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THE JOURNAL FOR CORPORATE PROFESSIONALS



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1. ▶ Meeting of ICSI delegation with Minister of State for Finance – CS Dinesh C Arora, CS (Dr.) Shyam Agrawal and Dr. S K Jena seen presenting a planter to Santosh Kumar Gangwar (Hon'ble Minister of State for Finance).
2. ▶ Meeting of ICSI delegation with Minister of State for Law and Justice: CS (Dr.) Shyam Agrawal and CS Saurabh Kalia seen presenting a planter to P P Chaudhary (Hon'ble Minister of State, Ministry of Law and Justice and Ministry of Electronics and IT).
3. ▶ CS (Dr.) Shyam Agrawal seen interacting with C R Chaudhary (Hon'ble Minister of State for Consumer Affairs, Food and Public Distribution).
4. ▶ Meeting of ICSI delegation with President, NCLT – Sitting clockwise from Left: Hon'ble Justice M M Kumar (President, NCLT), CS Banu Dandona, CS Alka Kapoor, CS (Dr.) Shyam Agrawal and CS Saurabh Kalia.
5. ▶ WIRC - Raipur Chapter - Bhoomi Pujan and Laying of Foundation Stone for Establishment of Chapter's New Building - On the dais from Left: CS Abhishek Jain, CS Ashish Karodia, CS Y C Rao, CS Ashish Garg, Chagan Mundra (Chairman, CSIDC, C.G.), Pramod Dubey (Mayor, Raipur, C.G.), Prem Prakash Pandey (Hon'ble Minister Higher Education), CS (Dr.) Shyam Agrawal, CS Prakash K Pandya, CS Dinesh Chandra Arora and CS Satish Kumar Batra.
6. ▶ WIRC - Raipur Chapter - Ribbon cutting to mark the laying of the Foundation Stone for establishment of Chapter's New Building - Prem Prakash Pandey (Hon'ble Minister Higher Education) seen cutting the ribbon to mark laying of the foundation stone – Among others seen in the picture from Left: CS Sanjay Mohta, Pramod Dubey (Mayor, Raipur, C.G.), CS Ashish Garg, CS (Dr.) Shyam Agrawal, DR. S K Jena and CS Dinesh C Arora.



7. ▶ Meeting of ICSI delegation with former Deputy Chief Minister of Bihar – CS (Dr.) Shyam Agrawal seen presenting a planter to Sushil Modi (Former Deputy CM of Bihar). Also present in the picture Vijay Kumar Jhalani.
8. ▶ Meeting of ICSI delegation with former Judge, Supreme Court of India – Standing from Left: CS Mahavir Lunawat, CS (Dr.) Shyam Agrawal, Justice B N Srikrishna (Former Judge, Supreme Court of India), CS Dinesh C Arora and CS Atul H Mehta.
9. ▶ Signing of MoU with Insurance Institute of India - P. Venugopal (Secretary General, Insurance Institute of India) and CS (Dr.) Shyam Agrawal with the MoU after signing the same. Among others present on the occasion include from Left: CS Alka Kapoor, CS Saurabh Kalia and CS Dinesh C Arora.
10. ▶ WIRC – Raipur Chapter - Signature Award Function - Standing from Left: CS Abhishek Jain, Ramkiran Mukherjee, CS Ashish Karodia, Rahul Ranjan (2nd highest CGPA), Shubham Bawa (3rd highest CGPA), CS Prakash K Pandya, CS Ashish Garg, Mohit Jethi (1st highest CGPA & signature award winner), CS (Dr.) Shyam Agrawal, CS Dinesh Chandra Arora, CS Y C Rao, Dr. S.K.Jena and CS Ashish Jain.
11. ▶ ICSI IPA Interactive Session on Insolvency and Bankruptcy Code, 2016: Issues, Challenges and Case Analysis - Release of ICSI IPA Publication titled IBC Case Law Compendium (With Case Briefs) - On the dais from Left: CS Alka Kapoor, Suman Saxena (WTM, IBBI), Hon'ble Justice S. J. Mukhopadhaya (Chairperson, NCLAT), Balvinder Singh (Member, Technical, NCLAT) and CS Satwinder Singh.
12. ▶ Group photo of 108th Meeting of the Secretarial Standards Board (SSB) of ICSI.
13. ▶ Meeting of GST Core Advisory Group – Group photo.
14. ▶ Group Photo of the Meeting of the Auditing Standards Board Held at ICSI – CCGRT, Navi Mumbai.

### ICSI's Proactive Move Towards National Building and Inclusive Growth through Fee Waiver Scheme

The Institute has launched a Fee Waiver Scheme effective from 1st June, 2017 for the students of North Eastern States and Jammu & Kashmir. As per the scheme, the students from these States may register for the Foundation and Executive Programme Stages of CS Course without remitting any fee. The waiver scheme was formally launched in Jammu & Kashmir and some of the North Eastern States in the august presence of Chief Minister / Education Minister / Vice Chancellors of reputed Universities in the respective areas and prospective students. This proactive initiative shall remain as one of the milestones in the Institute's contributions towards national building and inclusive growth. The Institute is not only intending to bring the students of these States to the mainstream but also is trying to spread the profession in every nook and corner of the country.



1. ▶ Chief Minister Assam : Sh. Sarbananda Sonowal with delegation of ICSI led by President ICSI CS(Dr.) Shyam Agrawal, Vice President CS Makarand Lele, Sh Ankur Yadav, CS Biman Debnath, CS Raj Kumar Sharma alongwith Vice Chairmen CS Pravin Kumar Chhajer and Chairman CS Amit Pareek of NE Chapter.
2. ▶ Shri Arjun Ram Meghwal, Hon'ble Union Minister of State for Finance and Corporate Affairs with delegation of ICSI led by President ICSI CS(Dr.) Shyam Agrawal and CS Dinesh C Arora, Secretary, ICSI.
3. ▶ Shri Piyush Goyal, Minister of Energy with delegation of ICSI led by President ICSI:- CS(Dr.) Shyam Agrawal, CS Ranjeet Pandey, CS Dinesh C Arora, Secretary , ICSI and Sh. Ankur Yadav, Joint Secretary SG,ICSI.
4. ▶ Shri Tathagata Roy , Hon'ble Governor of Tripura with the delegation of ICSI led by President ICSI CS(Dr.) Shyam Agrawal, CS Dinesh C Arora, Secretary , ICSI and Sh Ankur Yadav, Joint Secretary SG, ICSI.
5. ▶ Prof. R. D. Sharma :- Vice Chancellor, Jammu University alongwith Sh. Ankur Yadav, Joint Secretary SG, ICSI, CS(Dr.) Shyam Agrawal and others during the launch of waiver scheme at Jammu.
6. ▶ Vice President ICSI CS Makarand Lele, Prof. Tamo Mibang, Vice Chancellor, Rajiv Gandhi University, Itanagar, President ICSI CS(Dr.) Shyam Agrawal, Sh. Ankur Yadav, Joint Secretary SG, ICSI.
7. ▶ Prof. Pardeshi Lal:- Vice Chancellor Nagaland University addressing.
- 8-9.▶ Delegation led by by President ICSI CS(Dr.) Shyam Agrawal meeting Senior Officials of Dte of Education, Arunachal Pradesh.



