



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

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## From the Desk of the Chairman...

CS Pawan G Chandak



### **Respected Seniors, Professional Colleagues and Dearest Students,**

The festive season has started, so does the Annual Compliances, and we have more things to handle in coming two months' time be it festivities, office work, new opportunities and so forth. I am sure with our determination, planning and grit we will honour all our commitments and complete all the matters at our hands smoothly.

At WIRC -ICSI, last month was full of Students and Members activities and new initiatives, right from Celebration of 75<sup>th</sup> Independence Day, securing Mumbai local special permission from Government of Maharashtra for our exam going students and examiners, conducting of ICSI Exams under challenging situations of partial lockdown stagewise restrictions.

WIRC-ICSI hold One day Conclave at Aurangabad which was very successful and I take the opportunity to congratulate Aurangabad Chapter for 1<sup>st</sup> ever Newsletter release during the Conclave.

Further, I congratulate the new Members for getting convocated at ICSI's Western Region Convocation which was held at Ahmedabad. The WIRC-ICSI also celebrated 'Teachers Week' across Western Region on the theme "Empowering Educators".

Further, it was pleasant to hold one of the flagship events of WIRC "Annual Regional PCS Conference" which was held successfully by Nagpur Chapter of WIRC-ICSI on the theme "Upholding Good Governance – Excelling 360 degree" where in quality deliberations happened and witnessed the presence of Dr. Nitin Raut (Cabinet Minister of Renewable energy of Maharashtra State), Shri Vijay C Daga, Justice (Retd.) Bombay High Court, President ICSI, Vice-President ICSI, four Past Presidents of ICSI and many other dignitaries.

Also, During the PCS conference of WIRC-ICSI we entered Seven Study center MOUs extending ICSI's presence in remotest locations of Vidarbha Region and also entered an Academic Collaboration MOU with prestigious Maharashtra National Law University, Nagpur. The feedback and responses from the attendees of the PCS Conference were very encouraging and satisfying to the core.

I also wish to congratulate Nagpur Chapter for having long awaited dream of new office premises inaugurated so as to serve Students and Members in more efficient and effective ways.

Now TEAM WIRC-ICSI are gearing up for 3<sup>rd</sup> State Conference of this year at Goa on the theme Spectrum 2.0 – Expanding the possibilities and preparations are in full swing to hold one more good conference at Goa.

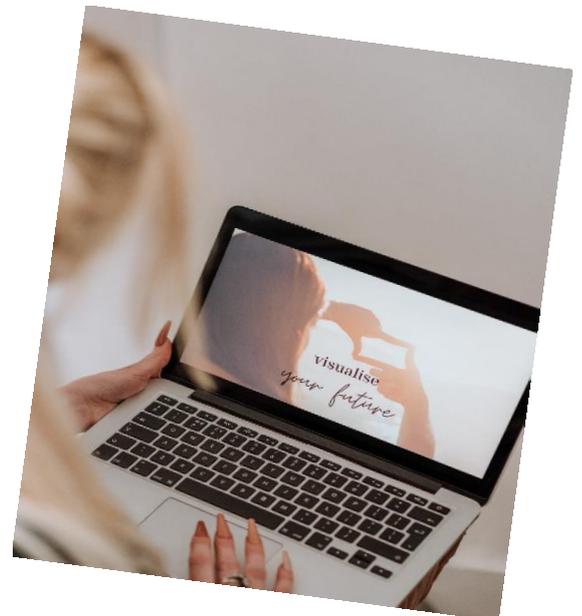
I appeal to all Members to continue participating in large numbers for all the programs conducted by WIRC-ICSI, it keeps us motivated and make us extend ourselves in arranging more and more quality programs for the larger benefits of our Members and Students.

I also urge all the Members and Students to take benefit of all the initiatives and request all the members and students to please let us know your feedbacks and suggestions, so that we can Align ourselves with your expectations out of us to be one think tank always.

**Happy Reading!!!**

With regards,

**CS Pawan G Chandak**  
**Chairman WIRC of ICSI – 2021**  
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## Corporate Frauds – A Social Evil

### ***What is 'corporate fraud'?***

Corporate fraud is an intentional misrepresentation of company financial information or activities designed to mislead the public and increase the profits of the company. Most of the frauds start as small and are never intended to be ongoing. Thus, it is difficult to detect any fraud in its early stages. Often the frauds go undetected for long periods of time before the scheme is uncovered by a whistleblower, the lack of planning on the perpetrators part, or the inabilities of the scheme to keep up with the demands of its expansion. The Government tries to prevent fraud by framing policies, laws, and methods designed to help law enforcement detect frauds before they blow up.

### ***Definition of 'fraud'***

Section 17 of the Indian Contract Act, 1872, defines fraud and lists the acts that amount to fraud, which are a false claim, active concealment, promise without the intention of carrying it out, any other deceptive act, or any act declared fraudulent. To constitute fraud, the contracting party, or any other individual with his connivance, or his agent, or to induce him to enter into the agreement, should have performed such acts. The parties have no duty to speak about facts likely to affect the consent of the other party to the contract, and mere silence does not amount to fraud unless the circumstance of the case shows that there is a duty to speak or silence equivalent to speech.

## ***Reason for corporate fraud***

Some of the reasons for corporate frauds can be attributed to the following:

### 1. Desire or perceived need to attract or retain investors

Corporate frauds commonly occur for the same reason as any other fraud scheme – greed. However, in the highly competitive global business environment, it may also occur for other reasons. Many corporate frauds consist of fraudulent accounting schemes used to make a company appear more profitable than actually. The motivation behind such schemes is the desire or perceived need to attract or retain investors.

### 2. Problems or defects with a company's products

Another cause of corporate fraud may be problems or defects with a company's products, which it tries to hide.

Corporate frauds have emerged as the biggest risks which corporations are exposed to, and are becoming a big threat. Incidents of frauds are increasingly at an alarming rate and in the process it:

1. Destroy the confidence of investors in stock markets
2. Results in enormous destruction in wealth of investors
3. Damage the reputation of the affected company, its management and board of directors
4. Erode ability of affected company to borrow and thus creating financial stress.

## **Areas of corporate frauds**

The following are some of the areas in which corporates frauds are conducted: -

1.Payroll: - An employee could give false information about productivity, sales or hours worked to get a higher pay. Some may request for a pay advance without any intention of paying it back. Others may even take it a step further by enlisting a co-worker to manipulate their attendance records by clocking in and out for them. According to most studies, payroll fraud disproportionately affects small businesses because they are less likely to have anti-fraud measures and systems.

2.Asset Misappropriation: - It is one of the most common types of business fraud, but it is also one of the easiest to detect. Watching out for forged checks, missing inventory and accounts that simply don't add up is key to identifying asset misappropriation. You could also fall victim to skimming, which is the act of taking money from either a customer or the company without recording the transaction.



3.Invoice Fraud Schemes: - This type of fraud happens when the fraudster (often an employee in sales or accounting) creates fake invoices to steal money from the business. This could mean invoicing for products and services that were never bought, creating a fake supplier/shell company to funnel the money to, or awarding over-inflated contracts to personal friends and family.

4.Financial Statement Fraud: - It involves adjusting important numbers like sales, revenues, assets and liabilities. Usually, this is done to deceive investors or the public, manipulate stock or increase bonuses.

5.Taxation Fraud: - They are also known as tax evasion. It happens when an individual or company's earnings and expenses are misreported to the Income Tax Authorities. This is done to take advantage of lower tax brackets and special exemptions.

6.Data, Intellectual Property and identity theft: - Most of the businesses handle sensitive information, whether personal data or intellectual property rights ("IP"). IP theft can damage the business if an employee leaks trade secrets and patents to your competitors

7.Insurance and Banking Fraud: Most companies offer health insurance or workers' compensation to their employees. Unfortunately, there are certain employees who try to make profit off insurance by filing false claims or lying about injuries and illnesses, resulting in higher premiums and more out-of-pocket expenses for small business owners.

8.Bribery and Corruption: - It includes a variety of practices such as getting bribes from projects, using money to influence major company decisions, and manipulating contracts to favor some people over others.

### **Corporate Governance – a tool to prevent corporate frauds**

Corporate governance is set of principles or guidelines on which a company is governed. It ensures that the corporate works in a way it supposed to work to achieve the desired goals. It makes the corporations accountable to every stakeholder including, directors, shareholders, employees, customers etc. It is an act of managing a corporate entity. A corporation is separate from its directors and other officials.

It is an important tool to identify and prevent corporate frauds. It plays an important role to protect the rights of thousands of shareholders, who have ownership in the company but do not play an active role in governing day to day business activities



## Need for Corporate Governance in India

Over the last few years, corporate frauds and governance failures are occurring frequently. Hence, there is a need for good corporate governance. The laws and regulations relating to corporate governance in India are aligned with international requirements. Some of the important reasons for need of corporate governance in India are:

1. A corporate consists of different stakeholders with different attitudes towards corporate affairs. Corporate governance protects the shareholder democracy by implementing it through its code of conduct.
2. Large corporate investors pose a challenge to the management of the company because they influence the decisions of the company. Corporate governance sets the code to deal with such situations.
3. Corporate governance is necessary to build public confidence in the corporation which has been affected due to various corporate frauds in recent years. It helps to build the confidence of investors.
4. Society has greater expectations from corporates and the corporates are expected to take care of the environment, control pollution, provide quality of goods & services, ensure sustainable development etc.
5. Globalization made the communication and transport between countries easy and frequent. So many Indian companies are listed with international stock exchange which also triggers the need for corporate governance in India.
6. The huge flow of international capital in Indian companies also affects the management of Indian Corporates which require a code of corporate conduct.

## Corporate Governance framework in India

India has incorporated the various elements of Corporate Governance in its various laws, regulations etc. Some of the elements are as follows:

1. Companies Act, 2013: – It contains has provisions relating to Independent Directors, Board Constitution, General meetings, Board meetings, Board processes, Related Party Transactions, Audit Committees, etc
2. Regulations issued by the Securities and Exchange Board of India (“SEBI”): – SEBI has various issued regulations which include regulations applicable to entities whose designated securities are listed the stock exchange, which put in place a framework for prohibition of insider trading in securities & to strengthen the legal framework thereof; to monitor insider trading, for issue of capital, to direct and indirect acquisition of shares or voting rights in, or control over target company.



3. Prevention of Money-Laundering Act, 2002: – Scheduled offences as defined under Section 2(y) of the Prevention of Money-Laundering Act, 2002 which includes offences specified under Part A of the Schedule or offences specified under Part B of the Schedule if the total value involved in such offences is one crore rupees or more.
4. Accounting Standards: – The Accounting Standards are issued by the Institute of Chartered Accountants of India (“ICAI”). The disclosure of financial statements is also made mandatory by the ICAI are required under Section 129 of the Companies Act 2013.
5. Secretarial Standards: – The Institute of Company Secretaries of India (“ICSI”) has issued secretarial standards (“SS”) – SS-1 on Meetings of the board of Directors, SS-2 on General Meetings and SS-3 on Dividend. Section 118 of the Companies Act 2013 empowers ICSI to provide standards which each and every company is required to comply.

### Importance of financial statements in investment decision making

Financial statements are the soul of any business. The financial statements are intended to give a true and fair picture of the company in terms of profitability, capital adequacy, asset quality, solvency and liquidity. They play an important role in identifying and detecting frauds.

They provide important information for variety of investment related decisions. The investors draw information from the statement of the firm in whose security they contemplate investing. Such investors who contemplate acquiring total or partial ownership of an enterprise expect to secure returns on their investment such as dividends and increase in the value of their investment.

Both dividends and increase in the value of shares of company depends on the future profitability of the enterprise. So, investors are interested in future profitability. Past income dividend data are used to forecast returns from dividend and increase in share prices.

The financial statements comprise of the following:

- i. Statement of Profit & Loss: - It gives some useful insights into the functioning of any company.
- ii. Balance-sheet: - It is a statement of assets and liabilities of the company.
- iii. Cash flow statement: - Since the accrual system of accounting is followed, the income statements cover items accrued and but not incurred. They are covered in the cash flow statement.

## Analysis of some of the major frauds in the Indian corporate world

Let us understand some of the corporate frauds that severely affected the Indian economy.

- 1. Harshad Mehta Scam:-** The notorious 1992 Indian stock market scam was a [market manipulation](#) carried out by [Harshad Mehta](#) with other bankers and politicians on the [Bombay Stock Exchange](#) (“BSE”). The scam caused significant disruption to the stock market of [India](#), defrauding investors of over one billion US dollars. Some of the techniques used by Mehta involved having [corrupt](#) officials [signing fake cheques](#), misusing market [loopholes](#), and telling lies to drive the prices of stocks up to 40 times their original price. The Stock traders who were making good returns as a result of the scam were able to fraudulently obtain [unsecured loans](#) from banks. When the scam was discovered in April 1992, the [Indian stock market](#) collapsed, and the same banks suddenly found themselves holding millions of rupees turned into useless debt. The outcome of this scam led the authorities to reconsider existing financial systems and restructure it. The first structural change was to record payments made for purchasing investments in reconcile bank receipts and subsidiary general ledgers to prevent fraudulent transactions. As per the advisory of the Janakiraman Committee, a committee was established to oversee the [Securities and Exchange Board of India](#). The primary recommendation of the committee was limit ready forward and double ready forward deals to government securities only. All banks were made custodians than principals in transactions. Banks were to have a separate audit system for portfolios, and it were to be monitored by the Reserve Bank of India (“RBI”).
- 2. Satyam scam:-** On January 7, 2009, the chairman of Satyam, [Byrraju Ramalinga Raju](#), resigned, confessing that he had manipulated the accounts to the extent of [Rs.14,162 Crores](#). In February 2009, the [CBI](#) took over the case and filed three partial charge sheets – dated April 7, 2009, November 24, 2009, and January 7, 2010, over the course of the year. All charges arising from the discovery phase were later merged into a single charge sheet. On April 10, 2015, [Byrraju Ramalinga Raju](#) was convicted with 10 other members. On January 10, 2009, the Company Law Board barred the then existing board of Satyam from functioning and appointed 10 nominee directors. Following the scam, the Government and SEBI took various steps to tighten the grip on such perpetrators in the future. They brought several new regulations under the Companies Act, 2013. SEBI amended the Clause 49 of the existing Listing Agreement.

3. **Infrastructure Leasing & Financial Services Limited (“IL&FS”) scam:** - IL&FS Group, had approximately over Rs. 91,000 Crores in debt and was facing severe liquidity crisis. During July 2018 and September 2018, two of its subsidiaries reported having trouble in paying back loans and inter-corporate deposits to banks/lenders. In July 2018, IL&FS Transportation Network Limited, its road arm, was facing difficulty in making repayments due on its bonds. Further, in early September 2018, one of the subsidiaries of IL&FS Group was unable to repay a short-term loan of Rs.1,000 Crore obtained from Small Industries Development Bank of India (“SIDBI”). Also, certain group companies defaulted in repayments of various short and long-term deposits, inter-corporate deposits, and commercial papers. IL&FS failed continuously to service its debt and the imminent possibility of a contagion effect in the financial market led the Central Government, on October 1, 2018, to move an application under Sections 241 and 242 of the Companies Act, 2013 before the National Company Law Tribunal (“NCLT”), Mumbai Bench.
4. **Yes Bank fraud:** - Mr. Rana Kapoor, the promoter of the bank, over a short period of time, had built an overwhelming image in the industry and had developed contacts with top industrialists of the country. Most of the decision making on key matters including large loans was centralized in his hands. He had the ambition to make Yes Bank the largest private bank of the country. It was this ambition which perhaps led to the sharp downfall in fortunes of the bank, steeper than its rise to an eminent position in the banking industry.

