); Ph. No.: 033-2672 0315;  
Email: [hooghly@icsi.edu](mailto:hooghly@icsi.edu); Website: <https://www.icsi.edu/hooghly/home/>

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**Enroll Now**

- EDP Batch from September 12, 2023 for Students who have completed Executive Programme



**G20**  
भारत 2023 INDIA

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**75**  
Azadi Ka  
Amrit Mahotsav

*Vision*  
"To develop high calibre professionals  
facilitating good corporate governance"

*Motto*  
सत्यं वद। धर्मं चर। इच्छते चेत् तपते: श्रेयते इत्यु चेत् क्व

*Mission*  
"To develop high calibre professionals  
facilitating good corporate governance"

## HOOGHLY CHAPTER OF EIRC OF ICSI

**ANNOUNCES**  
**15 DAYS EDP (CLASSROOM MODE)**


**DATE: 12TH SEPTEMBER, 2023 TO 30TH SEPTEMBER, 2023**

**PROGRAMME FEE: - RS.7,500/- (INCLUDING LUNCH)**

**Venue:**  
Hooghly Chapter Premises  
Krishna Kunj Apartment, 89/114/2, D. N. Banerjee Street, Rishra,  
Hooghly-712248 (WB)


**NOTE:-**

1. ELIGIBLE STUDENTS HAVE TO APPLY FROM STIMULATE PORTAL.
2. THE STUDENTS HAVE TO REPORT AT 10:45 AM AT VENUE.
3. EACH DAY THE SESSION WILL BE CONDUCTED BETWEEN 11 AM TO 05:30 PM AND THERE WILL BE NO SESSION ON SUNDAY & PUBLIC HOLIDAY ( I.E. 17TH, 23RD, 24TH & 28TH SEPTEMBER, 2023.)
4. IT IS MANDATORY FOR THE PARTICIPANTS TO BE PUNCTUAL AND ATTEND ALL THE SESSIONS FOR THE ENTIRE DURATION TO GET THE COMPLETION CERTIFICATE.
5. THE DRESS CODE IS FORMAL.
6. THE CHAPTER OFFICE RESERVES THE RIGHT TO POSTPONE IT, IN CASE OF ADMINISTRATIVE DIFFICULTY.
7. FOR ANY ASSISTANCE/GUIDANCE, MAIL TO HOOGHLY@ICSI.EDU OR CALL ON 033 2672 0315



**ELIGIBILITY CRITERIA:**





**CANDIDATE WHO HAVE COMPLETED EXECUTIVE PROGRAM IS  
REQUIRED TO COMPLETE 15 DAYS CLASSROOM TRAINING UNDER NEW  
TRAINING STRUCTURE.**



**CS ALTAB UDDIN KAZI**  
CHAIRMAN

**CS CHANDAN GUPTA**  
SECRETARY

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## ❖ Important Announcement for Members

- Details of the upcoming seminar



**G20**  
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Statutory body under an Act of Parliament  
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**75**  
Azadi Ka  
Amrit Mahotsav

**Vision**  
"To develop high calibre professionals  
facilitating good corporate governance"

**Motto**  
सत्यं वद। धर्मं चर। इत्येवमेव त्वात्तः श्रेयते इत्येवमेव

**Mission**  
"To develop high calibre professionals  
facilitating good corporate governance"

# FULL DAY SEMINAR

## VENUE

### SARAT SADAN AUDITORIUM,

4, MAHATMA GANDHI ROAD, HOWRAH – 711001 (NEAR HOWRAH MAIDAN)

CPE: 4 STRUCTURED  
PDP: 6

**FEES (Inclusive of GST)**

AMS & HYMS (Half Yearly Membership Scheme) Members - 2023: No fees

Members: Rs. 550/- upto 18-08-2023 and Rs. 700/- 19-08-2023 Onwards

Students: Rs. 500/-

**Payment Details :**

CASH/CHEQUE IN FAVOUR OF  
"The Institute of Company Secretaries of India – Hooghly Chapter"  
NEFT AT (SB Ac No:58840100003797  
Bank of Baroda,  
Rishra Branch  
IFSC Code: BARBORISHRA)

**NOTE: Maximum 50 participants allowed on first come basis. AMS/HYMS Members must send their confirmation to [hooghly@icsi.edu](mailto:hooghly@icsi.edu)**

**Immediately after making online payment, please fill the registration form at:**  
<https://forms.gle/3Rzshg6QqcYdLgQp6>

## GUEST SPEAKERS

**CS (Dr.) Mamta Binani**  
PAST PRESIDENT, THE ICSI

Topic: Role of CS in Environmental, social and governance (ESG)

**CS Anjan Kumar Roy**  
PRACTISING COMPANY SECRETARY

Topic: Critical Aspects of SEBI (LODR)

**CS Anuj Saraswat**  
SECRETARY, EIRC - ICSI

Topic: Decoding the framework of SSE in India

Sponsored By



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DEVELOPMENT  
FORUM**  
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WEST BENGAL

Sunday,  
August 20, 2023  
10:30 a.m. - 5:00 p.m.



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FOR ANY FURTHER DETAILS, PLEASE CONTACT CHAPTER OFFICE AT: PH: 033 2672 0315; EMAIL: [HOOGHLY@ICSI.EDU](mailto:HOOGHLY@ICSI.EDU)

**CS ALTAB UDDIN KAZI**  
CHAIRMAN

**CS CHANDAN GUPTA**  
SECRETARY



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## Details of Half-Yearly Membership Scheme (HYMS) for members of ICSI

**THE INSTITUTE OF Company Secretaries of India**  
**भारतीय कम्पनी सचिव संस्थान**  
 IN PURSUIT OF PROFESSIONAL EXCELLENCE  
 Statutory body under an Act of Parliament  
 (Under the jurisdiction of Ministry of Corporate Affairs)

**HOOGHLY CHAPTER**

**75 Azadi Ka Amrit Mahotsav**

**Vision**  
 "To develop high caliber professionals facilitating good corporate governance"  
 सत्यं वद। धर्मं चर। कृणुते ते तपतेः शोके ह्यु ते ह्यः

**Mission**  
 "To develop high caliber professionals facilitating good corporate governance"

**HALF YEARLY MEMBERSHIP SCHEME (HYMS) OF HOOGHLY CHAPTER OF EIRC OF ICSI**

**(FROM 2ND AUGUST, 2023 TO 31ST JANUARY, 2024)**

**INDIVIDUAL HYMS :**

- Members: 1,700/-
- Early Bird Discount for Members of Rs. 200/- till 15-08-2023.