*“Digital India is an enterprise to transform India on a scale unmatched anywhere in the world and it has the potential to make development truly inclusive.”*

*- Hon'ble Prime Minister, Narendra Modi*



### My Valued Colleagues

Penning my views down on the theme 'India@digital', it comes to my mind that Vedas', the “treasured knowledge powerhouse” are actually the foundation of the modern day technology and ongoing 'digitization' wave. There are numerous instances in ancient Indian literature supporting this context. Our literature mentions of demigod 'Chitrugupta' who was perhaps the Super Computer of that time as he owned the virtue of keeping records of millions of creatures on this earth just like any super-computer today.

There is another reference supporting existence of digitization in ancient India i.e. Braham Rishi 'Narad' who was capable of moving through entire Cosmos on real time basis. As per Srimad Bhagavatam, Rishi Narad was 'the online database' who was capable of transmitting data anytime, anywhere just like any modern day satellite. Lord Narada had expertise of collecting the information about the creatures existing on this earth, storing them into the memory and presenting to the Lord Vishnu and Shiva whenever necessary.

Still, we can also find existence of wireless medium of data transfer in the form of Live Telecast of climatic battle 'Mahabharata' to the blind king Dhritarashtra by his charioteer Sanjay. Bhavad Gita makes a mention that Charioteer Sanjay and King Dhritrashtra were sitting in the Hastinapur Rajmahal (palace) while miles away, the armies of Kauravas and Pandavas were in the battle field of Kurukshetra. Hastinapur and Kurukshetra were quite distant yet, Sanjay was able to see and narrate happenings of the battle field to Dhritarashtra. Bhagvad Gita's first shaloka is a proof of this conversation:

धर्मक्षेत्रे कुरुक्षेत्रे समवेता युयुत्सवः।  
मामकाः पाण्डवश्चैव किमकुर्वत संजय ॥१-१॥

On hearing that Sanjay replied:

दृष्ट्वा तु पाण्डवानीकं व्यूढं दुर्योधनस्तदा।  
आचार्यमुपसंगम्य राजा वचनमब्रवीत् ॥१-२॥

which establishes that Sanjay was able to see all happenings of Mahabharata on the real time basis. Moreover, he was able to produce such happenings in the audio format for Dhritarashtra. It mentions about audio-visual medium of data transfer and data connectivity without any wired medium at that time.

Not only this, symbol 'zero' which is base of all mathematical calculations in computers, was also invented in India ages back. We find many traces of Mathematics in Vedas'. Yajurveda (17/2) talks of many digits like "Ek(1), dash(10), shat (100), sahasra (1000), ayut, niyut, prayut, nunbudh, samudra, madhyam, annt, parardha etc. Thus, buzzwords 'digitization' and 'technology' existed centuries back in India.

However, the year 2017 will be remembered as a significant milestone for India. 'Cashless' is now most popular fuzzword in India, and the ball is rolling as the world's largest cash economy has begun its transition to become digital economy. The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. "Faceless, Paperless, Cashless" is one of professed role of Digital India. While India is moving towards digital payment methods such as banking cards, AEPS,

UPI, mobile wallets, point of sale system, internet banking, micro ATMs etc. which are acting as facilitators of digital economy and thus bringing byproducts such as transparency in transactions leading to lower corruption, larger tax base leading to growth of the economy.

Seeing the digital landscape of other developing countries across globe, we can be certain that in setting a massive platform for digital finance, we are not pursuing a chimerical dream. But the buzzwords like “less cash”, “cashless” and “digital” do not really convey the range and diversity of the transition. It is actually a transition to a new social and cultural pattern. Migrating from a ‘cash economy’ to a ‘digital economy’ requires a big cultural and social shift, and a recast of the whole mindset. The World Bank’s Global Findex shows that Indians are significantly less familiar with digital banking — the use of credit or debit cards, making transactions using mobile phones, and using the internet to pay bills — than their peers in middle-income nations. Therefore, all of us must strive to move towards universal digital literacy, so that every citizen of India is digitally empowered.

As far as ICSI is concerned, we are taking all steps for adopting such ‘digital’ transformation. More and more technology is being used to disseminate ‘knowledge’ to the members and students in the form of webinars, live webcasts of programs and seminars etc. With the ever changing needs of the profession, there is a need for standardization of delivery where acquiring skills as well as further upgrading the quality can be facilitated. Therefore, ICSI has taken an initiative of setting up an E- Learning platform for our students across length and breadth of the country. Similarly, we are taking all steps to enhance the knowledge base of the ICSI members through various initiatives every month and publishing many regular newsletters. Our vision is to make our presence felt at all levels i.e. from ‘Local to Global’. To attain this objective, we are working towards taking governance to the root level in India, therefore, exploring the concept of Panchayat governance. The latest in the series is working towards the goal of inclusive growth. Lately, ICSI has initiated to extend 100 per cent fee waiver to the students of North-east and Jammu and Kashmir to provide unique opportunity to them to extend our contribution to inclusive growth goal of the Government.

I am pleased to share that ICSI delegation had the privilege to meet Sh. Nripendra Misra, Principal Secretary to Hon’ble Prime Minister of India Sh. Narendra Modi. We apprised him all valuable initiatives taken by the Institute to make our contribution to the endeavours of the Government of India to make India a global leader. Along with that, we also apprised them about the fee waiver scheme for students of North-East and Jammu and Kashmir as a part of our social responsibility initiatives which are in alignment with the Government of India’s policy of ‘inclusive growth’.

Similarly, we are also making best efforts to put ICSI on world map. My dear members, ICSI is making all efforts to support its members who wish to make an international presence. A number of our members who wish to shift to some other country have from time to time been expressing interest for professional avenues in different countries so that they can practice the profession of Company Secretary there. We have been making every effort to interact with the concerned authorities emphasising upon them the competencies of our members to the foreign associations we are a part of. This time too, ICSI took up the matter with the representatives of the

Institute of Chartered Secretaries & Administrators [ICSA]-UK. As a result, a clear understanding has been arrived at with ICSA-UK to the effect that any ICSA-UK member may transfer his membership *inter se* its various divisions. This is a gigantic advantage for our members and a feather in ICSI cap.