The fraud was committed due to the following reasons:

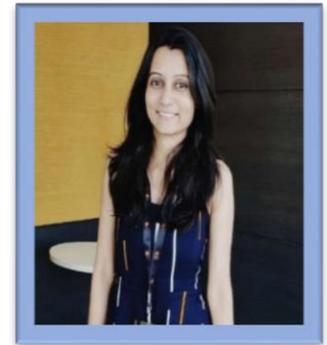
- i. Imprudent lending practices;
- ii. Evergreening of loans;
- iii. Practice of charging high commission to borrowers, which was not in line with industry practices;
- iv. Overstatement of profits due to front loading of commission income;
- v. Gross under provisioning of Non-Performing Assets compared to RBI guidelines.

During special inspection carried out by RBI, significant differences were observed between actual and required provisioning for various years. The Finance Ministry acted swiftly to restore the confidence in the banking system and a majority stake in the bank was acquired by the State Bank of India.

### **Conclusion**

In spite of the various corporate governance measures adopted, corporate frauds continue to occur. We must accept that frauds are inevitable, and companies should lay down strong systems, processes, corporate governance practices and a robust recruitment process to ensure that right people with integrity and value systems are hired. Corporate frauds are not only crimes but also a social evil. In today's world, corporate frauds co-exist in the corporate world. This is because various elements of corporate world conduct various frauds to achieve their vested interests. But such frauds ultimately affect the common people as well the national treasury. Regulations are regularly tightened to ensure monitoring, vigilance and disclosure mechanisms including whistle blowers' complaints. It is a universal truth that fraudsters are always a step ahead of regulators. It is important to create awareness among the stakeholders through rigorous training mechanisms, as to areas exposed to fraud and ensure that frauds are impartially investigated and culprits are punished, in time.





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## **Merger & Acquisitions – Fuel for Global Corporate Expansion**

The Concept of Mergers and Acquisitions (M & A) refers to a process which involves the process of combining two or more companies into one entity and it also includes the process where an entity / company established in one country can be acquired by any entity established in other countries under the Cross Border M & A. The legal form of local company can be private, public, or state-owned company. This process will result in the transfer of control and authority in operating the merged or acquired company.

Merger & Acquisitions is the best way to achieve synergy by combining two or more businesses into one. Entities recognizes advantages the other offers in terms of increasing sales, efficiencies, and capabilities. Acquisitions generally occur when one company buys another company and folds it into its operations. The companies agreeing to mergers are typically equal in terms of size and scale of operations. The end result of both processes is the same, but the relationship between the two companies differs based on whether a merger or acquisition occurred.



**Key Advantages of Mergers & Acquisitions (M&A):**

By joining forces through M & A process, The portfolio of the New business can increase even more and gain access to a larger market share. There are many advantages of growing the business through an Acquisition or Merger process and these include:

Mergers	Acquisitions
1. Increases market share – Post Merger, the new entity gains a larger market share and gets ahead in the competition.	1. Benefits of Existence: a company is able to enter into new markets and product lines instantaneously with a brand that is already recognized, with a good reputation and an existing client base.
2. Reduces the cost of operations	2. Helps to overcome market entry barriers and challenges.
3. Companies can achieve economies of scale.	3. Helps to increase the market share of the entity quickly.
4. Expands business into new geographic areas.	4. Access to specialists / experts such as financial, legal or human resource specialists.
5. Avoid duplication and eliminate competition from the market.	5. Helps put together a new team of experts with fresh perspectives and ideas
6. Mergers can save a company from going bankrupt and Prevents closure of an unprofitable business.	6. Improvement in the long-term financial position of the company.



M & A process will help in accessing a wider customer base and increasing entity's market share helps in accessing funds or valuable assets for new development of the business. It also helps in obtaining quality staff or additional skills, knowledge of your industry or sector and other business intelligence.

**Various types of Mergers and Acquisition Structure:**

<b>Asset Sale</b>	sale of assets when a buyer purchases the assets of the company, where the individual value of assets is assigned to each asset.
<b>Slump Sale</b>	transfer of the whole business on 'Going Concern Basis' i.e., the operation of entity will continue only the entity assets will be liquidated.
<b>Share Sale</b>	acquisition of shares is the most common method of acquiring a company which refers to a complete underlying of assets and liabilities.
<b>Amalgamation</b>	A process where the assets of the two companies are vested in one company and also known as the combination of one or more companies as one entity.
<b>Demerger</b>	A court driven process where a large company breaks into one or more entity and form a new one.

**Different Types of Mergers & Acquisitions (M&A);**

SI No.	Types of mergers Acquisition	Particulars	Examples
1	<b>Horizontal mergers</b>	Process two firms operating in same industry combining together to get benefit from economies of scale, reduce competition, achieve monopoly status and control the market.	<u><b>In BPO sector,</b></u> acquisition of Daksh by IBM, Spectra mind by Wipro etc.



2	<b>Vertical Merger</b>	<p>i) Acquisition by an entity to another entity which produces raw materials used by it.</p> <p>ii) Acquisition of a firm by another firm which would help it get closer to the customer.</p>	<p>i) a car manufacturer acquires a steel company.</p> <p>ii) an FMCG company acquiring an advertising company</p>
3	<b>Conglomerate merger</b>	Combination of two firms operating in industries unrelated to each other to achieve big size.	steel manufacturer acquiring a software company
4	<b>Concentric merger</b>	combination of two or more firms which are related to each other in terms of customer groups, functions	combination of a computer system manufacturer with a UPS manufacturer.
5	<b>Forward merger</b>	the target merges into the buyer.	ICICI Bank (acquirer) acquired Bank of Madura (target)
6	<b>Reverse merger</b>	the buyer merges into the target and the shareholders of the buyer get stock in the target.	ICICI merged with its arm ICICI Bank in 2002.
7	<b>Subsidiary merger</b>	the buyer sets up an acquisition subsidiary which merges into the target. It is a combination of two companies into a single larger company	Banks / steel sectors' entities.
8.	<b>Congeneric Acquisition</b>	When companies sharing a similarity come together, either similar production technology or similar distribution channel.	Banking giant Citicorp merged with financial services company Travelers Group in 1998.
9	<b>Horizontal Acquisition</b>	This is when a company acquires another company in the same business, or industry or sector, that is, a competitor.	Facebook acquired WhatsApp app.

## ***Laws govern M & A process in India***

- 1. The Companies Act, 2013 and rules made thereunder:** The provisions of the Companies Act, along with the rules framed thereunder, govern corporate deals like M&A and PE funding in India.
- 2. Foreign Exchange Management Act, 1999 ("FEMA"):** Governs the inflow and outflow of capital in India.
- 3. Foreign Direct Investment Policy ("FDI Policy"):** The FDI policy governs the foreign investment in India.
- 4. The Securities and Exchange Board of India ("SEBI"):** SEBI regulates the securities market and governs takeovers in publicly listed companies.
- 5. The Competition Act, 2002:** The Competition Commission of India is the regulator established under the Competition Act which governs mergers and acquisitions that adversely affect competition in India.
- 6. The Insolvency and Bankruptcy Code, 2016 ("IBC"):** The IBC provisions governs the auctioning of distressed assets under a corporate insolvency resolution process ("CIRP").
- 7. The Income Tax Act, 1961:** The Income Tax Department and Income Tax Act, govern the tax treatment of the M&A transactions entered into by India.

## ***Key steps involved in M&A deal process:***

- 1. Develop and Frame a Merger / Acquisition strategy** with a clear vision of expectation to gain from making the acquisition, business purpose is for acquiring the target company and interest of the Stakeholders.
- 2. Determining the Search criteria** like profit margins, geographic location, for identifying potential target companies.
- 3. Search and Locate** potential Merger / Acquisition targets and evaluate them.
- 4. Merger /acquisition planning:** The acquirer makes contact with one or more companies that meet its search criteria and appear to offer good value.
- 5. Valuation analysis** after initial contact on the basis of substantial information (current financials, etc.).



**6. Negotiations** – Post valuation of the target company, the acquirer should have sufficient information to enable it to construct a reasonable offer; Once the initial offer has been presented, the two companies can negotiate terms in more detail.

**7. Due Diligence** post acceptance of offer which aims to check / confirm, the assessment of the value of the target company by conducting a detailed examination and record analysis.

**8. Sale – Purchase & Contracts:** Post successful due diligence, mutually consented on the Due Diligence Report the next step forward is executing a final contract for sale / purchase of an asset / shares.

**9. Financing strategy:** the details of financing typically come together after the purchase and sale agreement has been signed.

**10. Closing and integration of the acquisition:** The acquisition deal closes, and management teams of the target and acquirer work together on the process of merging the two firms.

One of the key steps in Cross Border M & A Process is properly structuring the deal. Various factors are required to consider which includes, Various Laws and Regulations, Securities Laws, Taxations, Economic Laws, Accounting aspects, Market scenario, Financing source, negotiations etc. It is very complicated and required more attention and efforts to frame a structure.

### ***Recent Update on M & A Process:***

The Ministry of Corporate Affairs (MCA) vide Gazette id no. CG-DL-E-01022021-224868 dated 01.02.2021 has notified the Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2021 whereby it has allowed start-up companies to enter into merger and amalgamations with another start-up company or one or more start up Companies can enter into merger and amalgamations with small companies. Earlier, small companies or holding co. and Wholly owned Subsidiary or other class of companies were covered under the Scheme of arrangement.

The amendment also provides an explanation to the Rule defining the term “start-up company” as a private company incorporated under the Companies Act. and acquisition (M&A) process for start-ups. The idea is to reduce the compliance burden and improve ease of doing business.

Source: [Click Here](#)



## ***Process for Merger in brief:***

Brief process of M&A through a scheme of arrangement (NCLT route) under section 232 of Companies Act, 2013:

1. Prepare for Board Meeting – to get this matter approved

a) Evaluation of transaction structure and review of all aspects

b) Drafting of required drafting / annexures to present in Board Meeting

c) Preparation and finalisation of Scheme of Amalgamation / Arrangement.

d) Arrangement of Valuation Report etc.

2. Convene the required Meeting of the Board of Directors of the Company in connection with approval of the Scheme of Amalgamation and Arrangement and appointment of professionals, etc.

3. Application to the regulatory authorities such as Stock Exchange(s) / or / RBI for Approval/Observations on the Scheme

*(RBI approval - for Foreign Company amalgamation. And / or SEBI – in case of Listed Company).*

4. Initial Application for Scheme of Amalgamation and Arrangement involving Merger/Demerger:

After approval from Stock Exchange(s) has been received, file application with the NCLT along-with below documents:

- Application seeking NCLT order for holding meeting(s) (Form NCLT-1)
- Notice of admission (Form NCLT-2)
- Affidavit (Form NCLT-6)
- Copy of scheme which should include disclosures required u/s 230(2) such as latest financial position, auditor's report and details about pending investigations/proceedings, etc

Hearing of application at the NCLT and directions w.r.t members/creditors meeting which may cover matters stated in Rule 5 of CAA Rules.

5. Drafting of Advertisements, Notices of Meeting of Members, Creditors and Statutory Authorities along with Explanatory Statement as per Rule 6 of CAA Rules, 2016;

6. Convene the Board Meeting for approval of draft notices of Shareholders and Creditors meeting as directed by the NCLT for the Shareholders and Creditors

7. Filing of Draft Scheme of Amalgamation & Arrangement with the Registrar of Companies – Physically & Electronically through Form GNL – 1. Filing of draft scheme with Income Tax department, sectoral regulators seeking objections, if any.

8. Calling and Convening Meeting of Members and Creditors:

A meeting shall be called as per the order of NCLT and the notice of the meeting shall be sent to all the creditors, members and debenture holders, to their respective addresses in Form No. CAA.2. The notice of the meeting sent to the creditors and members shall be accompanied by a copy of the scheme of amalgamation along with the relevant details and documents as mentioned in the section, if not already mentioned in the scheme.

The notice of the meeting shall also be advertised in Newspaper and published at website of the company.

9. Petitioning the NCLT and Obtaining Final Order

Once the Scheme has been agreed by the members and creditors, the Companies shall file a petition in Form no. CAA.5 with the NCLT for sanction of scheme. NCLT shall pass a Final Order on the petition in Form no. CAA.7.

10. Post Final Order compliances

- Stamp duty Adjudication as per the State Stamp Duty Acts;
- On receipt of Certified Copies of the Final Order, the Company shall file Certified Copy of Order with the ROC within 30 days of its' receipt in Form INC-28 along with Acknowledgement of payment of Fees to RD and OL for the companies;
- Allotment and credit of Shares to shareholders pursuant to the Scheme of Amalgamation and Arrangement;
- Application to Stock Exchanges for Listing of New Equity Shares issued as consideration;
- Intimation to Stakeholders w.r.t effectiveness of Scheme of Amalgamation and Arrangement.

The Companies Act, 2013 has brought many enabling provisions with regard to mergers and amalgamations, especially with respect to time-bound and single-window clearances, enhanced disclosures, disclosures to various regulators, simplified procedures. With an aim to provide simplified merger process, Ministry of Corporate Affairs (MCA) has introduced Section 233 (applicable w.e.f. 15.12.2016) under the Companies Act, 2013 with a concept “Fast Track Merger”. Mergers and Acquisitions are most commonly done to gain market share, reduce costs of operations, expand to new territories, unite common products, grow revenues, and increase profits—all of which should benefit the entity' shareholders / stakeholders.

**Disclaimer:** *Every effort has been made to avoid errors or omissions in this material. In spite of this, errors may creep in. Any mistake, error or discrepancy noted may be brought to our notice which shall be taken care of in the next edition. In no event the author shall be liable for any direct, indirect, special or incidental damage resulting from or arising out of or in connection with the use of this information. In no event the authors shall be liable for any direct, indirect, special or incidental damage resulting from or arising out of or in connection with the use of this information.*





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## A Study On Thought Leadership

### INTRODUCTION:

A **Thought leader** is an Individual or firm that is recognized as an authority in a specialized field and whose expertise is sought and often rewarded. Thought leaders are the informed opinion leaders and the go-to people in their field of expertise. They are trusted sources who move and inspire people with innovative ideas; turn ideas into reality, and know and show how to replicate their success. Over time, they create a dedicated group of friends, fans and followers to help them replicate and scale their ideas into sustainable change not just in one company but in an industry, niche or across an entire ecosystem.

The Definitions for Thought leadership give an abstract concept of what Thought leadership is, an example of a thought leader might better Explain the concept of Thought leadership. In an Indian context Dr. APJ Abdul Kalam is a great example of a Thought leader and Innovator. As a scientist He took the Indian Space Program and The Missile Program to great heights. But as a President He inspired a whole generation of Indians to achieve excellence in their respective fields. That is thought leadership in action. Inspiration flows through Thought leaders into the veins of the masses who are exposed to their thoughts, deeds and actions.