**CORPORATE HYMS :**

- Silver: 1,750/-
- Gold: 3,000/-
- Platinum: 6,000/-
- An Organization subscribing for Silver / Gold/ Platinum category can avail benefit for ONE/ TWO / FOUR delegates
- Immediately after making the payment please fill the google form, link given below:  
<https://forms.gle/qU4Y56y3TLBNBfh5A>

**PAYMENT DETAILS :**

Name of the Account: The Institute of Company Secretaries of India – Hooghly Chapter  
 SB A/c No: 58840100003797 || Bank Name: Bank of Baroda, Rishra Branch || IFSC Code: BARBORISHRA

**GUARANTEED CPE ON OFFER FOR:**

- Members: 12 Hrs. of Structured CPE (Full Day Seminars / Annual Members Conference)

*Note: Both in and out sign will be required for obtaining CPE Hrs*

CS ALTAB UDDIN KAZI  
 CHAIRMAN

CS CHANDAN GUPTA  
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**Independence Day Celebration at Hooghly Chapter Premises on Tuesday,  
August 15, 2023 at 9:30 A.M.**

**G20** **INDIA** **2023**

**ICSI** **THE INSTITUTE OF Company Secretaries of India**  
**भारतीय कम्पनी सचिव संस्थान**  
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**HOOGHLY CHAPTER** **75** **Azadi Ka Amrit Mahotsav**

**Vision**  
 "To develop high calibre professionals facilitating good corporate governance"

**Motto**  
 सत्यं वद। धर्मं चर। कृत्स्नं तेजः प्रदीतः श्रेष्ठे भुवः तेजः

**Mission**  
 "To develop high calibre professionals facilitating good corporate governance"

**Dear Members/ Students,**

Hooghly Chapter of EIRC of  
 The Institute of Company Secretaries of India  
 celebrates

**77TH INDEPENDENCE DAY**

on  
**TUESDAY, 15TH AUGUST, 2023 AT 9:30 AM**

at  
**Hooghly Chapter Premises**  
 Krishna Kunj Apartment, 89/114/2, D. N. Banerjee Street, Rishra, Hooghly-712248 (WB)

**Activities**

Flag Hoisting followed by National Anthem  
 Cultural Programme by the Students

We look forward to your participation on this auspicious day.

**With warm regards,**

CS ALTAB UDDIN KAZI  
 CHAIRMAN

CS CHANDAN GUPTA  
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**CS Shweta Mishra**  
**Company Secretary**  
**Membership No: A47396**  
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**Email: cs.shwetam92@gmail.com**

## UNDERSTANDING LEGALITIES – MERGERS, ACQUISITIONS & COMBINATIONS

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When you look to external partners for acquiring resources and capabilities, your organization needs a practical roadmap to answer some critical questions: What kind of partners and business combinations do we need? How will we manage them over time? What profits will we earn, and will they justify our investment?

Some of the common business combinations to gain competitive advantage are –

Mergers, acquisitions, joint Ventures, partnerships and alliances. This helps the firms to become central of their particular industry and gain competitive advantage. This combining of assets, capabilities, markets, and talent pools to create new value is what I call remix strategy — and it is critical today to do this remix right. Most likely, you have considered one or several remixes for your business. The key strategic questions you face are not whether combinations such as these are necessary but, rather, how will they create value, and how are you going to adapt to these changes. In early nineties India was trying to build a well-regulated investor friendly environment to build an economy that encouraged and nurtured competition. That time a monopolistic and restrictive trade practice act, 1969 was there which was not equipped to handle any business competition especially in the open market. So, it was important to bring a law which can help the companies to remove their fear of shutting down or running in loss and find alternative ways to save the company by combining it with a suitable company which can benefit both of them either.

The main objective is to improve the transparency of financial reporting by an entity about the business combination and its effects.

- An acquirer refers to the company who acquires/holds maximum number of shares during combination, acquisition or merging with one or more than one company/companies.
- Acquisition method indicates some steps – to identify the acquisition date, to recognizing and measuring assets, liabilities or goodwill or non-controlling interest.

# Merger

A merger is an agreement between two companies where both the companies unite to form one company. The companies that agree to merge are often equal in terms of size, capital, customers, goodwill and scale of business in the market. Mergers are done by companies to expand their reach, gain profitable shares in market and to involve in new segments. This in return be beneficial for both the merging companies in long term to save both the companies from getting insolvent if they are running out of profits. After a merger, shares of the company is usually divided among the existing shareholders of both the companies however this depends on the companies that how they want to split their shares after merger.

## Different types of Mergers

There are different types of mergers a company depending on its requirement can select one:-

### 1) Conglomerate Merger

*Conglomerate merger means a merger between two companies who are working in two different sectors. One company may involve in sports and the other in hospitality. The companies sometime is situated in different regions also may go ahead and do a conglomerate merger. A mixed conglomerate on the other hand takes place between organizations that are trying to expand their business or trying to gain customers or sale product through acquiring market shares. However there are few companies that merge in terms of wealth perspective. This means the value and performance of two companies if combined together will be greater than the sum of the separate individual parts. If two companies merger is causing them financial gain in terms of greater efficiency or scale then conglomerate merger for them is a great option.*

### 2) Congeneric

*A congeneric merger is a merger where the merging companies make products which are complimenting each other. In this type it is combining of two or more companies that operate in the same market place but they lack in some sectors such as technology, marketing, production processes or research and development. This type of merger usually happens between companies when they see that the other merging company/companies product is actually adding value to their product. When two companies become one under a product extension they acquire a large percentage of consumers hence they get a n opportunity to capture a larger market share.*

### 3) Market Extension

*This type of merger happens between companies that are making similar products but selling it in different markets. For example company A makes toys and they have their own offline outlets all over the city to sell it as well but company B who also make toys sell their products from online through their own website. Hence both the companies make similar products but compete in different markets now to extend their markets they merged their companies.*

#### 4) Horizontal Merger

*A horizontal merger occurs between companies making products or operating in the same industry. The companies agreeing to do horizontal merger are often from industries with fewer firms. They agree to consolidate their existing business and create a larger business with greater market share and make their business more profitable.*

#### 5) Vertical

*When two companies that produce parts or services for a particular product then can merge their companies to operate smoothly this type of mergers are called vertical mergers. A vertical merger occurs mainly to evaluate the cost and increase the supply chain both the companies under same industry but at different levels can easily increase synergies achieved through the cost reduction. This merger can occur between two or more than two companies. One of the most well-known examples of a vertical merger took place in 2000 when internet provider America Online (AOL) combined with media conglomerate Time Warner.*

#### 6) SPAC Merger

*A special purpose acquisition company (SPAC) merger generally takes place when a publicly traded SPAC uses the public markets to raise capital to buy an operating company. The operating in order to get listed as a publicly listed companies merge with an SPAC.*

#### 7) Reverse Merger

*A reverse merger or a Reverse takeover (RTO) is when a private company purchases a publicly-traded company. The New York Stock Exchange (NYSE) completed a reverse merger with Archipelago Holdings in 2006.*

### STEPS TO DO MERGER OF A COMPANY:

#### (1) Examination of object clauses:

The MOA of both the companies should be examined to check the power to amalgamate is available. Further, the object clause of the merging company should permit it to carry on the business of the merged company. If such clauses do not exist, necessary approvals of the shareholders, board of directors, and company law board are required.

#### (2) Intimation to stock exchanges:

The stock exchanges where merging and merged companies are listed should be informed about the merger proposal. From time to time, copies of all notices, resolutions, and orders should be mailed to the concerned stock exchanges.