Also, ICSI delegation led by me met H.E. Mrs. Suchitra Durai, High Commissioner, High Commission of India, Nairobi, Kenya during Kenya visit. We are pleased to share that she acceded request and placed the link of ICSI website at <https://www.hcinairobi.co.ke/>. All these efforts make clear approach of ICSI i.e. making our presence felt locally to globally. You all are welcome to become partner in the growth saga of ICSI. In a nutshell, I can say that ICSI is leaving no stone unturned to create opportunities from ‘Local to Global’ level for our fraternity. It is up to you as to how many pearls you are able to take out of the ocean of these opportunities. The other recent initiatives have been elaborated in the following pages of this communication.


## Epilogue

“Bestow blessing on those little innocent lives bloomed on earth who have brought the message of joy from heavenly garden”- Rabindra Nath Tagore. On 12 June, whole world will be observing ‘World Day against Child Labor’. However, when we look at the statistics shelled out by International Labour Organization’s World Report on Child Labour, the situation doesn’t seem that optimistic in India. Still, one in every eleven children in India is forced to work and eight per cent of such working children hail from rural areas. According to Census data, there are over 82 lakh child labourers (aged between 5 – 14 years) in India. The government is taking all required steps as it is in vogue that the labour ministry is soon likely to ratify the two key international conventions on child labour, marking an important step towards total eradication of child labour from the country. India has so far ratified 45 conventions of the ILO, of which 42 are in force. But, we as natives of India owe a responsibility too. The root cause is we don’t care due to our ‘none of our business’ attitude and leaving all upon government to frame the laws and to look after their compliance. Though, the offence is cognizable, meaning that a police officer can make an arrest or start an investigation without a warrant in case someone is employing a child or adolescent in a hazardous job in violation of the law. Still, how many of us have really cared to inform police or an NGO so as to bring back smile to these little faces who bring message of joy from heavenly garden. Have we thought of something ‘out of the box’ to curb this menace. If not, we can. Social media is such a powerful weapon that can be used to connect at micro level, yet the only requirement is our ‘willpower’ or ‘determination’. I would love to hear from you if we are able to think out of the box to support government in its attempt to elevate this menace.

Happy reading!!

Best wishes.

Yours sincerely



June 05, 2017  
New Delhi

सी एस (डॉ.) श्याम अग्रवाल  
अध्यक्ष, भारतीय कंपनी सचिव संस्थान



# RECENT INITIATIVES TAKEN BY ICSI

## 1. Meeting with Dignitaries

Taking forward our pursuit for exploring opportunities for the profession and also for joint participation in flagship government initiatives, the Institute met the following dignitaries:

- Shri Arjun Ram Meghwal, Hon'ble Minister of State for Corporate Affairs and Finance. Shri Santosh Kumar Gangwar, Hon'ble Minister of State for Finance.
- Shri Piyush Goyal, Hon'ble Minister of State (IC) for Power, Coal, New & Renewable Energy and Mines.
- Shri C. R. Chaudhary, Hon'ble Minister of State for Consumer Affairs, Food and Public Distribution.
- Shri P.P. Chaudhary, Hon'ble Minister of State for Law and Justice and Electronics and IT.
- Justice Mr. M. M. Kumar, Hon'ble President, National Company Law Tribunal.
- Shri Sushil Modi, Former Deputy Chief Minister, State of Bihar.
- Justice Shri B N Srikrishna, Former Judge of Supreme Court of India.

## 2. Suggestions/ Representations Submitted

With a view to explore professional opportunities for our esteemed members and participate in vivid initiatives of the Government in ensuring better governance, the Institute submitted its suggestions and representations on the following:

- Representation for modification in Consumer Protection Bill, 2015.
- Suggestions to Reserve Bank of India (RBI) on the Draft Foreign Exchange Management (Cross Border Merger) Regulations, 2017.  
Further, the suggestions on the following are being deliberated for finalisation and submission to Ministry of Corporate Affairs:
- Desirability of Publication of Notice in Newspapers as required under the various provisions of the Companies Act, 2013 and Rules made thereunder.
- Draft Companies (Registered Valuers and Valuation) Rules, 2017.

## 3. ICSI interviewed Union Minister of Railways

In furtherance, to the Institutes' Initiative of 'Rendezvous with ICSI', a series of conversation and interview to motivate and guide the stakeholders, through the words of wisdom and acumen of the role models and knowledge leaders in the field of governance and compliance, as second in line, the Institute interviewed Shri Suresh Prabhu, the Union Minister of Railways for India. Shri Suresh Prabhu, who started his professional life as a Chartered Accountant, discussed his journey from being the youngest chairman of the largest urban co-operative bank in India to the prominent position of Union Minister of Railways, wherein he remarkably mentioned

that "I am a servant of the nation and its people and in that capacity, I discharge my duties to the best of my ability. I go wherever the call of duty takes me."

## 4. 12th International Professional Development Fellowship Programme, 2017

In perpetuation with the Institutes' efforts in annually organising an International Conference on the emergent issues and developments in the field of Corporate Governance and other related issues of economic sphere, this year 12th International Conference is scheduled to take place on June 12, 2017 at Moscow, Russia on the theme of 'Strategic Leadership and Board Responsibilities'. The conference is aimed to converse the latest developments in the area of governance and inclusive economy at global platform. Along with the latest developments, the premises of the conference is also focussed in highlighting the prominent role, Company Secretaries play as strategic leaders while representing the board of the corporate in furtherance of sustainable corporate governance.

## 5. 18th National Conference of Practising Company Secretaries

As you are aware that with a view to enhance and deepen the professional excellence of the Practising Company Secretaries, the Institute organizes National Conference for its Practising Members every year. This year, 18th National Conference of Practising Company Secretaries is being organized on June 24-25, 2017 in Shillong, Meghalaya. Members may register their participation at the link: [www.icsi.edu](http://www.icsi.edu)

## 6. PCS Day, 2017

You may be aware that on 15 June, 1988, the Company Secretaries in Practice were accorded recognition for certifying the Annual Returns under the erstwhile Companies Act, 1956. This day become the first mile stone in the development of the practising side of the profession of Company Secretaries in India. With a view to celebrate the beginning of this recognized era of the profession and to further sharpen our vows in serving professional excellence in governance at par with contemporary times, the Institute every year celebrates June 15 as PCS Day. This year also, when the institute is marking the beginning of its Golden Jubilee year, PCS Day would be celebrated at length and breadth on PAN India basis on June 15, 2017.

## 7. Vision 2022

In the light of cutting-edge developments taking place in the governance of the country under the "Vision New India - 2022" of Shri Narendra Modi Hon'ble Prime Minister, the Institute is wholly encouraged for revisiting Vision 2020 of

ICSI towards “Vision New India, New ICSI, 2022.” The Vision-2022 of the Institute is guided for the proud inclusion of our fraternity towards pioneering a “New ICSI” under the mantra of “Reform, Transform and Perform”, and therefore, valuable views and suggestions of the entire professional fraternity are invited for the shining and rising of ICSI with the sky-heighted flag of our global leadership in governance.