The Thought leaders I personally admire are Dr. APJ Abdul Kalam, former President of India and Mr. Elon Musk founder of such companies as Tesla, Space X, Pay Pal and Solar City. Thought leaders around the world are creating revolutionary advancements in their fields not just by inspiration but by opening up new ways of thinking.

They are creating a blueprint for the others to follow. By studying their blueprint others can seek out methods, processes, guidelines or best practices to follow to attain glory in their fields.

The field of Company Secretaries the Journal 'Chartered Secretary' serves as a thought leader inspiring the comity of CS into action. So, it can be seen journals like Chartered Secretary and magazines like Time and India Today act as thought leaders in their respective fields. So thought leaders are not just individual persons but also magazines, journals and even companies and firms who through their actions are seen as thought leaders in their fields. Google (Alphabet Inc) as a Company is seen as a thought leader in the technology space with its applications like its search engine, android software for mobile phones and its research and development into new fields.

In General business and marketing 'Thought Leadership' can mean a potentially winning strategy to create or increase demand for a particular product or service. High technology companies come out with white papers of their new and upcoming technologies which serve to highlight the economic benefits that derive from such products or service. Consulting firms like Mckinsey and Deloitte publish house reports which are seen as ways to point the way to future trends and highlight the expertise that is available in house with these firms.

### **Knowledge + Innovation + Time + Effort**

Thought leadership comes about through the 4 fields of Knowledge, Innovation, Time and Effort applied concurrently at any idea. Apart from these 4 niches the Thought leader also possesses Experience in his or her field. By experience I mean the kind of experience you only get when you are engaged in one field or process or business for an extended amount of time and you have devoted your time, Energy and Efforts into it. As Advertising analyst at Altimeter Group, Rebecca Lieb said, "Thought leadership requires a continuum of wisdom, accomplishment and a body of published work that stands the test of a degree of time.

**So, the question of when should you consider a Thought leadership approach** can be answered by stating the 4 tests of thought leadership. You have to ask yourself have you acquired enough knowledge about your field that you can consider a Thought leadership approach. You have to ask yourself have you come out with Innovations in your field that are worthy of being a Thought leader. Have you put in enough time and effort to sustain the drive towards Thought leadership?



***A Thought Leader is an Individual or firm that significantly profits from being recognized as such.***

Let's consider a tax accounting firm that wants to become a thought leader. A new law comes out that will have a dramatic effect on how to address the depreciation of certain corporate assets. For the tax accounting firm to appear as a Thought Leader, the tax partners have to do a lot more than merely regurgitate the new law. However, in most situations with professionals, simply repeating the basics tends to be the norm. In 1964, the Journal Mckinsey Quarterly was first published. It Quickly became the Best Journal for business strategy which managers could rely upon. This gave the consulting firm Mckinsey and Company the reputation of being the best consulting firm on the planet. This journal is published till today and the reputation that Mckinsey enjoys of being the best consulting firm on the planet can also be traced to some extent to its journals being the best published on the planet. This is a case of Mckinsey using its Thought Leadership to significantly enhance its profits.

**In Essence a Thought Leader is someone who has figured out a solution to a problem and then shares that solution with the rest of the world.**

### **How to Go from Expert to Thought Leader**

Many people see the importance of the internet. But it was the Thought Leaders that saw the Importance of blogging and social strategy to get products sold on a grand scale. Apple saw its iPhone sales rise when it became ubiquitous with being cool and hip to own an iPhone. It became cool and hip to own an iPhone because cool and hip people started using iPhone.

This is another example of an expert at technology becoming a Thought Leader and profiting massively from it. Apple is now the most valuable company in the world. It can be said that becoming a Thought Leader in business is about making money as well as making history.

### **How to be a Thought Leader?**

#### **1. Love your topic.**

In order to become a thought leader, you will have to love your topic. Take the Company Secretarial and Legal Field for example. In this field if you love your topic and spend a majority of your waking hours in this topic you are going to eventually excel in it. If you don't love and believe in the topic you are talking about, you will surely not last long enough to become a thought leader.



## 2. Get experience.

To become a thought leader, you must establish yourself as an authority. That means you have to have life experience, produce valuable content and then promote it and yourself. Self-promotion is an art which everyone will have to learn to go from an expert of the field to a thought leader.

## 3. Write in Journals and Magazines etc.

Writing down your thoughts and ideas into word form is the first step into developing thought leadership. When you build a reputation by writing in journals you build your reputation as an expert in the field. Being recognized as an expert in the field is the first step to becoming a thought leader.

## 4. How badly do you want it?

That's my personal slogan for a reason. If it was easy everyone would be a thought leader. But to attain a super high degree of success in your field which gives you thought leadership in it you have to want to attain that success very badly. Ambition when married to hard work is the key to success.

## 5. Make bolder claims and drive newer things.

At this point, you've established your reputation as an authority in the industry, and there's only one more step to take: you have to become a leader, and to do that, you have to do new things. Start making bolder claims in your articles, and making bigger predictions about the future of your industry.

For example, I predict in the next 10 years the Company Secretaries will be the go-to persons for corporate law upending the lawyers and Chartered Accountants.

## **EXAMPLES OF THOUGHT LEADERS IN BUSINESS:**

**Elon Reeve Musk** is a South African-born American [business magnate](#), [investor](#),<sup>[9][10]</sup> [engineer](#), and [inventor](#). He is the founder, [CEO](#), and [CTO](#) of [SpaceX](#); a co-founder, Series A investor, CEO, and product architect of [Tesla Inc.](#); co-chairman of [OpenAI](#); and founder and CEO of [Neuralink](#). Musk is also a co-founder and former chairman of [SolarCity](#), co-founder of [Zip2](#), and founder of [X.com](#), which merged with [Confinity](#) and took the name [PayPal](#).



In addition to his primary business pursuits, he has envisioned a high-speed [transportation system](#) known as the [Hyperloop](#), and has proposed a [vertical take-off and landings](#) supersonic [jet aircraft with electric fan propulsion](#), known as the [Musk electric jet](#).

In the world of business and technology, the name of Elon Musk is often associated with being a Rock Star. Musk's ready willingness to take on impossible things has turned him into a deity in Silicon Valley where fellow CEOs speak of him in reverential awe and budding entrepreneurs strive to be like Elon. Musk laid out nearly 100 million \$ of his early fortune into Space Exploration Technologies or SpaceX which sought to make space travel and space exploration cheaper with reusable rockets. If you look at articles and interviews early on in SpaceX life you could see that no one believed in the vision of SpaceX. In seven years, SpaceX designed the family of Falcon launch vehicles and the Dragon multipurpose spacecraft. In September 2008, SpaceX's Falcon 1 rocket became the first privately funded liquid-fuelled vehicle to put a satellite into Earth orbit. On May 25, 2012, the SpaceX Dragon vehicle berthed [with the ISS](#), making history as the first commercial company to launch and [berth](#) a vehicle to the [International Space Station](#). Musk demonstrated that space exploration technology which was earlier the domain of Governments alone could be explored through the private sector. This is an example of Thought Leadership in business. Musk has stated that he wants to lower the cost of rockets going into space to such an extent that every start-up can afford to send their satellite into space.

SpaceX is both the largest private producer of rocket engines in the world, and holder of the record for highest [thrust-to-weight ratio](#) for a rocket engine. SpaceX has produced more than 100 operational Merlin 1D engines, currently the world's most powerful engine for its weight.

Another example of thought leadership shown by Musk is the electric vehicle company called Tesla Motors. Musk was an early investor in the project to develop commercially viable electric vehicles with the Tesla brand. Tesla Motors is named after Nikola Tesla a great scientist who lived in the 19<sup>th</sup> and 20<sup>th</sup> Century. Musk assumed an active role in the company after the 2008 global financial crisis nearly bankrupted the company. Tesla Motors first built an electric sports car, the [Tesla Roadster](#) in 2008, with sales of about 2,500 vehicles to 31 countries. Tesla began delivery of its four-door [Model S](#) sedan on June 22, 2012. It unveiled its third product, the [Model X](#), aimed at the [SUV/minivan](#) market, on February 9, 2012; however, the Model X launch was delayed until September 2015.

In addition to its own cars, Tesla sells electric [powertrain](#) systems to [Daimler](#) for the [Smart EV](#), [Mercedes B-Class Electric Drive](#) and [Mercedes A Class](#), and to [Toyota](#) for the [RAV4 EV](#). Musk was able to bring in both companies as long-term investors in Tesla.



In the beginning everyone thought a viable electric car was still many years away. However, Tesla proved them all wrong by giving a viable electric car in the current day and age. In 2014, Musk announced that Tesla would allow its technology patents to be used by anyone in [good faith](#) in a bid to entice automobile manufacturers to speed up development of electric cars. "The unfortunate reality is electric car programs (or programs for any vehicle that doesn't burn [hydrocarbons](#)) at the major manufacturers are small to non-existent, constituting an average of far less than 1% of their total vehicle sales", Musk said. Musk further demonstrated thought leadership in business when he dropped out of the US Presidential Councils on Business over the decision of President Donald Trump to take USA out of the Paris Climate Accords on Climate Change actions.

### **EXAMPLES OF THOUGHT LEADERS IN GOVERNMENT:**

Dr. APJ Abdul Kalam was the President of India from 2002 to 2007. He was also awarded the Bharat Ratan in 1997 for his continued service to India via the Space Program, Missile Program and the Nuclear Program. Kalam was elected as the 11th President of India in 2002 with the support of both the ruling [Bhartiya Janata Party](#) and the then-opposition [Indian National Congress](#). Widely referred to as the "People's President," he returned to his civilian life of education, writing and public service after a single term.

Dr. Kalam was a noted intellectual who talked of giving a push to innovation in India. He felt Indian innovation was lacking and worked in his post presidency years to push for innovation in all spheres of life. He dreamt of India becoming a developed country by 2020 in his Vision 2020 book. He inspired a whole generation of Indians with his words, deeds and actions. Dr. Kalam believed that inspiration among India's students would light the spark that would take India to developed country status.

Here are some of Dr. Kalam's inspiring quotes which ably demonstrate his thought leadership.

***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.***

***Dream, dream, dream. Dreams transform into thoughts and thoughts result in action.***

***To succeed in your mission, you must have single-minded devotion to your goal.***



These thoughts and words combined with his books served to inspire students and those people exposed to him. They sought him out for more lectures and he was able and willing to entertain such requests.

I have to confess that I was inspired to a large extent by Dr. Kalam as well. I first read his book, “Wings of Fire” in my college days and his inspirational life story has been with me ever since. Dr. Kalam grew up in a small village called Rameswaram which is currently in the state of Tamil Nadu. His father Jainulabdeen was a boat owner and ferried Hindu pilgrims between Dhanush Kodi and Rameswaram. He didn't have a lot of money growing up and his family took great pains for him to finish his studies.

After graduating from the [Madras Institute of Technology](#) by obtaining a Post Graduate Degree in Aerospace Engineering in 1960, Kalam joined the [Aeronautical Development Establishment](#) of the [Defence Research and Development Organisation](#) (by Press Information Bureau, Government of India) as a scientist after becoming a member of the [Defence Research & Development Service](#) (DRDS). He started his career by designing a small [hovercraft](#), but remained unconvinced by his choice of a job at DRDO. Kalam was also part of the [INCOSPAR committee](#) working under [Vikram Sarabhai](#), the renowned space scientist. In 1969, Kalam was transferred to the [Indian Space Research Organisation](#) (ISRO) where he was the project director of India's first Satellite Launch Vehicle ([SLV-III](#)) which successfully deployed the [Rohini](#) satellite in near-earth orbit in July 1980; Kalam had first started work on an expandable rocket project independently at DRDO in 1965. In 1969, Kalam received the government's approval and expanded the programme to include more 4 engineers. Kalam served as the 11th President of India, succeeding [K. R. Narayanan](#). During his term as President, he was affectionately called the People's President by the people of the country.

### **BENEFITS OF THOUGHT LEADERSHIP.**

There are a great many benefits of thought leadership. A thought leader is an individual or company that clients, peers, and other stakeholders recognize as one of the foremost authorities in a selected field of expertise. True thought leaders give back to the business community or society, but also profit significantly from their status.

## 1. Competitive advantage through differentiation

Competitive advantage is the trick by which all companies try to make money. Thought leadership is a way to create unique products or services so that a company gets competitive advantage in its respective field. A good example of competitive advantage through differentiation is Apple. It introduced the iPhone which was basically a computer in a mobile phone and created differentiation for the product. It took at least 3-4 years for its competitors to match its offerings by which time it had completed market domination.

## 2. Brand Reinforcement

Marketing is about essentially selling the brand rather than the product. Soap is a product but Dove is a brand. When people say I want Dove they are taking the brand name as a substitute for the product. Being a thought leader leads to unique selling proposition that makes the company stand out. For e.g., Google is a great example of a thought leader which has made search engines ubiquitous with Google as a brand. People say I googled when they mean I searched on the internet.

## 3. Sales Boost

Thought leadership gives a sales boost to the brand. Tesla is an electric car company which has thought leadership in the electric car business. Despite there being other electric car companies or electric cars being offered by other manufacturers when people want to buy electric cars in the west they think of Tesla. That gives Tesla a big sales boost and Tesla does not have to spend big on marketing its cars.

## 4. Increased Profitability

When your brand gets reinforced and your sales are boosted because of thought leadership it inevitably leads to increased profitability. Apple has almost 80 billion dollars in reserves as a result of high profits from the sales of its iPhone and iPad.

## 5. Improved Offering through Innovation

There are two types of innovation. The first type is one which brings a new product into the market like Apple did with its iPhone. The second type is one which brings incremental improvements into the products as Apple does with bringing out a new iPhone version each year or Google does with its Android Phones which get updated every year.



## 6.Recession Proofing

Thought leadership in any field leads to recession proofing your products. Apple iPhone sales rose globally even during the global financial crisis of 2008. That means its products became recession proof.

Thought leadership at a company level is a strategic choice. It requires consistent and diligent effort. It is not the choice of every company, but once implemented in the right way, it can create superb results. Thought leadership at an individual level requires a high degree of passion and perseverance. It is not for everybody. But the gains for the individual and for humanity in general are immense from Thought leadership.