#### (3) Approval of the draft merger proposal by the respective boards:

The draft merger proposal should be approved by the respective BOD's. The board of each company should pass a resolution authorizing its directors/executives to pursue the matter further.

(4) Application to high courts:

Once the drafts of merger proposal is approved by the respective boards, each company should make an application to the high court of the state where its registered office is situated so that it can convene the meetings of shareholders and creditors for passing the merger proposal.

(5) Dispatch of notice to shareholders and creditors:

In order to convene the meetings of shareholders and creditors, a notice and an explanatory statement of the meeting, as approved by the high court, should be dispatched by each company to its shareholders and creditors so that they get 21 days advance intimation. The notice of the meetings should also be published in two newspapers.

(6) Holding of meetings of shareholders and creditors:

A meeting of shareholders should be held by each company for passing the scheme of mergers at least 75% of shareholders who vote either in person or by proxy must approve the scheme of merger. Same applies to creditors also.

(7) Petition to High Court for confirmation and passing of HC orders:

Once the mergers scheme is passed by the shareholders and creditors, the companies involved in the merger should present a petition to the HC for confirming the scheme of merger. A notice about the same has to be published in 2 newspapers.

(8) Filing the order with the registrar:

Certified true copies of the high court order must be filed with the registrar of companies within the time limit specified by the court.

(9) Transfer of assets and liabilities:

After the final orders have been passed by both the HC's, all the assets and liabilities of the merged company will have to be transferred to the merging company.

(10) Issue of shares and debentures:

The merging company, after fulfilling the provisions of the law, should issue shares and debentures of the merging company. The new shares and debentures so issued will then be listed on the stock exchange.

# A

## cquisition

An acquisition is when one company purchases most or all of another company's share to gain control over the company. A company with maximum shares in its pocket have the maximum decision making power. A company with maximum shares can also decide to deal with the newly acquired assets without discussing with the other shareholders. Acquisitions which are very common in business may occur with the target company's approval or sometimes in spite of its disapproval.



## Understanding Acquisitions

Companies acquire other companies for various reasons. They may seek economies of scale, diversification, greater market share, increased synergy, cost reductions, or new niche offerings. Other reasons for acquisitions include those listed below.

- As a Way to Enter a Foreign Market

If a company wants to expand its operations to another country, buying an existing company in that country could be the easiest way to enter a foreign market. The purchased business will already have its own personnel, a brand name, and other intangible assets, which could help to ensure that the acquiring company will start off in a new market with a solid base.

- As a Growth Strategy

Perhaps a company met with physical or logistical constraints or depleted its resources. If a company is encumbered in this way, then it's often sounder to acquire another firm than to expand its own. Such a company might look for promising young companies to acquire and incorporate into its revenue stream as a new way to profit.

- To Reduce Excess Capacity and Decrease Competition

If there is too much competition or supply, companies may look to acquisitions to reduce excess capacity, eliminate the competition, and focus on the most productive providers.

- To Gain New Technology

Sometimes it can be more cost-efficient for a company to purchase another company that already has implemented a new technology successfully than to spend the time and money to develop the new technology itself.

- Evaluating Acquisition Candidates

Before making an acquisition, it is imperative for a company to evaluate whether its target company is a good candidate.

- **Is the price, right?** The metrics investors use to value an acquisition candidate is varied by industry. When acquisitions fail, it's often because the asking price for the target company exceeds these metrics.
- **Examine the debt load.** A target company with an unusually high level of liabilities should be viewed as a warning of potential problems ahead.
- **Undue litigation.** Although lawsuits are common in business, a good acquisition candidate is not dealing with a level of litigation that exceeds what is reasonable and normal for its size and industry
- **Scrutinize the financials.** A good acquisition target will have clear, well-organized financial statements, which allows the acquirer to exercise due diligence smoothly. Complete and transparent financials also help to prevent unwanted surprises after the acquisition is complete.



## **Example of Acquisitions**

### **AOL and Time Warner and AT&T:**

AOL Inc. (originally America Online) was the most publicized online service of its time, and had been extolled as "the company that brought the internet to America." Founded in 1985, by the year 2000 AOL had grown to become the United States' largest internet provider. Meanwhile, the legendary media conglomerate, Time Warner, Inc. was being labeled an "old media" company, given its range of tangible businesses like publishing, and television, and an enviable income statement.

In 2000, in a masterful display of overweening confidence, the young upstart AOL purchased the venerable giant Time Warner (TWX); this dwarfed all records and became the biggest merger in history. The vision was that the new entity, AOL Time Warner, would become a dominant force in the news, publishing, music, entertainment, cable, and Internet industries. After the merger, AOL became the largest technology company in America.

However, the joint phase lasted less than a decade. As AOL lost value and the dot-com bubble burst, the expected successes of the merger failed to materialize, and AOL and Time Warner dissolved their union:

- In 2009, AOL Time Warner dissolved in a spin-off deal.<sup>3</sup>
- From 2009 to 2016, Time Warner remained an entirely independent company.
- In 2015, Verizon Communication acquired AOL for \$4.4 billion.

Then, in October 2016, AT&T and Time Warner (TWX) announced a deal in which AT&T will buy Time Warner morphing AT&T into a media heavy-hitter. In June 2018, after a protracted court battle, AT&T completed its acquisition of Time Warner.

## **STEPS TO DO ACQUISITION OF A COMPANY:**

### 1. Perform Valuation Analysis & Negotiations

Assuming that the initial contact and negotiations go well, the acquirer requests comprehensive information from the target organization to help it evaluate the target as a potential acquisition target and as a stand-alone business. After developing many valuation models for the target company, the acquirer should have enough information to make an appropriate offer; once the initial offer is made, the parties can engage in a more in-depth negotiation of terms to kickstart the process of Mergers and acquisitions in India. The financial strategy of the transaction is discussed by the company jointly and then they act upon it.

### 2. Letter of Intent

The letter of intent is used before the transaction is finalized to ensure that both parties have mutually agreed on the price and other terms. This is required before the target company agrees to offer the acquirer exclusive purchasing rights.

### 3. M&A final agreement.

For the third step of a Merger and acquisition transaction in India, After the offer is accepted and approved, a lengthy process known as the due diligence of the target company begins. The goal is to confirm or change the acquirer's valuation of the target company by investigating and analyzing every aspect of the target company's operations, including financial measurements, assets and liabilities, customers, and human resources. After due diligence is completed, the parties sign a formal contract for sale and decide whether to enter into an asset acquisition agreement or a share purchase agreement.

#### 4. Inspecting the Memorandum of Association of the Company

This is done to conduct a search and determine whether or not the power of the merger and/or acquisition in India is endowed in MOA within the object clause of the companies.

#### 5. Notifying the Stock Exchange

The stock exchange must be notified of the proposed merger and acquisition, and all necessary documents, such as resolutions, notices, and orders, must be delivered to the stock exchange within the prescribed time frame.