## 8. ICSA-UK Membership

A clear understanding has been arrived with the ICSA-UK to the effect that an ICSA-UK member may transfer his membership inter se to its various divisions without clearing any additional examination. An ICSI member, who has also secured the membership of ICSA-UK and desires to shift base to another division, is now eligible to have his ICSA-UK membership transferred to the other division.

## 9. Kenyan Companies for Setting Up Business in India

Recently during their Kenya visit, the President, ICSI and Secretary, ICSI while meeting the H.E. Smt. Suchitra Durai, High Commission of India to Republic of Kenya, requested Hon'ble High Commissioner to assist the Kenyan companies for setting up business in India and placing the link of ICSI website at High Commission's website. High Commissioner acceded to our request and placed the link of ICSI website at <https://www.hcinairobi.co.ke/>

## 10. ICSI and Insurance Institute of India: Memorandum of Association

As you are aware that with the objective of expanding the expertise of the professionals and to create cadre of professionals in the insurance industry, well versed in risk management, governance and regulatory compliances of insurance industry, the Institute had entered in to a Memorandum of Association with Insurance Institute of India to jointly offer a “Certificate Course on Compliance, Governance and Risk Management in Insurance.” Pursuant to the over-whelming response of members for this course, the Institute has extended the above mentioned MoU for a further period of three (3) more years with effect from May 24, 2017.

## 11. ICSI Core Advisory Group on GST

In furtherance of the Institutes' Initiative for building the capacity of its members in the upcoming regime of Goods and Services Tax in India and to provide prospects to the professionals to advance their acumen and to identify opportunities under GST regime, the Institute formed a Core Advisory Group on GST, which would develop and deliver a strategic capacity building of the members under the GST Law.

## 12. Launch of Goods and Service Tax Newsletter

The Institute as a part of its capacity building initiative under

the shortly approaching rolling out of Goods and Services Tax, has launched a monthly Goods and Services Tax Newsletter. This GST newsletter would be circulated to apprise the members and students with the latest writings, updates and news under GST.

## 13. Two Day Training Workshops on GST

Ensuing the Institutes' Memorandum of Association with the Confederation of Indian Industry (CII) for organizing learning programs on GST on PAN India basis, a series of Two Days Training Workshops on GST have been organized jointly with CII which was aimed at imparting knowledge on GST Law from both theoretical and practical perspective as well as to extensively train the professionals and other stakeholders in providing requisite expertise for the effective implementation of GST in India. In the month of May, 2017, Two Days Training Workshops on GST ranging PAN India, were scheduled as follows:

Delhi May 15-16, 2017	Nagpur May 16-17, 2017	Kolhapur May 16-17, 2017	Aurangabad May 18-19, 2017
Thane May 18-19, 2017	Madurai May 19-20, 2017	Pune May 23-24, 2017	Chennai May 23-24, 2017
Puducherry May 25-26, 2017	Coimbatore May 25-26, 2017	Indore May 26-27, 2017	Bhavnagar May 26-27, 2017
Gurugram May 29-30, 2017	Nashik May 29-30, 2017	Trichy May 30-31, 2017	Salem May 30-31, 2017
Goa May 30-31, 2017	Mumbai May 30-31, 2017	Kolkatta May 31 –June 1, 2017	

## 14. Master Classes (Webinars) on GST

With a view to equip the professional fraternity with the thorough knowledge and bright understanding of the facts and facets of Goods and Services Tax, the Institute has initiated a Series of “Master Classes on GST” for its members and students in the regime of Goods and Services Tax in India. Encouraged by the tremendous response of the previous two series of master classes on GST, an added series was launched by the Institute. In the month of May, varied sessions of Master Classes on GST were held on May 5, 2017; May 12, 2017 and May 19, 2017 respectively.

## 15. ICSI-IPA Releases Publication “IBC: A Case Law Compendium (with case briefs)”

As a part of its knowledge and capacity building initiative for the entire professional fraternity in the new regime of Insolvency and Bankruptcy and related areas, the Institute's fully owned subsidiary, ICSI Insolvency Professionals Agency (ICSI-IPA) has released a publication titled as IBC: A Case Law Compendium (with case briefs). The book indeed is a

work of first of its own kind compiling all orders issued by various benches of NCLT up to April 30, 2017.

## 16. Interactive Session on Insolvency and Bankruptcy Code, 2016: Issues, Challenges and Case Analysis

In the constant endeavour to support and facilitate the Insolvency Professionals (IPs) in building a strong foundation for themselves under the new regime of Insolvency and Bankruptcy Code, 2016, ICSI Insolvency Professionals Agency (ICSI-IPA) organized an interactive session on Insolvency and Bankruptcy Code, 2016: Issues, Challenges and Case Analysis on May 18, 2017, wherein the issues and challenges faced by the Insolvency Professionals in the field of insolvency and bankruptcy were addressed by Hon'ble Justice S.J. Mukhopadhyaya, Chairman, NCALT, Mrs. Suman Saxena, Whole Time Member, IBBI, Mr. Balvinder Singh, Technical Member, NCLAT and Mr. Amarjit Singh Chandhiok, Senior Advocate and President, INSOL India.

## 17. Companies Act, 2013 - Enable, Evaluate, Excel

With a view to build the capacity of the professionals in consonance with the emerging trends in company law, the Institute began one of its initiative in organising weekend webinar series titled as "Enable, Evaluate, Excel" on the Companies Act, 2013 specially for the young members who have been admitted during the transition periods for notification of the Companies Act, 2013 and who might not have got the opportunity to study the Companies Act, 2013. This special drive will be helpful to revive, refresh and sharpen the knowledge of such members on the Companies Act, 2013.

Till date, ten (10) such webinars have been successfully organised on various topics like Incorporation of Companies, Deposits, Related Party Transaction, Board Meetings and General Meetings etc.

These sessions were well addressed by the eminent speakers and experts in the field. A recorded version of the entire series is available at youtube channel of ICSI.

It is also noteworthy that in order to enable members to evaluate their knowledge on the subject and to prepare them for future challenges, The ICSI, on completion of webinar series, also provide an opportunity, on optional basis, of online self evaluation. Based on the performance in the self-evaluation test, grading, i.e., A+, A, B, C, D will be provided to the members.

## 18. ICSI-Quest Assist

As you are aware that in the mid of February, 2017, Institute begun its initiative called 'Quest -Assist- ICSI', which serves as a platform to reply to the queries and difficulties of members pertaining to the Companies Act, 2013 and Rules and Notifications thereunder and issues related to E-filing. The help line remains open for two hours, twice a week and the queries are addressed by subject experts.

During the sessions, the queries are received and replied over the phone on the issues faced by the members of the

Institute in day to day working while implementing the Companies Act, 2013. The queries may vary from difficulties under e-filing of e-forms to the difficulties relating to implementation, interpretation and gaps in the provisions of Companies Act, 2013.