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## ***Cryptocurrency-Beginners Guide to Digital Cash***

We all heard about Bitcoin. But most of us don't go in deep to search for what is Bitcoin. Bitcoin is nothing but one type of virtual currency. As some of us feel it is not legal in India or it is not regulated by any government authority or some of us feel that it is too risky to invest in. Firstly, let me explain you

### ***What is Cryptocurrency??***

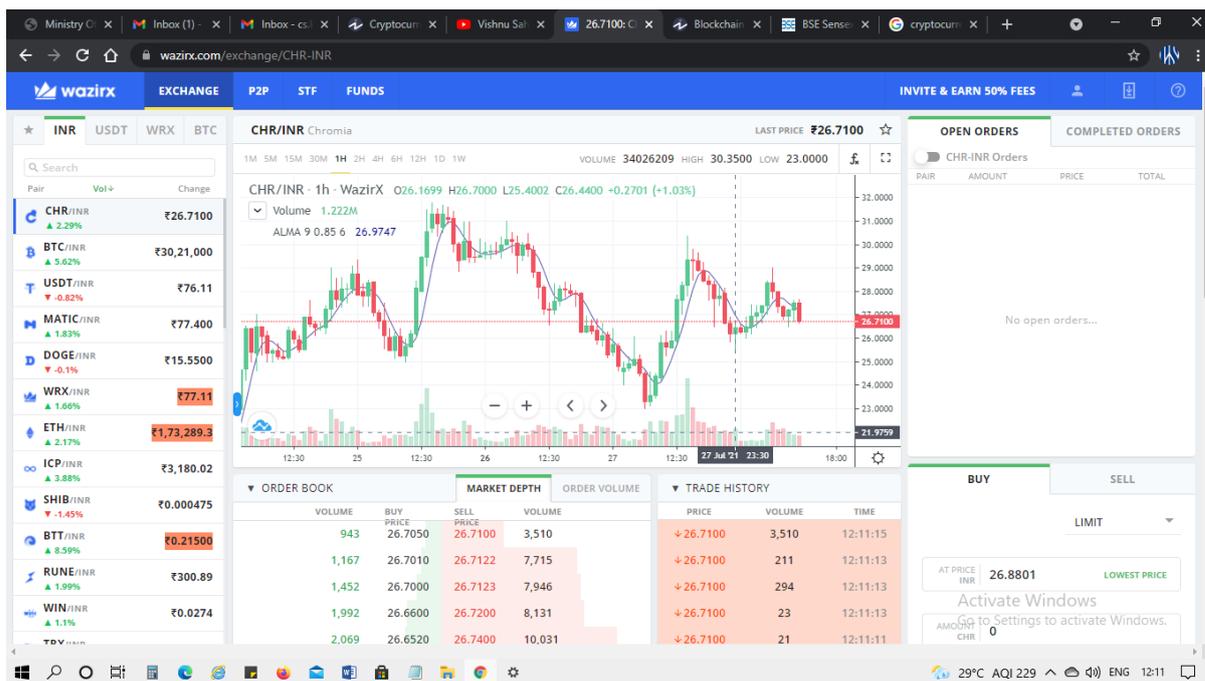
It is a digital or virtual currency. They are generally not issued by any central authority, rendering them theoretically immune to government interference or manipulation. Many cryptocurrencies are decentralized networks based on blockchain technology.



## Now what is Blockchain technology??

Blockchain is a specific type of database. Different types of information can be stored on a blockchain but the most common use so far has been as a ledger for transactions. It differs from a typical database in the way it stores information; blockchains store data in blocks that are then chained together. As new data comes in it is entered into a fresh block. Once the block is filled with data it is chained onto the previous block, which makes the data chained together in chronological order. For Bitcoin, this means that transactions are permanently recorded and viewable to anyone.

Let me explain you by giving examples while Trading in Stocks: - Some of us trade in stocks what we called as Sensex or NSE, wherein the shares are listed on the respective stock exchange namely Bharti Airtel, Sun Pharma, ITC Limited etc. The same way crypto also works. Even Crypto get listed on specific Crypto exchanges which are not regulated by any government authority. Some of the popular exchanges are where you can trade are as: - Wazirx, Binance, CoinDCX, etc. Kindly go through the below screen shot: -



Some of the renowned currencies are what we call blue chip in stock market term are as: - Bitcoin, Chromia, Tether, Ethereum, Dogecoin, etc. **24x7 trading** takes place in the cryptocurrency market. The market is open even on Sundays and holidays, unlike the stock and bond markets in India that open at 9 am and close at 3.30 pm and are closed on weekends.

Truth: - Many of the countries are lifting ban on trading of crypto. While some countries think that the semi-anonymous nature of cryptocurrency transactions makes them well-suited for a host of illegal activities, such as money laundering and tax evasion. However, cryptocurrency advocates often highly value their anonymity, citing benefits of privacy like protection for whistle-blowers or activists living under repressive governments. Some cryptocurrencies are more private than others. Bitcoin, for instance, is a relatively poor choice for conducting illegal business online, since the forensic analysis of the Bitcoin blockchain has helped authorities arrest and prosecute criminals. More privacy-oriented coins do exist, however, such as Dash, Monero, or ZCash, which are far more difficult to trace.

Kindly go through the below circular issued by RBI about virtual currency: - <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12103&Mode=0>

Conclusion: - Looking at the present situation and future global aspects, Finance Minister Nirmala Sitharaman gave hints about the status of the Cryptocurrency and Regulation of Official Digital Currency Bill, 2021 during an interview. The finance minister said that the Cabinet note is ready for the bill but it is up to the Cabinet to take it up. Many of the stakeholders including Crypto exchanges are in constantly in talks with honourable Finance minister.

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## MCA UPDATES

Sr. No.	Date of Notification	Particulars / Content <a href="http://www.mca.gov.in/MinistryV2/companiesact2013.html">http://www.mca.gov.in/MinistryV2/companiesact2013.html</a>
1	25.08.2021	<i>Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR)</i>
2	19.08.2021	<i>Companies (Creation and Maintenance of databank of Independent Directors) Second Amendment Rules, 2021 (The amendment provides that the Indian Institute of Corporate Affairs (IICA) shall within sixty days from the end of every financial year send an annual report to every individual whose name is included in the data bank and also to every company in which such individual is appointed as an independent director. The amendment also prescribes the format to issue the Annual report)</i>
3	19.08.2021	<i>The Companies (Appointment and Qualification of Directors) Amendment Rules 2021 (The amendment provides for exemption to CA, CS, CMA &amp; Advocates with 10 Years' Experience from requirement of Proficiency Test to qualify for Appointment as Independent Directors)</i>
4	19.08.2021	<i>Special Court Notification under section 435 of the Companies Act, 2013 (The Central Government Designated Court of Sub-Divisional Judicial Magistrate at Ranchi as Special Court for the purpose of providing speedy trial of offences u/s 435(2)(b) of the Companies Act, 2013.)</i>
5	05.08.2021	<i>The Companies (Registration of Foreign Companies) Amendment Rules, 2021 (In Rule 2(1)(c) an explanation for what shall not be construed as electronic mode has been provided.)</i>

6	05.08.2021	<i>Companies (Specification and definitions details) Third Amendment Rules 2021 (In Rule 2(1)(h) an explanation for what shall not be construed as electronic mode shall be inserted.)</i>
7	05.08.2021	<i>Section 393A of Companies Act, 2013 (Certain exemptions have been provided to Foreign Companies and Companies incorporated or to be incorporated outside India whether or not established place of business in India.)</i>



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SEBI UPDATES		
SR NO.	NOTIFICATION DATE	PARTICULARS/CONTENT
1	Aug 03, 2021	<p><a href="#"><u>Permitting non-scheduled Payments Banks to register as Bankers to an Issue</u></a></p> <p>SEBI vide notification dated July 30, 2021, amended the SEBI (Bankers to an Issue) Regulations, 1994 (BTI Regulations) thereby permitting such other banking company, as may be specified by the Board, from time to time, to carry out the activities of Bankers to an Issue (BTI), in addition to the scheduled banks.</p> <p>In this regard, non-scheduled Payments Banks, which have prior approval from Reserve Bank of India, shall be eligible to act as a BTI subject to fulfilment of the conditions stipulated in the BTI Regulations.</p> <p>Payments Banks registered as a BTI shall also be permitted to act as a Self-Certified Syndicate Bank subject to the fulfilment of the criteria laid down by the Board in this regard from time to time. The blocking/movement of funds from the investor to issuer shall only be made through the savings account of the investor held with the payments bank</p>

2

Aug 04, 2021

[Modification in Operational Guidelines for FPIs and DDPs pursuant to amendment in SEBI \(Foreign Portfolio Investors\) Regulations, 2019](#)

Section 9A of the Income Tax Act, 1961 (IT Act) was introduced by the Finance Act 2015 and subsequently amended vide Finance Act 2020 to facilitate setting up of fund management activity in India with respect to offshore funds.

In order to enable Resident Indian fund managers to benefit from the provisions of Section 9A, clause (c) of Regulation 4 of the SEBI (Foreign Portfolio Investors) Regulations, 2019, has been amended vide Gazette Notification No. SEBI.LAD-NRO/GN/2021/32 dated August 03, 2021 (enclosed).

For operationalizing the aforementioned amendment to the SEBI (Foreign Portfolio Investors) Regulations, 2019, the Explanation provided under Para 2 (ii) (b) of Part A of the Operational Guidelines for FPIs and DDPs, issued vide circular dated November 05, 2019, stands modified as below: "Explanation: The contribution of resident Indian individuals shall be made through the Liberalised Remittance Scheme (LRS) notified by Reserve Bank of India and shall be in global funds whose Indian exposure is less than 50%."

DDPs and Custodians are requested to bring the contents of this circular to the notice of their clients.



3

Aug 04, 2021

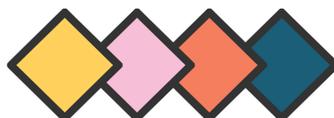
[Maintenance of Current Accounts in multiple banks by Mutual Funds](#)

Mutual funds currently maintain current accounts in multiple banks including in banks having presence beyond the top 30 cities ("B-30 cities"), for receiving subscription amount and for payment of redemption proceeds / dividend / brokerage/ commission etc. This enables investors to transact with banks of their choice and facilitates faster transfer of funds.

Mutual fund industry has informed that the Reserve Bank of India ("RBI") has instructed that bank shall not open current accounts for customers who have availed credit facilities in the form of cash credit / overdraft from the banking system. On a review, however, RBI has provided an indicative list of accounts stipulated under various statutes and instructions of other regulators that can be opened without such restriction, including accounts for the purpose of New Fund Offerings ("NFOs")/ dividend payment/ share buy-back, etc.

Mutual fund industry has represented that subscription in units of open-ended mutual fund schemes is akin to continuous NFO and redemption of units of mutual fund schemes is akin to buy back or repurchase of shares. Considering the above, industry has requested SEBI to issue instructions for mutual funds in respect of maintenance of current accounts in multiple banks.

Based on the request of mutual fund industry, it is clarified that mutual funds should maintain current accounts in an appropriate number of banks for the purpose of receiving subscription amount and for payment of redemption/dividend/brokerage/ commission etc. to facilitate financial inclusion, convenience of investors and ease of doing business.



4	Aug 04, 2021	<p><a href="#"><u>Requirement of minimum number and holding of unit holders for unlisted Infrastructure Investment Trusts (InvITs)</u></a></p> <p>Vide notification No. SEBI/LAD-NRO/GN/2021/27 dated July 30, 2021, SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”) were amended to provide for the requirement of minimum number and holding of unit holders for unlisted InvITs.</p> <p>Registered unlisted InvITs which have already issued units as on the date of this circular, shall comply with the provisions of sub-regulation (3) of Regulation 26B of the InvIT Regulations within a period of six months from the date of this circular.</p>
5	Aug 09, 2021	<p><a href="#"><u>Calendar Spread margin benefit in commodity futures contracts</u></a></p> <p>The calendar spread margin benefit is presently applicable for the first three expiries only. It has been submitted by the market participants that the extension of this benefit beyond the first three expiries is expected to increase liquidity in far month contracts, facilitate hedging by value chain participants and reduce cost of trading. Therefore, considering the possible benefits likely to accrue to the investors, in consultation with clearing corporations, it has been decided to extend the spread margin benefit beyond the first three expiries. Accordingly, the clause 2.5 of the SEBI Circular SEBI/HO/CDMRD/DRMP/CIR/P/2018/51 dated March 20, 2018 stands modified as given below: -</p> <p>“2.5 In case of calendar spreads or spreads consisting of two contract variants having the same underlying commodity (wherein currently 75% benefit in initial margin is permitted), benefit in initial margin shall be permitted when each individual contract in the spread is from amongst the first six expiring contracts.”</p>



6

Aug 10, 2021

[Operational Circular for issue and listing of Non-Convertible Securities \(NCS\), Securitised Debt Instruments \(SDI\), Security Receipts \(SR\), Municipal Debt Securities and Commercial Paper \(CP\)](#)

Since the notification of the SEBI ILDS Regulations, 2008 and the SEBI NCRPS Regulations, 2013, SEBI has issued multiple circulars covering procedural and operational aspects thereof. The process of merging these regulations into the SEBI NCS Regulations, 2021 also entails consolidation of related existing circulars into a single operational circular, with consequent changes. The stipulations contained in such circulars have been detailed chapter-wise in this operational circular. Accordingly, all previous circulars listed at Annex-1 of this notification stand superseded by this operational circular, link to the detailed Annexure-1 is <https://www.sebi.gov.in/legal/circulars/aug-2021/operational-circular-for-issue-and-listing-of-non-convertible-securities-ncs-securitised-debt-instruments-sdi-security-receipts-sr-municipal-debt-securities-and-commercial-paper-cp-51761.html>

This operational circular provides a chapter-wise framework for the issuance, listing and trading of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities or Commercial Paper. For ease of reference, each chapter of this operational circular contains footnotes corresponding to the respective erstwhile circulars.

While this circular covers instruments under the NCS Regulations, certain chapters contain provisions applicable to issue of securities under the SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (hereinafter referred to as the SEBI SDI Regulations, 2008) and SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (hereinafter referred to as the SEBI ILDM Regulations, 2015). This has been accordingly indicated in the chapters.

7

Aug 13, 2021

[Guidelines on issuance of non-convertible debt instruments along with warrants \('NCDs with Warrants'\) in terms of Chapter VI – Qualified Institutions Placement of SEBI \(Issue of Capital and Disclosure Requirements\) Regulations, 2018](#)

Chapter VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, ('ICDR Regulations, 2018') governs issuance of 'NCDs with Warrants', through Qualified Institutions Placement (QIP). Regulation 179 of ICDR Regulations, 2018, inter alia provides that:

“(3) In a qualified institutions placement of non-convertible debt instrument along with warrants, an investor can subscribe to the combined offering of non-convertible debt instruments with warrants or to the individual securities, that is, either non-convertible debt instruments or warrants.”

The above framework under ICDR Regulations, 2018, permits the issue where NCDs and warrants offering can be attached to each other (stapled offer) or offered separately for subscription (segregated offer).

SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, governs issue and listing of non-convertible securities, on a recognized stock exchange and provides for Electronic Book Provider platform (EBP platform), offering efficient and transparent price discovery mechanism. In this regard stakeholders were consulted through a SEBI consultation paper regarding 'NCDs with Warrants' as a product and on applicability of EBP platform mechanism on 'NCDs portion' of the issue. Accordingly, /in order to streamline procedure of issuance and applicability of EBP platform mechanism on the 'NCDs portion', the following has been decided and made applicable for issues wherein the size of NCDs portion is above threshold prescribed under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and Circulars issued there under:

1. EBP platform mechanism shall be mandatory for 'NCDs portion' of the issue (for both stapled and segregated offer) and issuer shall be required to comply with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and Circulars issued there under.
2. 'Warrants Portion' of the issue shall be in terms of Chapter VI on Qualified Institutions Placement under ICDR Regulations, 2018.
3. Of the 'total issue size' of the issue, at least 40% size shall consist of 'Warrants portion'. It may be noted that 'total issue size' shall mean combined size of NCDs issue and the aggregate size of the warrants portion, including the conversion price of warrants.
4. The segregated offer of NCDs and stapled offer, both shall be exempted from the requirements as prescribed under the Regulations 175(3), 179(2) (a), 180(1), and 180(2) of the ICDR Regulations, 2018.