#### 6. Drafting and Filing of Merger Proposal

The merger proposal must be approved by the boards of directors of both companies. Furthermore, they must pass a special resolution authorizing their Key Management Personnel to carry out the process. Post this, an application is filed with the respective jurisdiction's High Court ("HC"). Furthermore, under Sections 230-232 of the Companies Act, 2013, the National Company Law Tribunal ("NCLT") is entrusted with the powers of Arbitration, Compromise, Agreements, Reconstructions, merger, de-merger, and the winding up of companies. This is done to ensure fair and effective overseeing of the deals.

#### 7. Notifying Stakeholders

After obtaining the HC's approval, a notification within the prescribed period should be sent to all of the organizations' investors and creditors about the upcoming gathering. This is very essential for a merger and acquisition in India, as it provides a legal forum for verification.

#### 8. Filing Orders with the Registrar of Companies

The true confirmed copy of the request for the state's HC must be documented with the Registrar of Companies ("ROC") within the time frame specified by the HC.

#### 9. Merging of Assets & Liabilities

The concerned companies can then combine their assets and liabilities following the terms of the merger proposal to complete the merger process. In the event of a merger or purchase between a listed and unlisted firm, sections 391-394 of the 2013 Companies Act may be used. This would offer the publicly traded company's public stockholders with a safety net or a clear exit option. If major assets are stripped from a publicly traded firm, similar to a de-merger, public shareholders will be given a safety net or exit option, and the remaining business will be delisted.

#### 10. The issue for Subscription of Shares & Debentures

After all the legal formalities the merged company is now a separate lawful entity this organization can now offer share or debentures after getting listed in the stock exchange.

### ➤ **Effect of Merger and Acquisition on Company**

- Merger and Acquisition has both positive and negative impact on Capital structure of the company. This long term negative and positive effect occurs to the acquiring company and not the target company. If the merger is happening in all cash deal, then the target company's shareholders gets cash in significant premium but the merger is happening in partly cash and partly in stock then target company's shareholders gets a stake and thus have a vested interest in the company's rights and property. For the acquirer the impact of an M&A depends on the deal size relative to the company's size. The size of the target company plays a big role in this case for the acquirer.

- The market reaction to news of an M&A transaction may be for or against it but that not bothers the merging companies what bothers the merging companies is that the shares of the companies will rise or not. The acquirer's offer may help the company's shares to trade above the offer price. There are a number of reasons why an acquirer's shares may decline when it announces an M&A deal. Perhaps market participants think that the price tag for the purchase is too steep. Or the deal is perceived as not being accretive to earnings per share (EPS). Or perhaps investors believe that the acquirer is taking on too much debt to finance the acquisition.

An acquirer's future growth prospects and profitability should ideally be enhanced by the acquisitions it makes. Since a series of acquisitions can mask deterioration in a company's core business, analysts and investors often focus on the "organic" growth rate of revenue and operating margins—which excludes the impact of M&A—for such a company.

In cases where the acquirer has made a hostile bid for a target company, the latter's management may recommend that its shareholders reject the deal. One of the most common reasons cited for such rejection is that the target's management believes the acquirer's offer substantially undervalues it. But such rejection of an unsolicited offer can sometimes backfire, as demonstrated by the famous Yahoo-Microsoft case.

On Feb. 1, 2008, Microsoft unveiled a hostile offer for Yahoo Inc. (YHOO) of \$44.6 billion. Microsoft Corp.'s (MSFT) offer of \$31 per Yahoo share consisted of one-half cash and one-half Microsoft shares and represented a 62% premium to Yahoo's closing price on the previous day. However, Yahoo's board of directors—led by co-founder Jerry Yang—rejected Microsoft's offer, saying that it substantially undervalued the company.

### ➤ **First Law: Identify Potential Joint Value**

*In casual conversation, the idea of creating value in combinations is often expressed or some such mathematical metaphor. In fact, that isn't a crazy way to think about the three laws.*

*As explained, the first law for a business combination is that the remix must have the potential to create more value than the resources can generate when governed separately, that is, without being combined. In common business language, the combination has to produce synergy. I hesitate to use that term because of its reputation as a business buzzword. But the bad rep comes from ignoring the complex processes involved in creating value in combinations. To actually produce synergy and achieve real results, you need to pay attention to all three laws.*

*For example, how much more value is created by the combination? In our metaphorical formula, the extra value is 50% (3 is 50% greater than 2). But in a real situation, what is the actual amount of extra value created? That variable is clearly worth pinning down before you launch any new combination. If the increased value is great, then the risk of outright failure is probably lower and there will be more extra value to share in the third law. If the increased value is small, then everything must go right for the combination to pay off—governance must be optimal and setbacks must be minimal. Furthermore, with such a narrow margin of error in the combination, a lopsided division of gains could well leave one party earning less from the combination than it would if the party kept its assets separate. Consequently, this party would be less likely to want to commit to the combination.*

### ➤ **Second Law: Govern the Collaboration**

*The second law of business combinations is that they must be implemented in a way that creates joint value in reality, not just on paper. Any legal deal should be conducted in a legal way. We might summarize this law as  $1 + 1 = 1$ , referring now to unity in the management of the combination, not to its economic rationale.*

*Effective governance means more than ensuring that the parties get along at the personal level or understands each other goals before entering into any acquisition, merger or combination. Business combinations, of course, involve people, and "soft" factors related to culture need to be addressed with care. Important as these factors are, however, they do*

*not predict success. Excellent combinations have been struck across wide cultural differences, and harmonious personal relationships have often failed to support poorly designed business combinations. I have observed that when “cultural differences” are cited to explain the failure of a deal, the phrase more often than not hides conflicting interests and incompatible strategies.*

*Alternatively, the effective-governance law might seem to depend mostly on the legal structure of a combination. After all, that structure will reflect some high-level decisions, such as whether to acquire part or all of a firm, how to share investments, and so on. But this too is only a partial condition of success.*

*Joint value does not appear automatically when assets are combined; value creation and distribution also depend on how the combination is shaped and managed after the initial deal is concluded.*

*When the deal is an acquisition, for example, the acquired resources can be merged into existing units or not, and the management personnel and processes may be left in place or replaced by that of the acquiring firm. Alliances, by definition, leave the partners to be managed as separate firms, but there may be varying degrees of cross-holdings or shared ownership. Simpler transactions usually include little joint management, just an agreement to exchange value on prearranged terms.*

## **Key Points on Combination Regulations (Under the Competition Act, 2002)**

The Regulatory Framework and The Relevant Regulatory Authorities:

The Competition Act 2002 tells combinations i.e acquisitions, mergers, amalgamations and de-mergers. This all work under the companies Act. The main regulation of the Act came into force since 1<sup>st</sup> June, 2011. Sec 5 and Sec 6 have been formed that deals with the regulation of combination.

The Competition Act 2002 is the principal legislation in India that regulates combinations, i.e. acquisitions, mergers, amalgamations, and de-mergers. It is an omnibus legislation that works in tandem with other laws and Acts (e.g. The Companies Act 2013). The sections, 5 and 6 of the Act, that deal with the regulation of combinations and have come into force since 1 June 2011.

The procedure for notifying combinations is set out in the following Regulations of the Competition Commission of India:

Regulations 2011, as amended on 7 January 2016 – this regulation details the procedures related to the transaction of business as related to combinations.