Twenty Five (25) sessions of 'ICSI -Quest Assist' have taken place till the month of May, 2017.

The Institute is indeed delighted to receive an outstanding response from the members on 'Quest Assist- ICSI'.

## 19. Utkarsh – Proliferating the Path to Success

The Institute organized a two days' Workshop cum Training Session titled as 'Utkarsh – Proliferating the Path to Success' for all Regional Directors/ Executive Officer /In charge of Chapters and Career Counselling Officers of ICSI on May 5-6, 2017 at New Delhi. The workshop focused on improving performance through varied innovative techniques. This initiative was widely appreciated and has been instrumental in motivating the team at ICSI. In furtherance to this, a series of newsletters has also been intended for release to reflect the active participation of entire Team ICSI in 'Utkarsh' duly led by the President, Vice President and Secretary, ICSI. Two newsletters have already been released which are available on the website of the Institute.

## 20. Registration open for Third batch of Certificate Course in Valuation and Diploma in Internal Audit

The Institute in collaboration with National Institute of Financial Management (NIFM) has launched Online Certificate Course in Valuation and Diploma in Internal Audit to offer an intensive instruction and training to augment the skills of Company Secretaries relevant in today's business environment. These online Course(s) with duration of three Months each are very well structured for the professionals with Webinar classes on weekends. The inclusive learning is supported by case studies and online material for self-study offered to the participant(s). The response to these course(s) has been phenomenal as the Institute has already successfully conducted two batches of both the course(s). Third batch of the said course(s) will commence tentatively from June, 2017. Members may register for same by using web link: <https://goo.gl/K5yPwG> and <https://goo.gl/nlvmx> respectively.

## 21. Second Batch of Diploma in Internal Audit: Result Declared

Result for On-line examination of Second batch of Diploma in Internal Audit held on May 7, 2017 declared on May 29, 2017, was duly uploaded on the Institute's website at the link: [https://www.icsi.edu/webmodules/DIPLOMA\\_IN\\_INTERNAL\\_AUDIT\\_RESULT.pdf](https://www.icsi.edu/webmodules/DIPLOMA_IN_INTERNAL_AUDIT_RESULT.pdf). The result was also intimated to all the candidates through email and the certificate of completion of Diploma will be dispatched to successful candidates.

## 22. ICSI Mega Placement Drive, 2017

In an initiative to open the gate of flourishing professional opportunities through the centralized mechanism of recruitment of Company Secretaries, the Institute organized a Mega Placement Drive, 2017 in all its regions PAN India. For SIRO and WIRO, the Mega Placement Drive was organized on May 20, 2017 and for NIRO and EIRO, it was organized on May 27, 2017.

### 23. Gyan Jyoti

In order to facilitate the professionals with the indulgence, knowledge and acumen in the contemporary areas of governance, law and compliance, the Institute through its Centre for Corporate Governance, Research and Training launched GyanJyoti, a series of research write-ups on various contemporary issues and topics. The first in this series was unveiled on "Women Director – A Catalyst in Enhancing Board Performance".

### 24. Amrut Dhara

In an initiative to apprise the professionals on the perspective understanding of governance and management from Ancient India and Indian Epic, the Institute initiated Amrut Dhara, wherein regular and thoroughly researched write ups of the experts in the field would be published. The first in the series was published on "Nectar of Governance" from Dr. V Sevaka Das, Director, Bhaktivedanta College of Vedic Education, ISKON, Navi Mumbai.

### 25. Fee Waiver Scheme for Students of State of Jammu & Kashmir and North-Eastern States

With a view to augment the government initiative for providing extraordinary support for socio-economic development of the State of Jammu & Kashmir and North Eastern States and under the Institute's prolific role in the development of society at large, the Institute has recently launched a Fee Waiver Scheme for students of Jammu & Kashmir and North Eastern States of India to provide an opportunity to the youth of these States to come in the mainstream. The fee waiver scheme includes a complete waiver of fees for all students registering for the Foundation and Executive Programme Stages from North Eastern States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim) and State of Jammu and Kashmir. All students belonging to North Eastern States and State of Jammu and Kashmir who have passed the 10+2 or equivalent or Bachelor's Degree or equivalent irrespective of the percentage of marks shall be eligible for Fee waiver while registering for Foundation Programme and Executive Programme Stage respectively.

### 26. CS Olympiad

The Institute has initiated the CS Olympiad, as its brand building initiative to establish brand CS amongst the student community in the schools. This initiative is focused towards involving schools and students of Class 11th & 12th. The examination for the first ever CS Olympiad have been conducted in more than 1300 schools and more than 36,000 students had participated from across India. The results of CS Olympiad has been declared and the prize distribution function for the International rank holders of CS Olympiad was organised on June 4, 2017 at India Habitat Centre, Delhi wherein International toppers of the CS Olympiad along with their parents were felicitated. The prize distribution function for the zonal rank holders was also organised in respective schools of the Zonal Rank holders.

### 27. ICSI Academic Helpline

The Institute has come up with the unique concept of "ICSI Academic Helpline", the helpline opens at 7 AM in the morning and continues to work till 11 PM of night, which is an initiative of its kind wherein the best of the faculty across the country have been empanelled to guide the students on various subjects.

This academic helpline which serves as platform for the students to get their academic queries resolved by the experts all around the country, has received an overwhelming response of the students. Further, to ensure the effective development of the next generation of professionals, the Institute would appreciate if its members could come forward and empanel themselves as faculty for this initiative.

### 28. Advancement in IT enabled Services

To facilitate the stakeholders of the Institute, with easy access and convenience in availing the services of the Institute, following advancements in the IT enabled Services have been made in the month of May, 2017:

- Payment Portal for Online Submission of Membership Fee has been upgraded to implement the revised as well as exempted fee structure w.e.f. April 1, 2017 as per the decision of the Council.
- Maiden Enrolment activities for Examination session of June, 2017 were completed successfully through the Institute's ambitious SMASH Project.

### 29. UGC List

The Journal Chartered Secretary of the Institute has since been included in the UGC approved list of Journals.

# International Yoga Day 2017



॥ योगः कर्मसु कौशलं ॥  
*Yoga is a skill in Karma*

- Srimad Bhagvad Gita



Dear Professional Colleagues

*Many congratulations as we celebrate the 3rd International Day of Yoga on 21st June, 2017.*

It's an opportunity for all of us to recall that glorious moment when Prime Minister Narendra Modi's proposal to declare the International Yoga Day got an overwhelmed support from countries around the world and as a result today the entire world is all geared up to celebrate Yoga- 'the invaluable gift of Indian tradition', for the third consecutive years.