This circular shall be applicable for all issues of 'NCDs with Warrants' made under ICDR Regulations, 2018, on or after the date of this Circular.



8

Aug 13, 2021

[Disclosure of shareholding pattern of promoter\(s\) and promoter group entities](#)

Regulation 31(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") mandates that all entities falling under promoter and promoter group be disclosed separately in the shareholding pattern on the website of stock exchanges, in accordance with the format(s) specified by the Board. Accordingly, SEBI vide Circular No. CIR/CFD/CMD/13/2015 dated November 30, 2015 and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/149 dated December 07, 2018, prescribed formats for disclosure of shareholding pattern including disclosure of holding of specified securities of promoter and promoter group, public shareholders and significant beneficial owners, respectively. Currently, the shareholdings of promoter(s) and promoter group entities are collectively disclosed under 'Table II -Statement showing shareholding pattern of the Promoter and Promoter Group' of the aforementioned circular. In the interest of transparency to the investors, all listed entities shall now provide such shareholding, segregated into promoter(s) and promoter group.



9

Aug 13, 2021

[Automation of Continual Disclosures under Regulation 7\(2\) of SEBI \(Prohibition of Insider Trading\) Regulations, 2015 - System driven disclosures - Ease of doing business](#)

SEBI implemented the System Driven Disclosures (SDD) in phases, under SEBI (Prohibition of Insider Trading) Regulations, 2015. In this regard, para 7 of the aforesaid circular which reads as under:

Quote - 7. The system would continue to run parallel with the existing system i.e., entities shall continue to independently comply with the disclosure obligations under PIT Regulations as applicable to them till March 31, 2021 – **Unquote.**

It has been confirmed by Stock Exchanges and Depositories that they have implemented the SDD in line with the circular dated September 09, 2020 and the same has gone live from April 01, 2021. It is, therefore, clarified that for listed companies who have complied with requirements of the circular dated September 09, 2020, the manual filing of disclosures as required under Regulation 7(2) (a) & (b) of PIT Regulations is no longer mandatory.

10

Aug 13, 2021

[Tendering of shares in open offers, buybacks and delisting offers by marking lien in the demit account of the shareholders](#)

SEBI had provided the mechanism for acquisition of shares through stock exchange mechanism pursuant to tender offers for the purpose of takeovers, buy back and delisting of securities. Under the existing mechanism, the shares tendered by the shareholders are required to be directly transferred to the account maintained by the Clearing Corporation and different tendering processes are being adopted by Depositories. Such transfer involves systematic risk, substantial time and cost. In consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the de-mat account of the shareholders. The lien marked against unaccepted shares shall be released.

The aforesaid measures reduce the systematic risk and risks associated with the movement of securities from de-mat account of shareholders to Clearing Corporation account, vice-versa and make the process more investor friendly. The said revised mechanism shall be applicable to all the tender offers for which Public Announcement is made on or after October 15, 2021.

11

Aug 17, 2021

Penalty for Repeated Delivery Default

SEBI had stipulated delivery default norms in which it has prescribed that there is a need to put in place a suitable deterrent mechanism to address instances of repeated delivery defaults. This is expected to further strengthen the delivery mechanism and ensure market integrity.

In view of the above, in consultation with Clearing Corporations (CCs), the following has been decided:

1. In the case of repeated default by a seller or a buyer, for each instance of repeated default, an additional penalty shall be imposed, which shall be 3 % of the value of the delivery default.
2. Repeated Default shall be defined as an event, wherein a default on delivery obligations takes place 3 times or more during a six months period on a rolling basis.

The penalty levied shall be transferred to Settlement Guarantee Fund (SGF) of the Clearing Corporation. 3. The circular shall be effective after one month from the date of issuance of the circular.



12	Aug 31, 2021	<p><a href="#"><u>Extension of time for seeking membership of BSE Administration &amp; Supervision Limited</u></a></p> <p>In order to ensure compliance with Regulation 6(n) of the Investment Advisors Regulations and to keep their registration in force, all existing IAs, in terms of para 6(l) of Circular no. SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/579 dated June 18, 2021 were advised to seek membership of BASL within three months of the recognition of BASL i.e., by August 31, 2021. BASL has now received representations from some of the existing IAs requesting for extension of time for seeking membership of BASL. After due consideration, SEBI has been decided to extend the timeline for seeking membership of BASL by existing IAs by a period of two months till October 31, 2021. Existing IAs who fail to seek membership of BASL within the aforesaid timeline shall be liable for appropriate action including suspension or cancellation of certificate of registration of such IAs, in terms of the Securities and Exchange Board of India Act, 1992 and the Regulations framed thereunder.</p>
13	Aug 31, 2021	<p><a href="#"><u>Disclosure of risk-o-meter of scheme, benchmark and portfolio details to the investors</u></a></p> <p>SEBI (Banker to an Issue i.e., BTI) Regulations permitting such other banking company, as may be specified by the Board, from time to time, to carry out the activities of Bankers to an Issue (BTI), in addition to the scheduled banks. Non-scheduled Payments Banks, which have prior approval from Reserve Bank of India, shall be eligible to act as a BTI subject to fulfilment of the conditions stipulated in the BTI Regulations. Payments Banks registered as a BTI shall also be permitted to act as a Self-Certified Syndicate Bank subject to the fulfilment of the criteria laid down by the Board in this regard from time to time. The blocking/movement of funds from the investor to issuer shall only be made through the savings account of the investor held with the payments bank.</p>

**FEMA UPDATES**

1	Aug 02, 2021	<p><b>Maintenance of State Government Accounts – Recovery of Interest on Excess put through/ Double claim (State Government Transactions)</b></p> <p>With a view to ensure prompt/immediate refund/credit to the government account in the cases of excess put through/ double claim in the payment scrolls by the agency banks, it has been decided in consultation with the Office of Comptroller and Auditor General of India (C &amp; A G) that penal interest for excess put through/ double claim amount may be levied by State Government as in the case of delayed credit of receipts.</p> <p>The penal interest period for such double claim/excess put through may start from the date on which the agency bank has received the excess put through / double claim amount and up to previous date to actual date of return of such excess put through / double claim amount by agency banks to concerned state government account (excluding the date of return of such excess payment/double claim amount by the agency banks to government account(s)).</p> <p>The rate of penal interest is Bank rate plus 2%. (The Bank Rate will be the rate notified by the RBI from time to time as applicable at the time of transaction). These instructions will come into effect from date of issuance of this circular. The procedure for claiming/ recovering of delayed period interest will remain unchanged and it will be charged irrespective of the amount involved in such excess put through /double claim by agency banks.</p>
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2	Aug 03, 2021	<p><b>Framework for Outsourcing of Payment and Settlement-related Activities by Payment System Operators</b></p> <p>In order to enable effective management of attendant risks in outsourcing of such activities, it was announced in the Statement on Developmental and Regulatory Policies released with the bi-monthly Monetary Policy Statement 2020-21 on February 05, 2021, that a framework for outsourcing of payment and settlement-related activities by PSOs, will be issued by the Reserve Bank of India. Accordingly, a framework for the same is provided with this notification which is available at <a href="https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12136&amp;Mode=0">https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12136&amp;Mode=0</a> . The PSOs shall ensure that all their outsourcing arrangements, including the existing ones, are in compliance with this framework by March 31, 2022</p>
3	Aug 04, 2021	<p><b><u><a href="#">Guidelines for Implementation of the circular on Opening of Current Accounts by Banks</a></u></b></p> <p>In order to enforce credit discipline amongst the borrowers as well as to facilitate better monitoring by the lenders; and for this purpose, a graded approach had been prescribed on opening and operating of current accounts and CC/OD facilities. Banks were required to implement these instructions in a non-disruptive manner while keeping the Bonafede business requirements of the borrowers in mind.</p> <ol style="list-style-type: none"> <li>1. In case of borrowers who have not availed of CC/OD facility from any bank, there is no restriction on opening of current accounts by any bank if exposure of the banking system to such borrowers is less than ₹5 crore.</li> <li>2. In case of borrowers who have not availed of CC/OD facility from any bank and the exposure of the banking system is ₹5 crore or more but less than ₹50 crore, there is no restriction on lending banks to such borrowers from opening a current account. Even non-lending banks can open current accounts for such borrowers though only for collection purposes.</li> <li>3. The restriction applies to borrowers in case they avail of CC/OD facility since all operations that can be carried out from a current account can also be carried out from a CC/OD account as banks in a CBS environment follow a one-bank-one-customer model as against a one-branch-one-customer model.</li> </ol>

RBI has received requests from the banks for some more time to resolve the operational issues while implementing the circular in letter and spirit. Therefore, in order to ensure that the instructions are implemented in a non-disruptive manner, it has been decided that:

Banks will be permitted time till October 31, 2021 to implement the provisions of the circular. This extended time line shall be utilised by banks to engage with their borrowers to arrive at mutually satisfactory resolutions within the ambit of the circular. Such issues which banks are unable to resolve themselves shall be escalated to Indian Banks' Association (IBA) for appropriate guidance. Residual issues, if any, requiring regulatory consideration shall be flagged by IBA to the Reserve Bank for examination by September 30, 2021.

In terms of para 1(vii) of circular DOR.No.BP.BC.30/21.04.048/2020-21 dated December 14, 2020, accounts of White Label ATM operators and their agents are exempt from the provisions of the Current Account circular dated August 6, 2020. Since Cash-in-Transit (CIT) Companies/ Cash Replenishment Agencies (CRAs) essentially carry out a similar activity, the exemption would be applicable to these entities as well.

Banks shall put in place a monitoring mechanism, both at head office and regional/zonal office levels to monitor non-disruptive implementation of the circular and to ensure that customers are not put to undue inconvenience during the implementation process.

As has already been indicated in FAQ no 6 of circular DOR.No.BP.BC.30/21.04.048/2020-21 dated December 14, 2020, banks are not permitted to open current accounts for borrowers who have availed agricultural/ personal Overdraft (OD) or OD against deposits.



4	Aug 05, 2021	<p><a href="#"><u>Exim Bank's Government of India supported Line of Credit (LoC) of USD 30.00 million to the Government of the Republic of Sierra Leone</u></a></p> <p>Export-Import Bank of India (Exim Bank) has entered into an agreement dated October 13, 2019 with the Government of the Republic of Sierra Leone, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 30.00 million (USD Thirty million only) for the purpose of financing land and infrastructure development including hydraulics, water management system (irrigation) and provision of tractors, in the Republic of Sierra Leone. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.</p>
5	Aug 06, 2021	<p><a href="#"><u>Export Credit in Foreign Currency – Benchmark Rate</u></a></p> <p>As per the extant guidelines, authorized dealers are permitted to extend Pre-shipment Credit in Foreign Currency (PCFC) to exporters for financing the purchase, processing, manufacturing or packing of goods prior to shipment at LIBOR/EURO LIBOR/EURIBOR related rates of interest.</p> <p>In view of the impending discontinuance of LIBOR as a benchmark rate, it has been decided to permit banks to extend export credit using any other widely accepted Alternative Reference Rate in the currency concerned. All other instructions in this regard shall remain unchanged.</p>



6 Aug 06, 2021

[Resolution Framework for COVID-19-related Stress – Financial Parameters – Revised timelines for compliance](#)

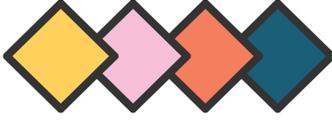
With reference to the circular DOR. No. BP. BC/13/21.04.048/2020-21 dated September 7, 2020 advising the key ratios and their sector specific thresholds to be considered by lending institutions while finalising the resolution plans in respect of eligible borrowers under Part B of the Annex to the Resolution Framework for Covid-19 related stress issued on August 6, 2020. The key ratios consisted of four operational ratios, viz., Total Debt / EBITDA, Current Ratio, Debt Service Coverage Ratio (DSCR) and Average Debt Service Coverage Ratio (ADSCR), along with the ratio Total Outside Liabilities / Adjusted Tangible Net Worth (TOL/ATNW) representing the debt-equity mix of the borrower post implementation of resolution of the plan

In view of the resurgence of the Covid-19 pandemic in 2021 and recognising the difficulties it may pose for the borrowers in meeting the operational parameters, it has been decided to defer the target date for meeting the specified thresholds in respect of the four operational parameters, viz. Total Debt / EBIDTA, Current Ratio, DSCR and ADSCR, to October 1, 2022.

The target date for achieving the ratio TOL/ATNW, as crystallised in terms of the resolution plan, shall remain unchanged as March 31, 2022.



7	Aug 06, 2021	<p><a href="#"><u>Prudential Norms for Off-Balance Sheet Exposures of Banks – Restructuring of derivative contracts</u></a></p> <p>As per paragraph 2.2 of our circular DBOD.No.BP.BC.57/21.04.157/2008-09 dated October 13, 2008, in terms of which any change in any of the parameters of the original derivative contract would be treated as a restructuring.</p> <p>2. In this context, it is clarified that change in the terms of a derivative contract on account of change in reference rate necessitated due to transition from LIBOR to an alternative reference rate shall not be treated as restructuring of the derivative contract provided all other parameters of the original contract remain unchanged.</p>
8	Aug 09, 2021	<p><a href="#"><u>Section 24 of the Banking Regulation Act, 1949 – Maintenance of Statutory Liquidity Ratio (SLR) – Marginal Standing Facility (MSF) - Extension of Relaxation</u></a></p> <p>As per RBIs circular on Marginal Standing Facility (MSF), wherein the banks were allowed to avail of funds under the MSF by dipping into the Statutory Liquidity Ratio (SLR) up to an additional one per cent of their net demand and time liabilities (NDTL), i.e., cumulatively up to three per cent of NDTL. This facility, which was initially available up to June 30, 2020, was later extended in phases up to September 30, 2021, providing comfort to banks on their liquidity requirements and also to enable them to meet their Liquidity Coverage Ratio (LCR) requirements.</p> <p>As announced in the Statement on Developmental and Regulatory Policies of August 06, 2021, with a view to providing comfort to banks on their liquidity requirements, banks are allowed to continue with the MSF relaxation for a further period of three months, i.e., up to December 31, 2021</p>



9

Aug 09,  
2021[Enhancement of collateral free loans to Self Help Groups \(SHGs\) under DAY-NRLM from ₹10 lakh to ₹20 Lakh](#)

With respect to RBIs Deendayal Anthodia Yojana - National Rural Livelihoods Mission (DAY-NRLM) the Government of India, vide their Gazette Notification S.O. 2668(E) dated July 1, 2021, has notified amendments in the Credit Guarantee Fund for Micro Units (CGFMU) Scheme in paragraph (2) sub-paragraph (xii) of the notification of the Government of India, Ministry of Finance (Department of Financial Services), number S.O. 1443(E), dated the April 18, 2016, published in the Gazette of India.