Regulations 2009 – details out general regulations

The Competition Commission of India (CCI) is the regulatory authority responsible for reviewing proposals for combinations and assessing whether such combinations are likely to adversely affect competition in Indian markets.

Combinations where the involved companies, exceed the assets / turnover thresholds as defined under the Act (details given below), is mandatorily required to obtain the CCI's approval for such combinations.

The CCI can charge the Director General (DG) with a Phase II investigation of a combination as required.

The DG performs all investigations under the aegis of the CCI.



**Ms. Shivangi Drolia**  
 Student, ICSI  
 Student Registration No- 240574461/07/2017  
 Email: shivangidrolia02@gmail.com

### *Analysis on Board's Report*

#### *Disclosures to be made in Board's Report*

#### *Disclosures pursuant to Section 134(3) of Companies Act, 2013:*

- *the web address where annual return (section 92) has been placed.*
- *number of meetings of the Board.*
- *Directors' Responsibility Statement- Directors' Responsibility Statement shall state that:*
  - (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,*
  - (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period,*
  - (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,*
  - (d) the Directors had prepared the annual accounts on a going concern basis,*
  - (e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,*
  - (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.*
- *details in respect of frauds reported by auditors under section 143(12) other than those which are reportable to the Central Government.*
- *statement on declaration given by independent Directors under section 149(6).*
- *explanation or comments of Board on qualifications, reservations or adverse remark or disclaimer made by Auditor and Secretarial auditor.*



- *particulars of loans, guarantees or investments under section 186.*
- *particulars of contracts or arrangements with related parties referred in section 188(1) in AOC-2.*
- *the state of the company's affairs.*
- *the amount proposed to carry to any reserve.*
- *the amount proposed to be paid by way of dividend.*
- *the conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed under Rule 8(3) of Companies (Accounts) Rules, 2014.*
- *Statement relating to risk management policy.*
- *corporate social responsibility policy [also mentioned in section 135(4)].*
- *annual evaluation of the performance of the Board, its Committees and of individual Directors has been made (for every listed company and every other public company having a paid up share capital of twenty five crore rupees or more calculated at the end of the preceding financial year).*
- *material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.*

#### **Additional Disclosure in Board's Report**

- *highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company during the period under report.*
- *the financial summary or highlights.*
- *the change in the nature of business, if any.*
- *the details of directors or key managerial personnel who were appointed or have resigned during the year.*
- *a statement regarding opinion of the Board with regard to integrity, expertise and experience including the proficiency of the independent directors appointed during the year.*
- *the names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.*
- *the details relating to deposits, covered under Chapter V of the Act.*
- *the details of deposits which are not in compliance with the requirements of Chapter V of the Act.*
- *the details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.*
- *the details in respect of adequacy of internal financial controls with reference to the Financial Statements.*
- *a disclosure, as to whether maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.*
- *a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.*
- *the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.*
- *the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.*
- *disclosure about the composition of audit committee under Section 177(8) and also the recommendation of audit committee.*

- details of establishment of vigil mechanism section 177(9).
- policies by the nomination and remuneration committee.
- Secretarial report given by a company secretary in practice (Form No. MR-3).
- Every listed company shall disclose in the Board's report, the ratio of the remuneration of each director to the median employee's remuneration and such other details as prescribed under Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.
- composition of the Corporate Social Responsibility Committee[Section 135(2)].
- annual report on CSR containing particulars as prescribed under Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014.
- additional disclosure under Companies (Share Capital and Debentures), Rules, 2014.

#### **Disclosures as per SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015**

- Management Discussion and Analysis Report - either as a part of directors report or addition to annual report [as per Regulation 34(3)(e)].
- Related Party Disclosure.
- Corporate Governance Report – Schedule V.

#### **Filing of Board's Report**

*The Board's Report has to be attached to the financial statements. The copies of financial statement along with all documents required to be annexed should be filed with the Registrar of Companies within 30 days of annual general meeting in Form AOC-4 along with fees as mentioned in Companies (Registration of office and fees), Rules, 2014.*

*In the case of listed companies, the annual report, including the Board's Report, shall be submitted to the Stock exchange, and shall be published on its website not later than the day of commencement of dispatch to its shareholders and a copy of annual report shall be sent to the shareholders along with the notice of the annual general meeting.*

#### **Signing of Board's Report**

*The Board's shall be signed by the chairperson of the company if he is authorised by the Board and where he is not so authorised, shall be signed by at least two Directors, one of whom shall be a managing director, or by the director where there is one director.*

#### **Penalty**

*If a company is in default in complying with the provisions of Section 134, the company shall be liable to a penalty of three lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees.*



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### **Section 185 of Companies Act, 2013**

When the companies Act was in force, public companies were allowed to grant loans, guarantees, and securities as long as they got prior permission from the Government to do this.

The companies initially used to exercise a practice of borrowing funds and then passing them to the subsidiaries and other associate companies through inter-corporate loans.

Although, when it comes to compliance with the terms of the loan agreement, the holding Company can take a step back, which leaves the subsidiaries in the lurch. In order to stop the exploitation of the subsidiaries, Section 185 of the companies act 2013 was established.

#### **What is Section 185?**

The original Section 185 forbade the firms from making any loans or providing security or guarantees for loans taken by the Company's directors or anybody else in whom the directors have an interest.

Only businesses or recipients who received such a loan, security, or guarantee were eligible for penalties if discovered in violation.

#### **The Companies (Amendment) Act of 2017 made the following changes to Section 185:**

- Only applies to Directors of the Company or its holding Company, any partner of such a Director, any partner of such a Director, or any firm in which such Director or relative is a partner.
- Allows the Company to lend money to anyone or any firm that any of the directors are interested in, as long as the following conditions are met: - The corporation must pass a special resolution at a general meeting (Approval of at least 75% of the members is required). – The borrowing corporation may only use loans for the purposes of its main business operations.

- An officer in default of the Company is also subject to the penalty measures outlined in Section 185(4) of the Act - in addition to the Company (which is inclusive of any Director, Manager or KMP, or any individual in accordance with whose directions BODs are accustomed to act.)

### **Loan to Directors**

Section 185(1) states that the Company cannot:-

- Advance loans directly or indirectly.
- The advanced loan includes the loan represented by the book debt.
- Give a guarantee and provide security with the connection to any loan taken.

### **Exemptions to the Loans that are given to the Directors**

- For the Loans Given to Managing Directors or Time Directors - The loans to MD or WTD may only be provided if the following requirements are met: Where it is a requirement of the Company's Policy of Service that loans be provided to all employees; In accordance with any plan that is properly approved by the members by way of a Special Resolution.
- The Loans that are Given by Banks and Financial Institutions - The following conditions must be met in order for a loan to be granted: The holding Company must offer security or a guarantee in connection with any loan issued to the subsidiary firm by a bank or other financial institution. The loan must be used for the primary business purpose of the subsidiary.
- The Loans Given to Subsidiary Companies - When a holding company gives a totally owned subsidiary company a loan, guarantee, or security, and that subsidiary uses it exclusively for commercial purposes.
- Loan to Directors by Private Company - Loans may be provided to businesses in the regular course of business if the interest rate on such loans is not less than the rate imposed at the time by the RBI.