It's also an opportunity to realize the fact that we as Indians have a responsibility to spread the goodness of Yoga to every nook and corner, as it will bring a mass transformation creating healthy and productive citizens.

We as company secretaries have a responsibility to instill ethics and values in corporate world, and Yoga is only there to enhance our efficiency towards realizing this commitment of promoting good corporate governance. Practicing Yoga can make us a real 'Karma Yogi' as it purifies our intellect by broadening our understanding, and enables us to see situations through a positive perspective. It will make us more capable to serve humanity and will help us to create a new India of everyone's aspiration.

All of you agree that good habits are as addictive as bad habits but far more rewarding. So let's make Yoga a habit, and realize a complete transformation inside and out. Let's together celebrate International Yoga Day.

Add years to life, add life to years!

CS (Dr.) Shyam Agrawal  
*President*

The Institute of Company Secretaries of India  
E-mail: [president@icsi.edu](mailto:president@icsi.edu)



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# CS WOMEN EMPOWERED AND EMPOWERING...!!!



■ CS MONIKA C JAGGIA, VICE PRESIDENT, LT FOODS LTD.

**A**s a business leader, CS Monika C Jaggia has rich experience across functions like Company Secretarial, Legal, Intellectual Property Rights, Human Resource, Investors relations, Merger and Acquisitions and Corporate Development. With over 19 years of professional experience of working with a group of more than Rs. 3000 crores i.e LT Foods Limited (Daawat), She has driven critical initiatives pertaining to Value Creation, Corporate Development, Corporate Governance as well adding efficiency in the organization at the backend. She has been instrumental in improving valuation of the Company with consistent IR campaign, raising capital for the company through Private equity and with maintaining high standards of Corporate Governance since Listing in 2006. She has been recently recognized by ICSI as one of the empowered professionals for professional journey covered under different roles with the growth journey of the organization.

**“Where there is a will, there is a way.”** This is the principle, I have followed in my life and this is the one which keeps the fire in me burning. I, CS Monika Jaggia, represent all those girls who hail from a small town and still have a dream in their eyes. Dream to become a CS, dream to create their own identity, dream to fly and touch the skies, dream to make their families and organisations proud.

Yes, I hail from a very small town ‘Tohana’ in Hisaar district of Haryana. Yes, I belonged to a middle class Indian family and was one in the three sisters, but, like all Indian parents, my parents too were absolutely steadfast to provide us best of the education to three of us. I was an ordinary girl and fake predictions of astrologers that I won’t be able to study after class 8th were sufficient enough to take confidence to study out of me during my childhood. But, with passing time, I learnt to have faith in my innate abilities, my determination that made me to find my path and to travel it that far today. Yes, I was just an ordinary girl too, who showed extra-ordinary faith in my own self, my empowered self. So can every other woman can do, every common woman, because, she has some phenomenal abilities gifted with being a woman.

During my college days, I too used to have fun like every other college going girl, but, somewhere, in the corner of my heart, I had a very robust urge to become a well known professional. I used to read the interview of IAS officers published in Competition Success Review. I used to read these and admire those personalities. At that time, a new post came for women commissioned officers as well. I used to see myself in that uniform as well...!!! But I believe something else was written in my destiny and that was to become CS Monika, as at that time, I happened to meet my cousin uncle who had become a CS after his studies and was working in Bombay. He was the only professional at that time in my family and became my inspiration as well. I was after my parents to for pursuing the career of Company Secretaryship. At that time foundation course was there to join after 12th and to be simultaneously done with the graduation. I got myself enrolled form B.Com (Hons) in Delhi University in correspondence course. But as both were distance education, my mother was not feeling comfortable and tried to convince me to join some regular course.

I tried my best to convince my father to join CS and like every other small town father, my father too was reluctant to send me alone to apply for CS foundation. But, I was obstinate and managed to convince him on last day of application to board a train from Sonapat to Delhi to get admission to the course on the last day. But, this was not



■ FELICITATION OF MONIKA C JAGGIA DURING ICSI SEMINAR ON INTERNATIONAL WOMEN'S DAY 2017

the only challenge rather the starting of my struggle. Next in line was the confrontation of commuting daily from Sonapat to Delhi to attend my class at 7.30 in the morning as staying in hostel/paying guest nothing was permitted in the family. The only option was to commute daily via 5.00 a.m by Kalka Express. At that time, me and my friend didn't give up rather we used to enjoy Chole Bhature at Pahar Ganj station after attending classes. **My advice to all young CS women would be not to give up before circumstances and to maintain your patience in all situations while staying positive. Life has a lot to offer if you are willing to take.**

**Aim to become financially independent:** As I shared, I belonged to a middle class family who had three daughters. I had a feeling that pursuing two courses at a time i.e. Graduation and CS would put an additional financial burden for my parents and I decided to become financially independent. Therefore, I started taking tuitions after returning from classes in Delhi till evening. This made my schedule hectic and I used to study during night, in the train and in buses while commuting without wasting a single minute. Being financially independent gave me the confidence and I excelled in life.

Like many small town students, language was a big impediment. I had studied in hindi medium till then and doing both courses in English medium. But, I never gave up and decided to raise my own bar and looked for the solution. I bought over hindi medium books of CS course, understood them and then read the same course in English medium. **My advice to all aspirants of CS course is to have 'never say die' attitude and keep on improving. If I can, every one else can.**

Have faith in your karma and results would be delivered

to you every time. I learnt this from my father. I used to be very scared of the results that I used to hide below the bed to avoid any embarrassment of failure. My parents helped me to overcome this phobia of mine as my father gave me success mantra as "**Sadda Haq Aaithe Rakh**" means because you have done your karma in the form of hard work, so, be confident to ask God to give you the rewards. Its your right to ask from HIM and his Mantra made me to clear all groups of Foundation and Inter in first attempt alongwith B.Com (Hons.) from Delhi University. Now, the time had come for the training while pursuing the CS Final. I had a very limited social network, my father's cousin brother-in-law was an auditor in a small rice company, we approached him and he got us connected with the Mentor of the Promoters of that company, as he used to stay in Sonapat itself. Had gone to meet him and he advised us to go and meet the promoters in the office in South Delhi. New journey started, I again started commuting by train along with my elder sister who had become physiotherapist by that time.

My Professional journey had started in the closely held organisation, there was no mentor as my immediate boss had left within a month or so after my appointment. I started working on making minutes from scratch as couldn't find the record updated at that time. My whole focus was on making minutes book, statutory registers, started digging old documents and started updating everything. As I was trainee, I had been given the task of typing letters as well for the HOD's. I used to enjoy my work and my job and this is what has led me to the Board rooms today, never think you will take any short cut to reach the Board rooms directly at the start of your CS journey itself, there is no short cut to success indeed. And this is the Mantra, if you start loving your work, you will master every task and climb every rung of the ladder.