In view of the above amendment, paragraph 7.4 of RBI Master Circular FIDD.GSSD.CO.BC. No.04/09.01.01/2021-22 (on DAY-NRLM) dated April 01, 2021 stands modified as under:

**7.4 Security and Margin:**

7.4.1 For loans to SHGs up to ₹10.00 lakh, no collateral and no margin will be charged. No lien should be marked against savings bank account of SHGs and no deposits should be insisted upon while sanctioning loans.

7.4.2 For loans to SHGs above ₹10 lakh and up to ₹20 lakh, no collateral should be charged and no lien should be marked against savings bank account of SHGs. However, the entire loan (irrespective of the loan outstanding, even if it subsequently goes below ₹10 lakh) would be eligible for coverage under Credit Guarantee Fund for Micro Units (CGFMU).” All other provisions of the Master Circular remain unchanged.

10	Aug 10, 2021	<p><a href="#"><u>Monitoring of Availability of Cash in ATMs</u></a></p> <p>Reserve Bank of India has a mandate to issue banknotes and the banks are fulfilling this mandate by dispensing banknotes to the public through their wide network of branches and ATMs. In this connection, a review of downtime of ATMs due to cash-outs was undertaken and it was observed that ATM operations affected by cash-outs lead to non-availability of cash and cause avoidable inconvenience to the members of the public.</p> <p>3. It has, therefore, been decided that the banks/ White Label ATM Operators (WLAOs) shall strengthen their systems/ mechanisms to monitor availability of cash in ATMs and ensure timely replenishment to avoid cash-outs. Any non-compliance in this regard shall be viewed seriously and shall attract monetary penalty as stipulated in the “Scheme of Penalty for non-replenishment of ATMs”. The Scheme shall be effective from October 01, 2021.</p>
11	Aug 12, 2021	<p><a href="#"><u>Exim Bank's Government of India supported Line of Credit (LoC) of USD 100 million to the Government of the Republic of Mauritius</u></a></p> <p>Export-Import Bank of India (Exim Bank) has entered into an agreement dated February 19, 2021 with the Government of the Republic of Mauritius, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 100 million (USD One hundred million only) for procurement of defence items from India. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.</p>



12 Aug 18,  
2021[Safe Deposit Locker/Safe Custody Article Facility provided by the banks - Revised Instructions](#)

Taking into consideration the various developments in the area of banking and technology, nature of consumer grievances and also the feedback received from banks and Indian Banks' Association (IBA), Reserve Bank of India ('the Reserve Bank') has reviewed the guidelines/instructions issued on the above subject. The review also takes into account, the principles enumerated by the Hon'ble Supreme Court in 'Amitabha Dasgupta vs United Bank of India', (Judgment dated February 19, 2021 in CA No. 3966 of 2010).

Accordingly, in exercise of the powers conferred by Section 35A and Sections 45ZC to 45ZF of the Banking Regulation Act, 1949, read with Section 56 of the Act *ibid* and all other provisions of this Act or any other law enabling the Reserve Bank in this regard, the Reserve Bank being satisfied that it is necessary and expedient in public interest to do so, hereby issues the detailed revised instructions on the above subject. The revised instructions, attached as Annex to this circular, are issued in supersession of the earlier instructions issued by the Reserve Bank on the subject as listed in the Appendix (<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12146&Mode=0>). The banks are advised to frame their own Board approved policy/ operational guidelines in this regard taking into account the revised instructions.

13 Aug 19,  
2021[Exim Bank's Government of India supported Line of Credit \(LoC\) of USD 20.22 million to the Government of the Republic of Guinea](#)

Export-Import Bank of India (Exim Bank) has entered into an agreement dated December 05, 2019 with the Government of the Republic of Guinea, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 20.22 million (USD Twenty Million, Two Hundred Twenty Thousand only) for the purpose of financing two Solar Projects viz. (i) Solar Project for supply of electricity and drinking water for 7 public universities in Guinea (Cost USD 14.40 million) and (ii) Solar Project for Electrification and Refrigeration in 200 Health Infrastructure in Guinea (cost USD 5.82 million), in the Republic of Guinea. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.



14	Aug 19, 2021	<p><a href="#"><u>Exim Bank's Government of India supported Line of Credit (LoC) of USD 170 million to the Government of the Republic of Guinea</u></a></p> <p>Export-Import Bank of India (Exim Bank) has entered into an agreement dated December 05, 2019 with the Government of the Republic of Guinea, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 170 million (USD One Hundred and Seventy Million only) for financing the project for strengthening the drinking water supply of Grand Conakry-Horizon 2040, in the Republic of Guinea. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.</p>
15	Aug 19, 2021	<p><a href="#"><u>Exim Bank's Government of India supported Line of Credit (LoC) of USD 20.51 million to the Government of the Republic of Guinea</u></a></p> <p>Export-Import Bank of India (Exim Bank) has entered into an agreement dated September 29, 2020 with the Government of the Republic of Guinea, for making available to the latter, Government of India supported Line of Credit (LoC) of USD 20,506,000 (USD Twenty Million, Five Hundred Six Thousand only) for the purpose of financing the project for construction and up-gradation of Regional Hospitals in Kankan and Nzerekore, in the Republic of Guinea. Under the arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.</p>



16 Aug 24,  
2021

Formation of new district in the State of Punjab – Assignment of Lead Bank Responsibility

The Government of Punjab vide Gazette Notification No.7767 dated June 10, 2021 had notified the formation of a new district in the State of Punjab. It has been decided to assign the lead bank responsibility of the new district as under:

Sr No	Newly Carved District	Erstwhile District	Sub-Division/ Tehsil under newly created District	Lead Bank Responsibility assigned to	District Working Code allotted to new district
1	Malerkotla	Sangrur	Malerkotla Amargarh and Ahemedgarh	State Bank of India	00T (to be read as "zero zero T")

Further, the District Working Code of the new district has also been allotted for the purpose of BSR reporting by banks.



17	Aug 25, 2021	<p><a href="#"><u>Notification as 'Financial Institution' under Section 2(1)(m)(iv) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act)</u></a></p> <p>As per Para 105 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 wherein certain criteria have been prescribed for notification of HFCs as 'Financial Institution' under Section 2(1)(m)(iv) of the SARFAESI Act.</p> <p>In this connection, Government of India (GoI) has, vide its Gazette Notification No. S.O. 2405(E) dated June 17, 2021 notified the HFCs registered under Section 29A (5) of National Housing Bank Act, 1987 and having assets worth ₹100 crore &amp; above, as 'Financial Institution' under Section 2(1)(m)(iv) of SARFAESI Act, 2002. In view of revision of the criteria for notification as 'Financial Institution' as per the abovementioned Gazette notification of GoI, the criteria prescribed under Para 105 of the aforesaid Master Direction are withdrawn with immediate effect.</p> <p>The Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 is being modified accordingly.</p>
18	Aug 25, 2021	<p><a href="#"><u>Tokenisation – Card Transactions: Extending the Scope of Permitted Devices</u></a></p> <p>“Tokenisation – Card transactions”, permitting authorised card networks to offer card tokenisation services to any token requestor, subject to the conditions listed therein. The facility was available only for mobile phones and tablets of interested card holders. There has been an uptake in the volume of tokenised card transactions during the recent months.</p> <p>On a review of the framework and keeping in view stakeholder feedback, it has been decided to extend the scope of tokenisation to include consumer devices – laptops, desktops, wearables (wrist watches, bands, etc.), Internet of Things (IoT) devices, etc. All other provisions of the circular referred to above shall continue to be applicable. This initiative is expected to make card transactions more safe, secure and convenient for the users.</p> <p>This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007</p>



19	Aug 25, 2021	<p><a href="#"><u>Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021</u></a></p> <p>The Reserve Bank of India has, from time to time, issued several guidelines / instructions / directives to the banks on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks.</p> <p>To enable banks to have current instructions at one place, a Master Direction incorporating all the existing guidelines / instructions / directives on the subject has been prepared for reference of the banks.</p> <p>This Direction has been issued by RBI in exercise of its powers conferred under Section 35A of the Banking Regulation Act, 1949 and of all the powers enabling it in this behalf.</p>
20	Aug 27, 2021	<p><a href="#"><u>Enhancements to Indo-Nepal Remittance Facility Scheme</u></a></p> <p>The Indo-Nepal Remittance Facility Scheme (Scheme) was launched by the Reserve Bank of India in May 2008 as an option for cross-border remittances from India to Nepal, with special focus on requirements of migrant workers of Nepali origin working in India. The Scheme leverages the National Electronic Funds Transfer (NEFT) ecosystem available in the country for origination of such remittances and entails a ceiling of ₹50,000 per remittance with a maximum of 12 remittances in a year. The beneficiary receives funds in Nepalese Rupees through credit to her / his bank account maintained with the subsidiary of State Bank of India (SBI) in Nepal, i.e., Nepal SBI Bank Limited (NSBL) or through an agency arrangement.</p> <p>A review of the Scheme has since been made and to boost trade payments between the two countries, as also to facilitate person-to-person remittances electronically to Nepal, the following enhancements are announced –</p>



- Increase in the ceiling per transaction from ₹50,000 to ₹2 lakh.
- Removal of the cap of 12 remittances in a year per remitter.
- As hitherto, banks shall accept remittances by way of cash from walk-in customers or non-customers. The ceiling of ₹50,000 per remittance with a maximum of 12 remittances in a year shall, however, continue to apply for such remittances.
- The charges for transactions up to ₹50,000 shall continue as provided in circular DPSS (CO) No.1381/04.09.003/2008-09 dated February 09, 2009. For transactions beyond ₹50,000, the charges prescribed by SBI shall apply.
- The banks shall put in place suitable velocity checks and other risk mitigation procedures.

The enhancements are also expected to facilitate payments relating to retirement, pension, etc., to our ex-servicemen who have settled / relocated in Nepal.

21 Aug 27, 2021

[Master Directions on Prepaid Payment Instruments \(PPIs\)](#)

With reference to the Master Direction dated October 11, 2017 on Issuance and Operation of Prepaid Payment Instruments (PPI-MD) and subsequent amendments made thereto. Keeping in view the recent updates to PPI guidelines, it has been decided to issue the Master Directions afresh.

These Directions are issued under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007. These master directions are available at <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12156&Mode=0>



22 Aug 30,  
2021

[Master Direction on Financial Statements - Presentation and Disclosures](#)

The Reserve Bank of India has, from time to time, issued several guidelines/instructions/directives to the banks on the presentation of financial statements, regulatory clarification on compliance with accounting standards, and disclosures in notes to accounts.

A Master Direction incorporating, updating and where required, harmonizing across the banking sector the extant guidelines/instructions/directives on the subject have been prepared to enable banks to have all current instructions on presentation and disclosure in financial statements at one place for reference. However, it may be noted that in addition to these disclosures, Commercial Banks shall comply with the disclosures specified under the applicable regulatory capital framework.

Reserve Bank of India has issued this Direction in the exercise of its powers conferred under section 35A and section 56 of the Banking Regulation Act, 1949, and all the powers enabling it on this behalf. These master directions are available at <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12158&Mode=0>



CS Tushar Pahade  
Chairman  
Practising Company Secretaries Committee  
WIRC of ICSI

## COMPLIANCE REQUIREMENT UNDER COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

- 1. For All forms except, charge related:** *If due date of any form given below falling between 1st April, 2021 to 31<sup>st</sup> August, 2021, then those forms can be file without additional fees till 30<sup>th</sup> September, 2021.*
- 2. For Charges related forms -** *In line with the extension provided in General Circular 12/2021 issued by the Ministry of Corporate Affairs, Additional Fee/Ad valorem fee in respect of Charge documents viz. CHG-1 and CHG-9 shall be calculated after excluding No. of days between 01st April 2021 to 31st July 2021 based on the event date entered in the form.*
- 3. List of Forms (under extension scheme) – [Click here](#)**

Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / Filing mode
Companies Act, 2013	Within 180 Days From The Date Of Incorporation Of The Company <b>(one time compliance only)</b>	As per Section 10 A (Commencement of Business) of the Companies Act, 2013, inserted vide the Companies (Amendment) Ordinance, 2018 w.e.f. 2nd November, 2018, a Company Incorporated after the ordinance and having share capital shall not commence its business or exercise any borrowing powers unless a declaration is filed by the Director within 180 days from the date of Incorporation of the Company with the ROC.	<b>MCA E- Form INC 20A</b> <b>(One time compliance)</b>

<p>Companies Act, 2013</p>	<p>First declaration within 90 days from the date of notification Dt. 08.02.2019</p>	<p>A person having Significant beneficial owner shall file a declaration to the reporting company <a href="http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf">http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf</a></p> <p>i.e., within 90 days of the commencement of the Companies (Significant Beneficial Owners) Amendment Rules, 2019 i.e., 08.02.2019</p> <p><i>In case Subsequent Acquisition of the title of Significant Beneficial Owner /Any Change therein a declaration in Form No. BEN-1 required to be filed to the reporting company, within 30 days of acquiring such significant beneficial ownership or any change therein.</i></p>	<p><b>Form BEN-1 Draft Format available at <a href="#">LINK</a></b></p>
<p>Companies Act, 2013</p>	<p>within 30 days of acquiring beneficial interest</p>	<p>Filing of form BEN-2 under the Companies (Significant Beneficial Owners) Rules, 2018.</p> <p>(The date of receipt of declaration in BEN-1)</p> <p><b><a href="#">CLICK HERE</a></b></p>	<p><b>Form BEN – 2</b> (e-form deployed by Ministry (ROC)) on 01.07.2019</p>
<p>Companies Act, 2013</p>	<p>One-Time compliance</p>	<p>Filing of the particulars of the Company &amp; its registered office.</p> <p>(By every company incorporated on or before the 31.12.2017.)</p>	<p><b>Active Form INC -22A</b></p>



Companies Act, 2013	Annual compliance <b>(30.09.2021)</b>	* <b>DIN KYC through DIR 3 KYC Form is an Annual Exercise.</b>  Last date for filing DIR-3 KYC for Financial year 2020-21 is <b>30<sup>th</sup> September, 2021</b>	<b>E-Form DIR – 3 KYC</b>  <b>(Web Based and E-form)</b>
Companies Act, 2013	Within 270 days from the date of deployment of this Form	Annual Return to Be Filed by Auditor with The National Financial Reporting Authority  <a href="#">CLICK HERE</a> <a href="#">CLICK HERE</a>  <a href="#">Click Here</a>	<b>NFRA-2</b>  <b>(NFRA-2 e-Form live since 9th December 2019.)</b>
Companies Act, 2013	Within 15 days of appointment of an auditor.	The Ministry in its General Circular No. 12/2018 dated 13th December, 2018 clarified that filing of Form NFRA-1 is applicable only for Bodies Corporate and ruled out filing by Companies as defined under s of Section 2(20) the Act.	<b>E – Form NFRA -1</b>
Companies Act, 2013	Within 30 days of the board meeting	Filing of resolutions with the ROC regarding Board Report and Annual Accounts. The details of the resolutions passed should be filed.	<b>MGT-14</b>  (Filing of resolution with MCA)



Companies Act, 2013	Within 60 days from the conclusion of each half year	Reconciliation of Share Capital Audit Report (Half-yearly)  Pursuant to sub-rule Rule 9A (8) of Companies (Prospectus and Allotment of Securities) Rules, 2014  To be filed all unlisted companies, deemed public companies. Till further clarification to be filled in GNL-2	<b>E-Form PAS – 6</b>
Companies Act, 2013	30 <sup>th</sup> June, 2021	Every company must file DPT 3 for outstanding loans annually.	<b>E-Form DPT – 3</b>
Companies Act, 2013	(Half-Yearly basis)	Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprise	<b>E-Form MSME-1</b>
Companies Act, 2013	One- Time Compliance	Application for issue of immunity certificate under the Companies Fresh Start Scheme (CFSS) 2020	<b>E-Form CFSS</b>
Companies Act, 2013	One- Time compliance	Registration of Entities for undertaking CSR activities - Trust/ Society/ Section 8 Company need to file before Acceptance of Donation as CSR w.e.f. 01st April 2021	<b>E-Form CSR-1</b>



Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / Filingmode
LLP Act, 2008	Within 60 days from the closure of the financial year <b>(date extended till 31.08.2021)</b>	LLP Annual Filing- An annual statement for submitting details of the business of the LLP and its partners for the FY 2020-21	<b>Form LLP-11</b>

❖ OPC Annual Filings:

- ✓ One Person Company shall file a copy of the financial statements duly adopted by its member, along with all the documents which are required to be attached to such financial statements, **within one hundred eighty (180) days from the closure of the financial year.**
- ✓ AGM not Applicable for OPC: Section 96.
- ✓ **Due date for Annual Filing (AOC-4):** The due date for Annual Filing is 27.09.2021 (if FY ended on 31.03.2021)
- ✓ Penalty for non - submission with in due timeline: In case a return has not been filed, a Penalty (additional fees) will be levied from the due date (27.09.2021) of INR 100/- per day for each day for which default continue.