### **Penalties**

Infractions of the aforementioned loan provisional provisions are punishable under Section 185(4) of the Act. If the business provides a loan in violation of Section 185, the business will be fined a sum that must not be less than five lakh rupees but could reach twenty-five lakh rupees.

Each officer of the business who is in default is subject to punishment, which may include imprisonment for a time period of up to six months or a fine of at least five lakh rupees but up to twenty-five lakh rupees.

The Director or any other person connected to the Director who receives a loan, guarantee, or security may be punished with up to six months in jail, a fine that must be less than five lakh rupees but can reach twenty-five lakh rupees, or a combination of the two.

**Conclusion**

In conclusion, Section 185 of the Companies Act 2013 is an important provision that aims to ensure that companies act in a responsible and transparent manner when it comes to transactions involving loans and advances. The provision helps to prevent potential abuses of power by directors and protects the interests of the company and its shareholders. Companies must ensure that they comply with the provisions of Section 185 and follow the necessary procedures before lending money to its directors or other companies.



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### **Recent GST Announcements :-**

Following are the recent GST Announcements regarding 2023 :-

#### **As on 28<sup>th</sup> July 2023 :-**

The GST Council via its official Twitter handle has announced that through its 51ST GST Council Meeting ,the Council discussed and approved the rules to implement the 28% GST levy on casinos, race courses and online gaming.

#### **As on 11th July 2023 :-**

**The GST Council through its 50th GST Council Meeting, decision was taken to send intimations for excess ITC claims in GSTR-3B compared to GSTR-2B above a certain limit through DRC-01C to seek response.**

The GST Council took a decision to reduce the GST rates on the following goods:

Uncooked /unfried snack pellets reduced from 18% to 5% Fish soluble paste reduced from 18% to 5% Imitation zari threads/yarn reduced from 12% to 5% .LD slag to be at par with blast furnace slag and fly ash and reduced from 18% to 5%. There is an IGST exemption on Dinutuximab (Quarziba) medicine when imported for personal use, as well as medicines and Food for Special Medical Purposes (FSMP) used in the treatment of rare diseases, and FSMP when imported by Centres of Excellence for Rare Diseases or any person or institution on recommendation of any of the listed Centres of Excellence. It was clarified that the supply of raw cotton by agriculturists to cooperatives, including kala cotton, is taxable under reverse charge mechanism. It was further decided to regularise issues relating to past periods on an “as is basis” with regard to Raw cotton, Matters relating to trauma, spine and arthroplasty implants (for the period prior to 18.07.2022), Matters relating to dessicated coconut (for the period 1.7.2017 to 27.7.2017),GST on plates and cups made of areca leaves (prior to 01.10.2019), and GST on biomass briquettes (for the period 01.7.2017 to 12.10.2017) It was decided to amend Entry 52B in the compensation cess notification to include all utility vehicles, by whatever name called, provided they meet the following parameters- Length exceeding 4000 mm, Engine capacity exceeding 1500 cc, and A ground clearance of 170 mm and above (in an unladen condition)It was decided that on pan masala, tobacco products etc, where it is not legally required to declare the retail sale price.

It was decided that a GST exemption would be provided on satellite launch services supplied by ISRO, GTAs will not be required to file a declaration for paying GST under forward charge every year. If the option has been exercised for a particular financial year, it will be deemed to have been



exercised for the next and future financial years unless a declaration is filed to revert that decision. The deadline to exercise this option will now be 31st March of the preceding financial year instead of 15th March. Services supplied by a director of a company to the company in their personal or private capacity will not be taxable under RCM. It was clarified that the supply of food and beverages in cinema halls is taxable as a restaurant service if they are supplied by way of or as part of a service and supplied independently of the cinema exhibition service. If clubbed together and the same satisfies the test of composite supply, the entire supply will attract GST at the rate applicable to the service of exhibition of cinema, the principal supply.

**In accordance with the GoM recommendation on capacity-based taxation and the special composition scheme approved in the 49th Council meeting, the Council made the following recommendations:-**

- 1) Issue of a notification under Section 148 of the CGST Act, 2017 prescribing the special procedure to be followed by the manufacturers of tobacco, pan masala and other similar items for registration and return filing.
- 2) Insertion of Section 122A in the CGST Act, 2017 providing for a special penalty for non-registration of machines by such manufacturers.
- 3) Provisions of Section 123 of Finance Act, 2021, amending Section 16 of the IGST Act, to be notified with effect from 1st October 2023 and a notification to be issued under Section 16(4) of the IGST Act, 2017 to provide for the restriction of the IGST refund route in respect of exports of tobacco, pan masala, mentha oil, and other similar items.

**Amendment to the CGST Rules, 2017 regarding GST registration:-**

- 1) Amendment to Rule 10A to provide that the bank account details in the name and PAN of the registered person, is furnished within 30 days of grant of registration or before filing of Form GSTR-1/ IFF, whichever is earlier.
- 2) Amendment in Rule 21A(2A) to provide for system-based suspension of GST registration in respect of taxpayers that do not furnish a valid bank account under Rule 10A within the time period prescribed.
- 3) Insertion of a third proviso in Rule 21A(4) to provide for the automatic revocation of such system-based suspension on compliance with the provisions of Rule 10A.
- 4) Amendment to Rule 59(6) to provide that where a taxpayer has not furnished a valid bank account under Rule 10A, the said taxpayer cannot file their GSTR-1/IFF.
- 5) Amendment to Rule 9 and Rule 25 to do away with the requirement of physical verification of business premises in the presence of the applicant and also provide for physical verification in high risk cases even if the Aadhaar has been authenticated.
- 6) Insertion of Rule 142B to the CGST Rules, 2017 and insertion of a Form GST DRC-01D to provide for manner of recovery of the tax and interest in respect of the amount intimated under rule 88C (in cases where the output tax liability in the GSTR-1 exceeds the liability reported in the GSTR-3B for the said month by a specified threshold).
- 7) System-based intimation to taxpayers in respect of the excess ITC claims in the GSTR-3B vis a vis the ITC available in the GSTR-2B above a certain threshold. In this regard, Rule 88D and Form DRC-01C is to be inserted in the CGST Rules, 2017, along with an amendment to Rule 59(6) of the CGST Rules, 2017.

- 8) Form GSTR-3A is to be amended to provide for the issuance of notices to taxpayers for failing to furnish their annual return in Form GSTR-9/9A by the due date.
- 9) Rule 64 of the CGST Rules, 2017 and Form GSTR-5A is to be amended to require OIDAR service providers to provide details of supplies made to registered taxpayers in India in their Form GSTR-5A return to help the tracking of due payments of tax on reverse charge basis by such taxpayers on supplies received from OIDAR service providers.
- 10) Rule 64 of the CGST Rules, 2017 and Form GSTR-5A is to be amended to require OIDAR service providers to provide details of supplies made to registered taxpayers in India in their Form GSTR-5A return to help the tracking of due payments of tax on reverse charge basis by such taxpayers on supplies received from OIDAR service providers.
- 11) A sub-rule (3A) to be inserted in Rule 162 of the CGST Rules, 2017 to prescribe for compounding amounts for various offences under Section 132 of CGST Act, 2017.