■ MONIKA JAGGIA TELLING HER JOURNEY DURING ICSI SEMINAR ON INTERNATIONAL WOMEN'S DAY 2017

Years were going by and I was being pulled in different fields initially I was reluctant that I am a CS and will do only secretarial stuff but one of my seniors one day called me up and advised "its the best time to learn new things , don't keep yourself limited to Secretarial, because "you don't have to be the well in the frog, you have the potential to grow, So grow...". Today, I find they were so right, we CS need to learn widening our horizons rather than limiting ourselves to the compliance tasks only. Become a KMP and take up different roles and put your CS expertise in all the roles. You will stand apart and shine like a star. That was the day it changed my professional journey, I started coming forward myself to take new challenges ,news tasks to learn and to deliver. It helped to reach where I am today . With my continuous delivery of results, I was able to win the confidence of the Promoters. They started involving in all strategic, operational meetings to give me a platform to learn the business and contribute. They gave me the

free hand to perform and deliver.

In the journey , you don't win always, you lose also, but we should always take the lesson and keep moving forward. It happened with me as well but with the combination of success and failure I learnt. My promoters always supported me even in failure as their approach was **"if you will work, you may not get success always. Success is not sure shot but be happy that you tried and gave your best and learnt."** This statement used to give me confidence to move forward and try new things and work beyond the comfort zone. By this time, my promoters had become my mentors to guide me, to advise me and they really helped me to take my professional life to the next level.

All was not easy but with God's and my parents blessings was able to take lead the project of raising capital through IPO and followed by through Private equity as well. Journey continued and got involved in all strategic initiatives of the Organisation for the growth of the company be it Merger, Acquisitions, Insurance, Legal, HR, my organisation was evolving and So was I. Today, because of the support and guidance of the Management, after playing different roles and different profiles in the same company in last 20 years, now presenting the company to investors, analysts and dealing with investment bankers of international repute to take the organisation to the next level and driving the agenda to Maximising shareholders/stakeholders return. In this journey, I was able to overcome my fears and now driving the agendas of growth with full ownership. Today my small rice company has become one of the fastest growing company in its segment with its leading brands Daawat, Royal and many more to count and expanding its reach not only in India but globally as well, i.e. LT Foods Limited, a pioneer in its segment.

**Work-Family Balance:** In my professional journey, my family and my Company contributed to make me strike a 'work-family' balance. I can recall during the IPO days, my son was 3 years old and I used to come home in mid night as there were tight timelines to deliver , My in laws, my husband and my son they all were very supportive and helped me to focus on my career and because of their support was able to take lead for such more projects in my professional journey. My father in law was very tough man but he used to support me to pursue my career and he used to admire me for pursuing a disciplined life. I love my family and my job and always try to maintain balance between both. Travelling bothers me sometimes but I try to cover it up by making good food, by being there with my family when I am around. I am workout freak, go for running, yoga everyday and dancing is another hobby that keeps me going. Recently developed a habit of Meditation as well !!

My father advised me to follow four principles like 4G , he gave me 4S- Sachet raho, Sacle raho, Saksham bano, Sehnsheel bano and continue your journey .....God has been kind to me and I feel blessed !!!



## Extracts of Conversation with CS Monika Jaggia

**Dr. Harpreet: What is the definition of a 'woman' in your words?**

**CS Monika Jaggia:** Woman.... a spirit or the energy who can instate life in to anything. They just need to understand and identify their own potential that God has gifted to them exclusively. She is equal to men in all respects but has to balance work-family and therefore, sometimes has to put her career at the back foot. But, times are changing and women are developing mechanisms to live her blessings to the fullest yet uphold their glory.

**Dr. Harpreet: As per you, what are five most important insights into a CS's role.**

**CS Monika Jaggia:** CS is very privileged profession as you get entry in to the Board room at early stage of your career and you get the opportunity to be part of Strategic decisions of the Company. A CS can hold a very diversified portfolio if he/she has a strong Business acumen, Strategic vision, Participative and result oriented approach, Passion to lead. It's a very critical role in itself to raise the bar of any organisation of Corporate Governance as well as a force to drive the strategic growth of the company keeping in mind the compliance framework.

**Dr. Harpreet: Do you think ensuring gender diversity in board rooms still has a long way to go?**

**CS Monika Jaggia:** Yes, gender diversity is very critical though its gaining popularity now but it will still take long time. Government is taking many initiatives but still it has a long way to cover its journey and reach at optimum level. We all professionals need to support this initiative as it is not only an agenda of women empowerment but also an agenda of Nation's empowerment.

**Dr. Harpreet: Do you perceive that women bring 'heart' along with 'mind' in the Boardrooms?**

**CS Monika Jaggia:** Yes, I do believe in this and feel proud of it. Emotional quotient is as important as Intelligence Quotient. Whenever we happen to read the story of successful people, we find that they were very high in emotional quotient. But the fact is both men and women have the heart but women being more emotional and empathetic in nature still can take decisions balancing the emotions and rationale and drive the business agendas.

**Dr. Harpreet: What steps ICSI should take to emerge as a global leader in Corporate Governance?**

**CS Monika Jaggia:** ICSI has also repositioned itself and has always supported the spirit of Corporate Governance globally. Initiatives taken by senior professional and members and specially by President CS (Dr.) Shyam Agrawal has already established ICSI as strong brand in this league.

Recent developments in Corporate world have reinforced

the importance of Corporate Governance. ICSI should continue its efforts of emphasising the strategic role of Company Secretaries which is beyond just compliances. More stringent rules and laws can help the ICSI to take it to next ladder.

**Dr. Harpreet: Your words of wisdom for CS women to create a 'work-family' balance.**

**CS Monika Jaggia:** For me, Family is important than work but we need to maintain balance between both as family gives us strength to move forward and work gives us that platform to move upon. We all have 24 hours in a day, need to utilise these smartly by setting out our priorities and maintaining our individual identities as well.

**Dr. Harpreet: What should be importance of goals in one's life?**

**CS Monika Jaggia:** Goals help us keep going and give us direction and keep us on our toes. These fuel us with energy. We all need to define short term and long term goals for ourselves and need to keep monitoring as well to track our own performance.

**Dr. Harpreet: Your advice to young women members.**

**CS Monika Jaggia:** Stay Strong and Stay Ahead! The time has gone when women was just a support, now women can lead, lead by example and set the standards for your fellow colleagues. Keep your self-respect above everything and pursue the career along with family life.

**Dr. Harpreet: What is your formula of success?**

**CS Monika Jaggia:** Consistent approach with positive attitude. Stay ready for the new challenges, you are not going to lose anything, you will win or you will learn. Epilogue

Listening to CS Monika's life story, makes me to believe "we all are born common, it is our discretion to die common or not". Let us all head towards journey of empowerment, empowering ourselves, empowering our families, empowering our organisations, empowerment of society will take care of itself then. Let us be personalities and not the persons only.