## KEY UPDATES – August, 2021

### 1. CSR credit has to be used in 3 years: MCA

The credit that businesses earn for spending on corporate social responsibility (CSR) beyond their annual obligation will lapse unless adjusted against the spending requirements in the subsequent three years, the ministry of corporate affairs (MCA) said.

The flexibility of adjusting excess CSR spending in a given year against the spending obligation in the subsequent three years introduced in January this year is applicable prospectively, the ministry said in a set of clarifications issued on Thursday.

Therefore, no carry forward will be allowed for any excess amount spent in financial years prior to FY21. The set of clarifications has been issued to guide businesses as many changes have recently been made to CSR rules. In January, the government notified sections of the Companies Act prescribing financial penalties for violation of CSR obligations and made sweeping changes to rules to make companies more accountable and to offer some flexibility in spending. The set of clarifications has been issued to guide businesses as many changes have recently been made to CSR rules.

### 2. Accounting standards and special courts to be created for LLPs: MCA

Amendments to the LLP Act have introduced 'small LLPs' and 'start-up LLPs' which would enjoy lesser compliance needs.

The regulatory framework for limited liability partnerships (LLPs) is set to get more refined with a new set of accounting standards, a special regime for start-ups using the LLP form, and special courts for trial of offences. The ministry of corporate affairs (MCA) has said amendments to the LLP Act passed by Parliament in the just-concluded monsoon session primarily for decriminalizing offences, also provide for a set of changes aimed at making this flexible legal structure of business more popular.

Also, special courts for swift trial of offences under the LLP Act and in-house adjudication of cases within the ecosystem of the ministry are envisaged.



An in-house, administrative way of dealing with offences is already in place for companies under regional directors and registrars of companies.

This system is expected to become fully online later this year. LLPs offer a flexible legal structure as the personal wealth of partners in an LLP is not at risk if the firm fails. The latest amendments to the law decriminalized 12 offences and omitted one. LLPs are increasingly becoming relevant as they help in boosting India's global competitiveness and contribute towards inclusive growth, the review said. There are about 215,000 LLPs in the country currently.

**Important Updates****MCA MONTHLY UPDATE CALENDAR: AUGUST, 2021**

<b>Sl.</b>	<b>Particulars of the Circulars</b>	<b>Link</b>
1	Extension of last date for submission of public comments to 30th July, 2021 for Consultation Paper on Enhancing Engagement with Stakeholders	<a href="#">Click Here</a>
2	Refer the attached file for the list of forms for which additional fee waiver shall be made available/ extended in line with the General Circulars 11/2021 and 12/2021.	<a href="#">Click Here</a>
3	In line with the extension provided in General Circular 11/2021 issued by the Ministry of Corporate Affairs, stakeholders shall be allowed to file various forms due for filing between 1st April 2021 to 31st July 2021 under the Companies Act 2013 or LLP Act, 2008 without payment of additional fees up to 31st August 2021. Please refer the list of forms under Latest News Section.	<a href="#">Click Here</a>
4	In line with the extension provided in General Circular 12/2021 issued by the Ministry of Corporate Affairs, Additional Fee/Ad valorem fee in respect of Charge documents viz. CHG-1 and CHG-9 shall be calculated after excluding No. of days between 01st April 2021 to 31st July 2021 based on the event date entered in the form.	<a href="#">Click Here</a>

5.	E-form CFSS-2020 may be filed till 31st August 2021. Stakeholders may please note and plan accordingly.	<a href="#">Click Here</a>
6.	Publication of notice u/s 75 of the LLP Act, 2008 read with sub-Rule 1(b) read with Rules 37(2)	<a href="#">Click Here</a>
7	Shri Rao Inderjit Singh takes charge as Union Minister of State in Ministry of Corporate Affairs	<a href="#">Click Here</a>
8	List of Disqualified Directors (2019-2024) u/s 164(2)(a) r/w section 167 of the Companies Act 2013	<a href="#">Click Here</a>
9	New eform MGT-7A and revised eform MGT-7 in line with the Companies (Management and Administration) Amendment Rules, 2021 is now available for filing under MCA21 Company forms download page. Stakeholders are advised to check the latest version before filing.	<a href="#">Click Here</a>
10	Publication of notice u/s 75 of the LLP Act, 2008 read with sub-Rule 1(b) read with Rules 37(2)	<a href="#">Click Here</a>
11	Report of the Committee to Review CARO, 2016 under the Companies Act, 2013 dated 28.06.2021	<a href="#">Click Here</a>
12	Companies (Incorporation) Fifth Amendment Rules 2021	<a href="#">Click Here</a>
13	Commencement notification dated 22.07.2021	<a href="#">Click Here</a>
14	Clarification on spending of CSR funds for COVID-19 vaccination – reg	<a href="#">Click Here</a>

CS Hrishikesh Wagh  
Chairman  
Training & Educational Facilities Committee  
WIRC OF ICSI

## STUDENT'S CORNER IN FOCUS MAGAZINE:

WIRC of ICSI aims at providing monthly updates to its students so that they are well equipped with the impending changes that are taking place or which are likely to take place in foreseeable future. Subject-wise monthly updates, Case Digest Studies, Info capsule, articles and knowledge refreshers are few of the basic ideas on which introduction of this student's corner is surfaced. This month, the summarised information regarding important announcements of August, 2021 for students is provided in this student's corner.

### Important Announcements for Students

Sr . No.	Date of announcement	Brief Announcement
1.	7 <sup>th</sup> September, 2021	<p><b>Important Announcement for December 2021 Examination Enrolment.</b></p> <p>Examination Enrolment request for December 2021 Session will commence only after declaration of Result of June 2021 Exam Session held during 10<sup>th</sup> to 20<sup>th</sup> August 2021. The Enrolment process for December 2021 Exam Session will be active at least 15 days from the date of announcement of June 2021 Exam Results.</p> <p>Visit the below web link for more details: -</p> <p><a href="https://www.icsi.edu/media/webmodules/IMPORTANT_ANNOUNCEMENT_FOR_DECEMBER_2021_EXAMINATION_ENROLLMENT.pdf">https://www.icsi.edu/media/webmodules/IMPORTANT_ANNOUNCEMENT_FOR_DECEMBER_2021_EXAMINATION_ENROLLMENT.pdf</a></p>

2.	August, 2021	<p>ICSI-WIRC is organizing following student's training program in the month of October 2021.</p> <p>4th Classroom Mode EDP (through Virtual Mode)            Date: Monday, October 04 to Friday, October 22, 2021            Registration: September 06 to October 01, 2021            Time: 11.00 AM to 06.00 PM            Registration Link: <a href="https://www.icsi.edu">stimulate.icsi.edu</a>            Visit the below web link for more details and registration: -  <a href="https://www.icsi.edu/wiro/student/">https://www.icsi.edu/wiro/student/</a></p>
3.	August, 2021	<p>The Institute has in place a "Merit-cum-Means Assistance (Company Secretaryship Course) Scheme, 1983" for assisting financially weak and meritorious students for pursuing Company Secretaryship Course. Details for Merit-Cum-Means Assistance for pursuing CS Course can be accessed at following web link: -</p> <p><a href="https://www.icsi.edu/media/filer_public/a3/e0/a3e0aaf7-108d-43a8-aefc-235a8c58b11b/mcm_attention_students_2021.pdf">https://www.icsi.edu/media/filer_public/a3/e0/a3e0aaf7-108d-43a8-aefc-235a8c58b11b/mcm_attention_students_2021.pdf</a></p> <p>Last date for applying for the financial assistance is 25<sup>th</sup> November /25<sup>th</sup> May for June/December examination respectively.</p>
4.	August, 2021	<p>ICSI-WIRC Launching Crash Course on Professional Programmed for December 2021 Examinations (New Syllabus 2017)</p> <ul style="list-style-type: none"> <li>• Admission is open for Students who have registered for Professional Programme (New Syllabus 2017)</li> <li>• Classes will Commence in <b>4th Week of September 2021</b></li> </ul> <p>Visit the below web link for more details and registration: -  <a href="https://www.icsi.edu/media/filer_public/fe/9e/fe9e8abc-0b11-4612-9da4-3dd27aa10c75/wirc_crash_course_professional_for_dec-2021_exam.pdf">https://www.icsi.edu/media/filer_public/fe/9e/fe9e8abc-0b11-4612-9da4-3dd27aa10c75/wirc_crash_course_professional_for_dec-2021_exam.pdf</a></p>



## ICSI- WIRC Program Activities for August 2021

### (Workshops /Seminar / Professional Development Programmes)

Sl . N o.	Activities Conducted	Remark								
01	ICSI-WIRC's Announces Gujarat State Conference co-hosted by Ahmedabad, Rajkot, Surat & Vadodara Chapter	<p>ICSI-WIRC in the month of July announced ICSI-WIRC's Gujarat State Conference hosted by Ahmedabad, Rajkot, Surat &amp; Vadodara Chapter of WIRC of ICSI.</p> <p>Theme: "Challenge the New Normal Unity Glorified" on 30<sup>th</sup> &amp; 31<sup>st</sup> July 2021.</p> <p>Sessions were conducted on the following key areas –</p> <table border="1"> <tbody> <tr> <td>30.07.2021</td> <td>Concept of Peer Review</td> </tr> <tr> <td>30.07.2021</td> <td>Managerial Appointment and Remuneration</td> </tr> <tr> <td>31.07.2021</td> <td>Preparing Company for Listing - Pract Overview</td> </tr> <tr> <td>31.07.2021</td> <td>Success Beyond the Comfort Zone v Spirituality</td> </tr> </tbody> </table> <p>This Program was through Physical mode received an overwhelming response and was attended by 101 delegates</p>	30.07.2021	Concept of Peer Review	30.07.2021	Managerial Appointment and Remuneration	31.07.2021	Preparing Company for Listing - Pract Overview	31.07.2021	Success Beyond the Comfort Zone v Spirituality
30.07.2021	Concept of Peer Review									
30.07.2021	Managerial Appointment and Remuneration									
31.07.2021	Preparing Company for Listing - Pract Overview									
31.07.2021	Success Beyond the Comfort Zone v Spirituality									

02	<p>ICSI–WIRC 's Announces 1<sup>st</sup> Chhattisgarh State Conference hosted by Raipur Chapter</p>	<p>ICSI-WIRC in the month of August announced ICSI–WIRC's 1st Chhattisgarh State Conference hosted by Raipur Chapter of WIRC of ICSI.</p> <p>Theme: - Gateway- 360 Degree to L3 (Law, Learn, Lead) on 7<sup>th</sup> August 2021.</p> <p>Sessions were conducted on the following key areas –</p> <table border="1" data-bbox="400 512 1497 719"> <tr> <td data-bbox="400 512 748 584">07.08.2021</td> <td data-bbox="748 512 1497 584">LODR</td> </tr> <tr> <td data-bbox="400 584 748 656"></td> <td data-bbox="748 584 1497 656">IBC</td> </tr> <tr> <td data-bbox="400 656 748 719"></td> <td data-bbox="748 656 1497 719">Critical Issues under Companies Act, 2013</td> </tr> </table> <p>This Program was through Physical mode received an overwhelming response and was attended by 65 delegates</p>	07.08.2021	LODR		IBC		Critical Issues under Companies Act, 2013
07.08.2021	LODR							
	IBC							
	Critical Issues under Companies Act, 2013							
03	<p>WIRC-ICSI ORGANISES Jointly with Pune Chapter “Independence Day Celebration “</p>	<p>ICSI-WIRC in the month of August announced “Independence Day Celebration” Jointly with Pune Chapter of WIRC of ICSI on 15<sup>th</sup> August 2021.</p> <p>CS Devendra Deshpande, Vice President, The ICSI, CS Pawan Chandak, Chairman ICSI-WIRC, CS Harshal Joshi, Chairman, Pune Chapter and other committee members and fellow professional actively participated for the event.</p> <p>This Program through virtual mode received an overwhelming response and was attended by 34 delegates</p>						
04	<p>WIRC-ICSI ORGANISES Joint Program with Aurangabad Chapter on</p>	<p>ICSI-WIRC in the month of August announced Joint Program along with Aurangabad Chapter of WIRC of ICSI on 26<sup>th</sup> August 2021</p> <p>Sessions were conducted on the following key areas –</p> <table border="1" data-bbox="400 1518 1497 1816"> <tr> <td data-bbox="400 1518 748 1816">26.08.2021</td> <td data-bbox="748 1518 1497 1655">Intricacies of Joint Venture Agreement; Cr Border Transaction/ Foreign Collaboration</td> </tr> <tr> <td data-bbox="400 1655 748 1816"></td> <td data-bbox="748 1655 1497 1816">Important Income Tax Provisions Understanding of Financial Statement – Professional must know</td> </tr> </table> <p>This Program through virtual mode received an overwhelming response and was attended by 58 delegates.</p>	26.08.2021	Intricacies of Joint Venture Agreement; Cr Border Transaction/ Foreign Collaboration		Important Income Tax Provisions Understanding of Financial Statement – Professional must know		
26.08.2021	Intricacies of Joint Venture Agreement; Cr Border Transaction/ Foreign Collaboration							
	Important Income Tax Provisions Understanding of Financial Statement – Professional must know							



**ICSI-WIRC's Announces Gujarat State Conference co-hosted by Ahmedabad, Rajkot, Surat & Vadodara Chapter of WIRC of ICSI**