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### **Research Analysis: IDBI Bank moves NCLAT against NCLT order on ZEE**

In a recent development, IDBI Bank has moved the National Company Law Appellate Tribunal (NCLAT) to challenge a National Company Law Tribunal (NCLT) order from 19th May. The order had rejected the bank's plea to initiate insolvency proceedings against Zee Entertainment Enterprises. The bank had filed an insolvency application seeking to recover dues amounting to ₹149.60 crore from Zee Entertainment. The case has been filed with the court registrar but is yet to be listed for a hearing.

The application by IDBI Bank was made under Section 7 of the Insolvency and Bankruptcy Code (IBC), which allows financial creditors to initiate Corporate Insolvency Resolution Process (CIRP) against a corporate debtor before the adjudicating authority. The claim by IDBI Bank against Zee stems from a debt service reserve account (DSRA) guarantee that Zee allegedly provided to secure loans extended by IDBI to Siti Networks Ltd, both of which were part of the Essel Group. IDBI Bank asserted that its claim is identical to that of IndusInd Bank, which had also filed a similar application against Zee.

However, Zee Entertainment opposed both IndusInd Bank's and IDBI Bank's claims, primarily on the grounds that the guarantee was invoked during the pandemic. As per Section 10A of the IBC, insolvency proceedings cannot be initiated for defaults that occurred between 25th March 2020 and 25th March 2021, which is termed as the Covid period. This statutory provision has posed challenges for financial creditors seeking insolvency proceedings for defaults during this specific timeframe. Additionally, Zee contended that the guarantee provided was limited and did not encompass the entire debt.

It is worth noting that Zee Entertainment's proposed merger with Sony Pictures has faced legal hurdles due to opposition from various parties, including IndusInd Bank, Axis Finance, and JC Flower ARC. The matter has been heard before the Mumbai bench of NCLT, which has reserved its verdict.

ZEE, on the other hand, has argued that the majority of shareholders have approved the merger and that the creditors are content with the arrangement. They claim that the objections are raised by parties whose debts are disputed, and Zee is not their debtor. The total value of claims raised by these non-creditor objectors is ₹1,259 crore, and ZEE's senior counsel argued that they have no locus in the matter.

In conclusion, the legal battle between IDBI Bank and Zee Entertainment Enterprises highlights the complexities surrounding insolvency proceedings during the Covid period. The statutory bar on initiating insolvency proceedings for defaults during this timeframe has raised challenges for financial creditors seeking to recover dues. Moreover, the ongoing dispute over Zee's proposed merger with Sony Pictures adds further uncertainty to the situation.



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## **CORPORATE SOCIAL RESPONSIBILITY**

### **PREAMBLE**

Corporate social responsibility (CSR) is an obligation of the businesses towards the society. They use the resources of the society and from them they can contribute towards the society by pollution reduction, towards education and health of the society, environmental protection etc. In the year April 2013, India is the first country in the world to statutorily mandated Corporate Social Responsibility (CSR) following an amendment in the section 135 of the Companies Act 2013 which become effective from 01.04.2014.

As per Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII which prescribes mandatory provisions for companies to fulfil their CSR.

### **APPLICABILITY OF CSR PROVISIONS**

As per Section 135 of Companies Act 2013, every company having

- Net worth of Rs. 500 Crores or more or
- Turnover of Rs. 1,000 Crores or more
- Net profit of Rs. 5 Crore or more

during the Immediately Preceding Financial year.

### **COMPOSITION OF CSR COMMITTEE**

If the above provision complies on any company, then Company shall constitute a Corporate Social Responsibility Committee of the Board consisting of 3 or more Directors, out of which at least one Director shall be an ***Independent Director***.

### **Exception**

Where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more directors.



**FUNCTIONS OF CSR COMMITTEE**

The Corporate Social Responsibility Committee shall, -

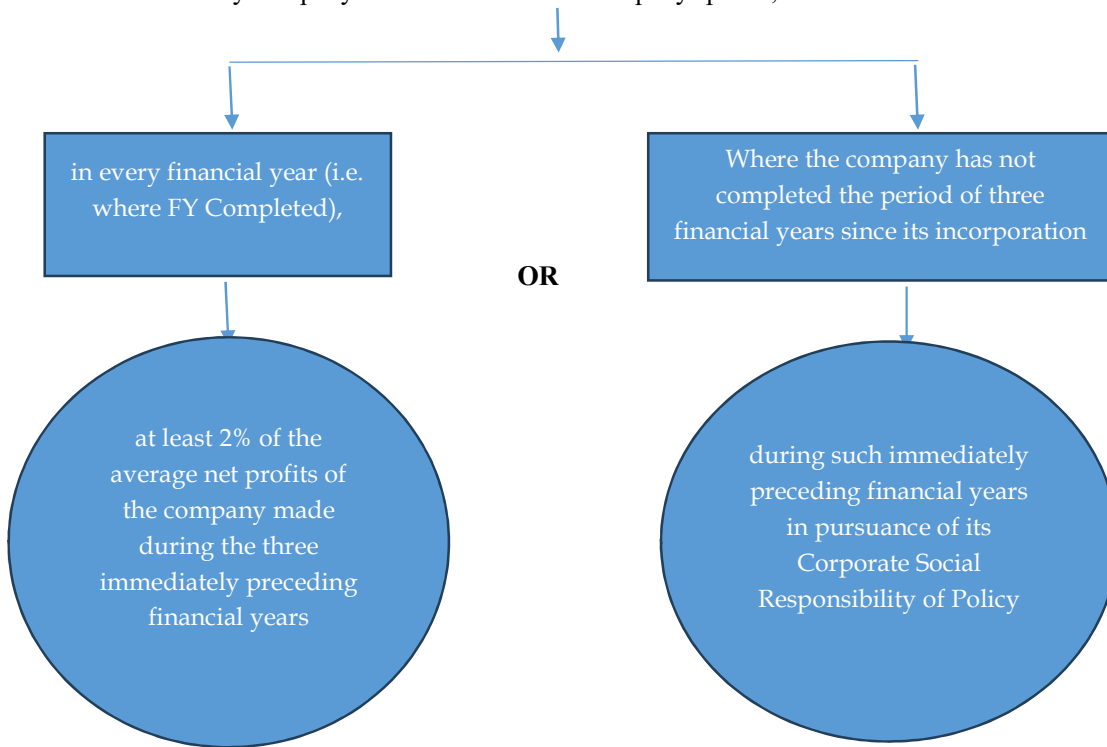
- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject specified in Schedule VII.
- b) recommend the amount of expenditure to be incurred on the activities.
- c) monitor the Corporate Social Responsibility Policy of the company from time to time.

The Board of every company shall-

- a) After taking into account the recommendations made by the CSR Committee,
  - Approve the Corporate Social Responsibility Policy for the company and
  - disclose contents of such policy in its report and also place it on the company’s website, and
- b) ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.

**MINIMUM LIMIT OF CSR EXPENDITURE**

The Board of every company shall ensure that the company spends,



**Exception**

Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

**LIST OF CSR ACTIVITIES**

As per Schedule VII of Companies Act 2013, activities which may be included by companies in their Corporate Social Responsibility Policies Activities relating to:-

- i. Eradicating hunger, poverty, malnutrition, sanitation and making available safe drinking water.
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents.
- vii. Training to promote rural sports, nationally recognized sports, Paralympic and Olympic sports.
- viii. Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule cast, tribes, other backward classes, minorities and women.
- ix. Contribution to incubators or research and development projects in the field of science, technology and engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of Central Government or State Government; and
- x. Contributions to public funded Universities; Indian Institute of Technology (IITs) Department of Biotechnology (DBT).

**WHAT IF COMPANY PAID AN EXCESS OR UNSPENT AMOUNT ON CSR ACTIVITIES**

Excess amount spent on CSR Activities during the year	:	<p>If the company spends an amount in excess of 2% of Net Profits, such excess amount may be set off against the same requirement to spend up to the immediate succeeding 3 F.Y.</p> <p><b><u>Conditions:</u></b></p> <p>Such excess amount available for set-off shall not include the surplus arising out of the CSR activities if any and the Board of directors shall pass a resolution to that effect.</p>
Unspent amount	:	<ul style="list-style-type: none"> <li>• In case, a company fails to spend the entire amount towards CSR activity, then any unspent amount should be transferred within 30 days of the end of the F.Y. to the specifically designated Bank Account to be opened by the company.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b><u>Time limit for using the unspent amount:</u></b> The amount transferred in such a dedicated account must be used within the next 3 F.Y. as per CSR policy.</li> <li>• <b><u>What about if unspent amount still lying after 3 years:</u></b> It should be transferred within 30 days of the end of the 3<sup>rd</sup> F.Y. to any fund specified in Schedule VII of the Companies Act, 2013 i.e. PM CARES Fund etc.</li> <li>• <b><u>Any other Conditions</u></b> If the company fails to spend such amount, the Board shall, in its report made under section 134 (3) (a), specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.</li> </ul>
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#### **CONSEQUENCES OF NON-COMPLIANCE**

On Company	:	<p><b><u>Lower of the following:</u></b> -</p> <ul style="list-style-type: none"> <li>• Twice the amount required to be transferred by the company to the fund specified in Schedule VII or the unspent Corporate Social Responsibility Account</li> <li>• Rupees 1 crore</li> </ul>
Every officer of the company	:	<p><b><u>Lower of the following:</u></b> -</p> <ul style="list-style-type: none"> <li>• one-tenth of the amount required to be transferred by the company to such fund specified in Schedule VII, or the Unspent Corporate and Social Responsibility Account, as the case may be</li> <li>• Rupees 2 Lakh</li> </ul>



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### **Center amends Export Policy of Non-Basmati white rice to ensure adequate domestic availability at reasonable price**

In a significant move to regulate the export of non-basmati rice, the Government of India, through the Directorate General of Foreign Trade (DGFT), has issued **Notification no. 20/2023**. Which states-

- **Export policy of non-basmati white rice is amended from free to prohibited.**

#### **Applicability:**

It will be applicable on semi-milled or wholly milled rice, whether or not polished or gazed, non-basmati rice **HS Code 10063090**.

#### **Exceptions:**

This will not be applicable if –

- Loading of this rice on the ship has commenced before this notification
- The export is under government to government deal
- In case of requests made by “friendly countries “ with genuine food – security

#### **Cause behind the notification:**

India’s share in global rice export is nearly 40% . Although the central government has taken this decision just because of the uneven distribution of rainfall in the key rice growing areas of the country. Which can decrease the production of rice as well. The domestic prices of rice are on an increasing trend. The retail prices have increased by 11.5% over a year and 3% over the past month. And a significant atmosphere change is suspected as well. For that to ensure adequate domestic availability at reasonable prices this notification has been issued.

#### **Effects:**

This notification is effecting national and global economy at the same time.

- It makes availability of rice in domestic market at a lower price.
- It could effect around 80% of the country’s export volume.
- It will increase price of rice globally, which can also impact on domestic inflation.

In previous constitutive year India has exported 2.2 crore metric ton rice throughout 140 countries among which 6 lakh ton was non-basmati indica rice. But this year South Asia's adverse weather, uneven rain in India, flood in Pakistan has effected the whole supply of rice globally. Although after this notification India government has reserved 4.1 crore ton rice, which is three times of necessary buffer. And it will be distributed among 70 crore poor people of India as per need.

**Effect on corporate world:**

- India's ban on non-basmati white rice exports has raised serious concern among rice importer countries as it has already lead to global shortage. Which has effected global business as well as many companies who are involved into the exports and imports of non-basmati rice.
- As well as the other food industries who are dependent upon the rice, are also effected by the inflation and production has been effected out of that cause, which will simply trigger the food price volatility globally.

Considering these all IMF has urged India to lift export restrictions on non-basmati rice, warning that such measures could be “ harmful globally “.





42<sup>nd</sup> ODOP held on 05.04.2023



Lakshya webcast live on 21.04.2023



CAP at Lalbaba College on 27.04.2023

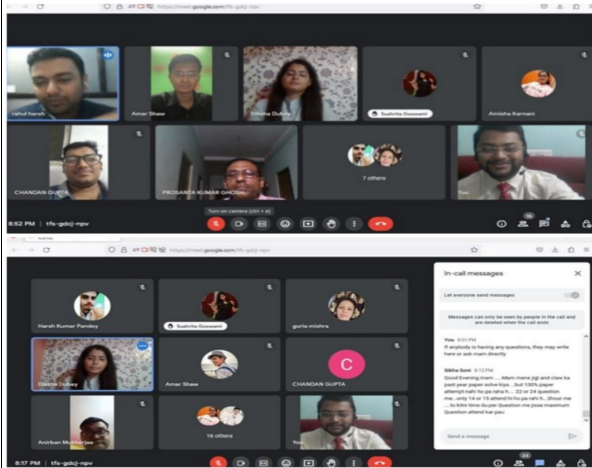


Webcast of Capital market week on 29.04.2023



Celebration on International Women's Day & Foundation Day of Hooghly Chapter, Felicitation of Past Chairpersons of Hooghly Chapter's Full Day Seminar on 30.04.2023.





**8<sup>th</sup> Half Day Free Program on 13.05.2023**

**Sessions on 'Imtihan – Taiyari Jeet Ki' on 14.05.2023**



**CAP at RPMC College on 16.05.2023**

**43<sup>rd</sup> ODOP held on 18.05.2023**



**Full Day Seminar and Mother's Day Celebration on 21.05.2023**





44<sup>th</sup> ODOP held on 13.06.2023



Full Day Seminar, PCS Day & Father's Day Celebration on 18.06.2023



CAP at Mearberh Ramkrishna Shiksha Niketan on 21.06.2023



CAP at Holy Home School on 23.06.2023



CAP at Lalbagan Valika Vidyalaya on 26.06.2023



CAP at Rishra BKC High School on 27.06.2023