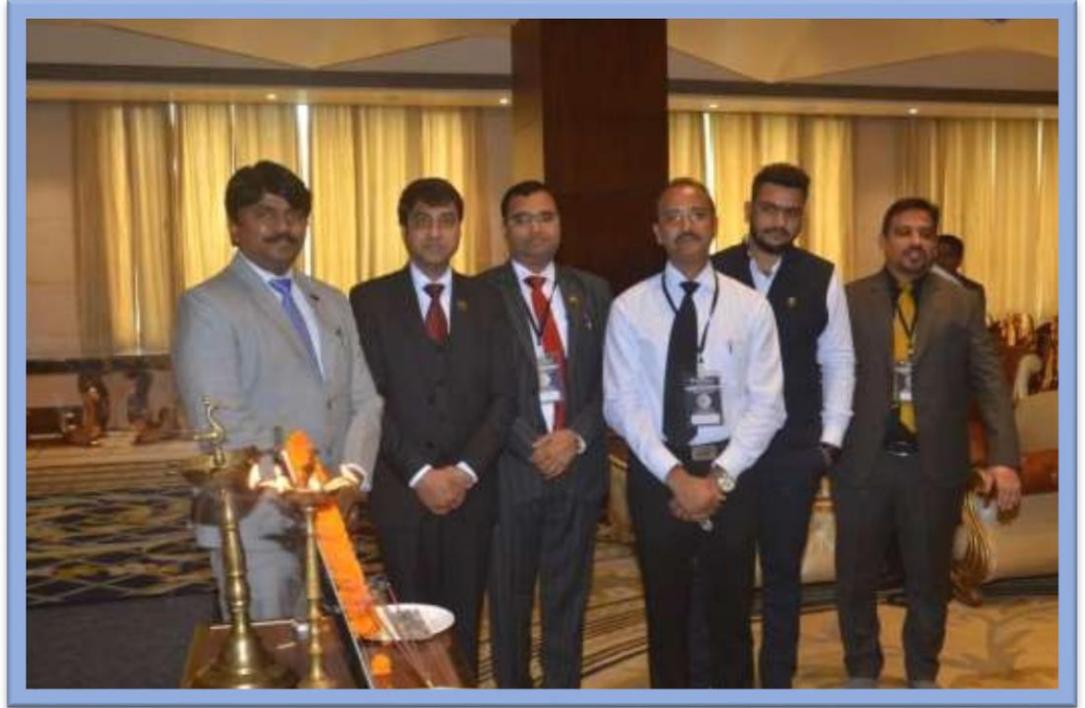
**Date: 30.07.2021 & 31.07.2021**





**ICSI-WIRC 's Announces 1st Chhattisgarh State Conference hosted by  
Raipur Chapter of WIRC of ICSI**

**DATE - 07.08.2021**





**WIRC-ICSI ORGANISES Jointly with Pune Chapter of WIRC of ICSI  
“Independence Day Celebration “**

**DATE -15.08.2021**



One Day Conclave by ICSI-WIRC Jointly with Aurangabad Chapter of WIRC of ICSI

Date: 26.08.2021





**Celebration of Student Month July-2021**

Date: 16<sup>th</sup> July 2021

Topic: Fitness Webinar- Tackling stress in Exam



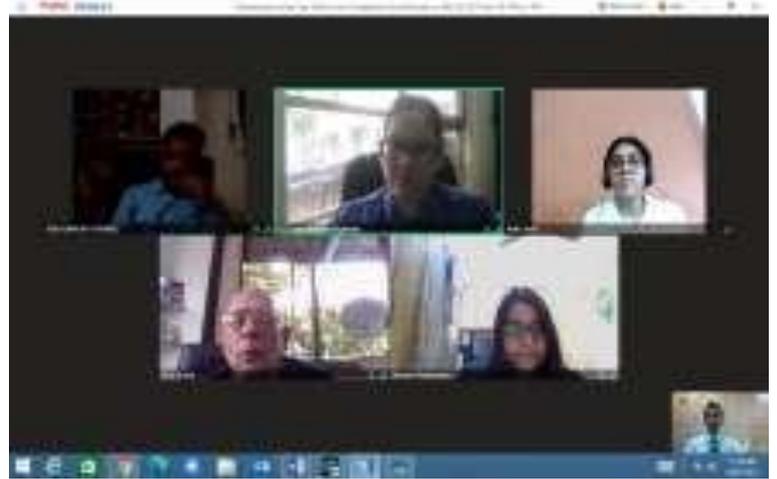
Date: 19<sup>th</sup> July 2021

Topic: All About Bombay Stock Exchange (Virtual Industrial Visit)



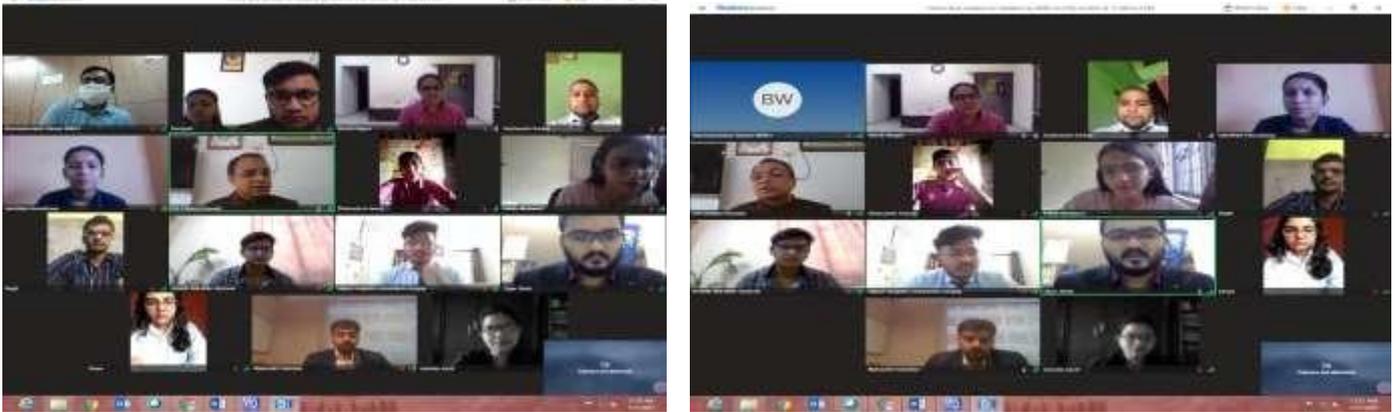
Date: 24<sup>th</sup> July 2021

Topic: International Justice Day- Moot Court Competitions (Final Round)



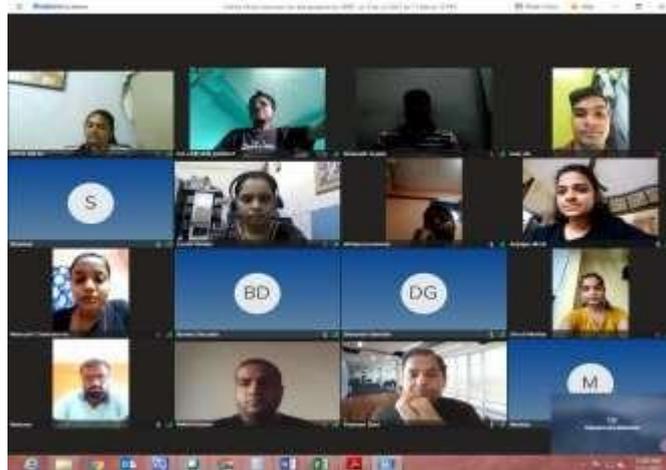
Date: 27<sup>th</sup> July 2021

Topic: Online Quiz Contests for Students (Final Round)



Date: 31<sup>st</sup> July 2021

Topic: Online Mock Interview for the students who are eligible for training



**GUIDELINES FOR MEMBERS CONTRIBUTING ARTICLES TO BE PUBLISHED IN FOCUS**

***Western India Regional Council (“WIRC”) of The Institute of Company Secretaries of India (“ICSI”) is pleased to bring out a monthly magazine for corporate executives and other professionals, viz., “FOCUS” under the guidance of its newly formed Editorial Board. However, the Editorial Board wouldn’t be able to succeed in releasing FOCUS unless all the members of ICSI put in some efforts to make release of FOCUS a success. What better than writing articles for FOCUS and getting a ‘FOCUSSED’ recognition! “Start writing, no matter what. The water does not flow until the faucet is turned on.” — Louis L’Amour Well, if the above quote inspires you and you decide to author an article to be published in FOCUS, following are a few guidelines for authoring the articles for FOCUS (“Guidelines for FOCUS articles”).***

***The article must be original contribution of the author***

***The article must be an exclusive contribution for FOCUS. The article must not have been published elsewhere and must not have been or must not be sent elsewhere for publication, in the same or substantially the same form.***

***The article should ordinarily have 2500 to 4000 words. A longer article may be considered if the subject so warrants. An article can be jointly written by not more than two (2) members. Case studies and research-based articles with empirical data which would be of practical relevance to the company secretaries are welcome.***

***Unless a particular theme is provided by WIRC, articles on topics related to management, international trade, finance, tax and other related areas may be written and submitted for FOCUS.***

***Copyright of the article published in FOCUS shall vest with ICSI. However, in the event the article is hosted on some website/portal through ICSI or is reproduced elsewhere, prior intimation of the same shall be given to the author.***

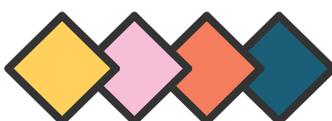
***Extensive reproduction from other published works should be avoided. If the article contains any extracts from any other published work, reference to the original source should be given by way of footnotes. If prior permission of the original writer/publisher is required, it should be duly obtained by the author. The author alone would be responsible for the consequences arising from failure to do so.***

***ICSI or the Editorial Board of FOCUS has the sole discretion to accept/reject an article for publication in FOCUS or to publish it with modification and editing, as it considers appropriate.***

***The article submitted for FOCUS shall be accompanied by a ‘Declaration-cum-Undertaking’ by the author(s) in the format as prescribed below.***

***Any contravention of the aforesaid guidelines and breach of the undertaking furnished by the authors would be viewed seriously by ICSI and ICSI is entitled to take necessary action as it may deem fit in such cases.***

***Looking Forward Your Contribution***



**DECLARATION-CUM-UNDERTAKING**

I, \_\_\_\_\_ have read and understood the Guidelines for FOCUS and affirm that: The article titled as “\_” as sent by me for publication in FOCUS is my original contribution and no portion of it has been adopted from any other source.

The above article is an exclusive contribution for FOCUS and has neither been nor would be sent elsewhere for publication.

The copyright in respect of my aforesaid article shall vest with ICSI and that if I intend to make use of the article in any other manner, I shall obtain prior permission from ICSI and shall abide by the conditions as may be imposed by ICSI, including without limitation disclosure of the original source i.e., FOCUS and its copyright owner.

The views expressed in my aforesaid article are mine and I solely shall be responsible for the views expressed in the article.

**I undertake that I:**

1. comply with the Guidelines for FOCUS;
2. shall abide by the decision of the Institute, i.e., whether this article will be published and / or will be published with modification / editing; and
3. shall be liable for any breach of this ‘Declaration-cum-Undertaking’.

\_\_\_\_\_  
**Signature of Author**

**Date:**

**Place:**



## THE INSTITUTE OF Company Secretaries of India

### भारतीय कम्पनी सचिव संस्थान

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

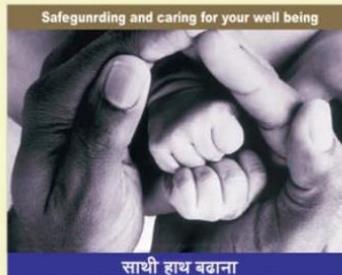
(Under the jurisdiction of Ministry of Corporate Affairs)

WESTERN INDIA  
REGIONAL COUNCIL

13, 56 & 57 1st & 5th Floor, Jolly Marker Chamber No.2, Nariman Point, Mumbai - 400 021  
tel - 022 - 61307900 email : - wiro@icsi.edu website : www.icsi.edu

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Be a proud member of CSBF -Saathi Haath Badhana

#### VOLUNTARY CONTRIBUTION TO CSBF

When I was a young man, I wanted to change the world.

I found it was difficult to change the world, so I tried to change my nation.

When I found I couldn't change the nation, I began to focus on my town. I couldn't change the town and as an older man, I tried to change my family.

Now, as an old man, I realize the only thing I can change is myself, and suddenly I realize that if long ago I had changed myself, I could have made an impact on my family. My family and I could have made an impact on our town. Their impact could have changed the nation and I could indeed have changed the world.

For the Online Voluntary contribution, please visit the link given below

<http://www.icsi.in/ICSIDonation/>



"The Grace of our good deeds is like Insurance.  
It will help us in our time of need without any limit"

CS Pawan G Chandak  
Chairman  
ICSI-WIRC

CS Snehal Shah  
Secretary  
ICSI-WIRC

CS Ashish Karodia  
Chairman, CSBF  
ICSI-WIRC

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

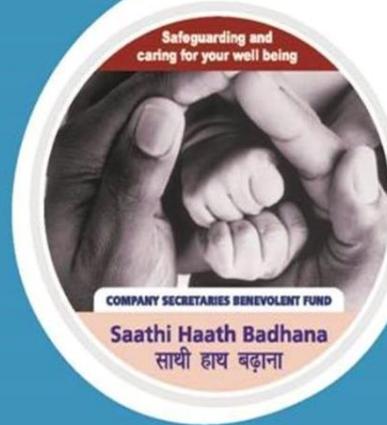
ICSI Motto  
सत्यं वद। धर्मं चर।  
uphold the truth; abide by the law

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



**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)

**CSBF**  
COMPANY SECRETARIES  
BENEVOLENT FUND



### What exactly is CSBF?

The Company Secretaries Benevolent Fund (CSBF) is a Society registered under the Societies Registration Act, 1860 and is recognized under Section 12A of the Income Tax Act, 1961.

The CSBF was established in the year 1976 by the ICSI, for creating a security umbrella for the Company Secretaries and/or their dependent family members in distress.

The amount of ₹ 7,50,000 (in the case of death of a member under the age of 60 years) has been increased to ₹ 10,00,000

The subscription amount is being increased from ₹ 10,000 to ₹ 12,500 soon

#### Is it the right time to enrol in CSBF?

CSBF is the protection you and your family need to survive the many ups and downs in life, be it a serious illness or a road accident which derails your plans for the future.

#### Is it a requirement?

Yes, as your dependents need the protection. Your dependents be it your parents, your spouse, or your children will have to bear the brunt of paying off your home/education personal loans and even for managing day-to-day expenses without your contribution.

If you do not want to leave behind such a situation in your absence, enrol in CSBF today.

### Advantages of enrolling into CSBF

- 1 To ensure that your immediate family has some financial support in the event of your unfortunate demise
- 2 To finance your children's education and other needs
- 3 To ensure that you have extra resource during serious illness or accident
- 4 Subscription/Contribution to CSBF qualifies for deduction under Section 80G of the Income Tax Act, 1961

Become a proud Member of CSBF by making a one-time online subscription of ₹ 10,000/- (to be changed soon) through Institute's web portal ([www.icsi.edu](http://www.icsi.edu)) along with Form 'A' available at link <https://www.icsi.edu/csbf/home> duly filled and signed.

*Decide Now! Decide Wise!*

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