*"A woman is the full circle. Within her is the power to create, nurture and transform."* ~ **Diane Mariechild**

*Let us salute and celebrate our spirit of womanhood 365 days a year.*



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## ARTICLES

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## Basic Aspects of Digital Economy &gt;&gt; P-47

**Riddhi Thakkar**

The article analyses the basic aspects of the digital economy, defining the notion of this important phenomenon and its basic advantages, describing the universal shift from a marketplace to the marketplace, referring to the nature of competition in this new environment, and the overall impact of the digital economy on businesses.

## Digital Economy &gt;&gt; P-51

**Soniya Gupta**

Digital Economy has the potential to propel societies forward, enable innovative business models and help governments address legitimate policy concerns. The exponential growth in digitization and internet connectivity is the backbone of the Fourth Industrial Revolution.

Digitization is transforming business models, the policy landscape and social norms. The aim of the World Economic Forum's System Initiative on Shaping the Future of Digital Economy and Society is to cultivate a shared, trusted digital environment that is a driver of inclusion, economic development and social progress. The System Initiative aims to create networks that enable and encourage action to promote the long-term health and stability of digitally enabled economies and societies.

The digital economy is continually evolving. First fueled by the growing use of personal computing devices, enterprise computing capabilities and Internet access, it is now being driven by more advanced digital technologies, notably wireless networks, mobile devices, positioning technologies (i.e., GPS), embedded sensors and real-time analytics.

## Digital Economy &amp; India &gt;&gt; P-55

**Dr. Devendra Jarwal**

The onset of technological advancement has brought about a masked change in all spheres of life and the increasing digital inclusion is making in-roads into dynamic digital economy. All countries are striving hard to transform itself into digital economy. The world scenario along-with status of India to achieve digital economy has been discussed in this article. The article ends with the conclusion that India did not perform well in the Networked Readiness Index 2016 yet due to last year's major initiatives it will take a giant step in improving its tally on the Index of 2017.

## Digital Economy &gt;&gt; P-58

**Sachin Sarda**

The world as we know is rapidly changing, and one of the fundamental drivers is digital transformation. At its core, digital transformation isn't about Internet "unicorns." It's about using the latest technology to do what you already

do – but better. The global economy is undergoing a digital transformation as well, and it's happening at breakneck speed. Digital Economy is the economic activity that results from billions of everyday online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is hyper connectivity which means growing interconnectedness of people, organisations, and machines that results from the Internet, mobile technology and the internet of things.

## RESEARCH CORNER

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## A Study on 'Growth of Mergers &amp; Acquisitions in India' &gt;&gt; P-65

**Meenu Gupta**

After the slowdown in 2008 when the recession-proof industry strived for consolidation, most Indian companies strive to achieve growth through inorganic route, i.e. through Mergers and Acquisitions (legally known as 'Combinations') in technology, consumer, pharma causing a major engine of economic growth. However, the licensing policies followed by Government under Industries Development and Regulation Act (IRDA) acts as a discouragement to M&A restricting the freedom of entry into industry which forced the enforcement of Indian Competition Act, 2002 in promoting Competition in market and preventing only those anti-competitive 'combinations' that have an appreciable adverse effect on competition. CCI has been proactive in ensuring that merger review process is streamlined with international best practices and has engaged with various stakeholders regularly, thereby, simplifying the merger notification process. The research paper aims to identify the impact of Competition Commission of India on 'Combination Regulations' and various deal issues causing failure of M&A transactions.

- ICSI -CCGRT Announces Three Days Residential Research Colloquium On Analysis of NCLT/ NCLAT Orders & Mock Appearance (Three Days of Aficionados Congregation) >> P-72
- ANNOUNCES Unique Critical Research Analysis of Indian Companies Act, 2013 >> P-74
- ICSI – CCGRT ANNOUNCES Unique All India Research Paper Competition on Living in VUCA World & Business Sustainability >> P-77

## LEGAL WORLD

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- **LMJ 20:06:2017** The veil of the Corporation cannot be lifted and the rights of the shareholders of the said Corporation could not be recognised under Art. 19. [SC]
- **LW 40:06:2017** We are disposed to think that the concept of "Government owned entity" cannot be conferred a narrow construction. It would include its subsidiaries subject to the

satisfaction of the owner. There need not be a formation of a joint venture or a consortium. [SC]

- **LW 41:06:2017** The subsequent purchasers/assignees/power of attorney holders, etc., have locus standi to file a petition for a declaration of lapse of acquisition proceedings under Section 24(2) of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.[SC]
- **LW 42:06:2017** A medical college affiliated to a recognized private university cannot be compelled to get affiliated to another government university. [SC]
- **LW 43:06:2017** Provisions of the Agreement expressly entitles CFL to claim interest not exceeding the rate of 14% p.a. for any delay in payment. In view of the above, the impugned award is liable to be set aside to the extent of rejection of CFL's claim for interest at the rate of 12.25% p.a. from the date of invoices till the date of the impugned award. [Del]
- **LW 44:06:2017** The word 'payable' used in Section 40(a) (ia) includes not only the amount payable but also amounts paid. [SC]
- **LW 45:06:2017** The products manufactured by assesseees are nothing but air mingled yarn and, therefore, cannot be classified under Chapter No. 56 in view of the fact that it does not contain a core around which another yarn has been woven.[SC]
- **LW 46:06:2017** We are of the firm opinion, and it cannot be denied, that Buddh International Circuit is a fixed place and this place was a fixed place of business of FOWC. Therefore FOWC is liable for payment of taxes in India. [SC]
- **LW 47:06:2017** CCI finds Roche to have abused its dominance by denying market access to competitors regarding biosimilar drug and orders investigation. [CCI]

## FROM THE GOVERNMENT

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- Clarification regarding applicability of Section 16 (1)(a) of the Companies Act, 2013 with reference to cases under corresponding provisions of Companies Act, 1956 – reg.
- Transfer of Shares to IEPF Authority
- Companies (Acceptance of Deposits) Amendment Rules, 2017
- Transfer of Shares to IEPF Authority
- Listing of Non-Convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) through a Scheme of Arrangement
- Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - Permissible investments by Portfolio Managers, Alternate Investment

- Funds and Mutual Funds operating in IFSC
- Position limits for cross-currency futures and options contracts (not involving Indian Rupee) on exchanges in International Financial Services Centres (IFSC)
- Digital mode of payment
- Instant Access Facility and Use of e-wallet for investment in Mutual Funds
- Online Registration Mechanism for Securities Market Intermediaries
- Circular on Mutual Funds
- Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - IFSC Banking Units (IBUs) acting as Trading Member or Professional Clearing Member on stock exchanges/clearing corporations in IFSC
- Acceptance of Central Government Securities by Clearing Corporations towards Core Settlement Guarantee Fund (SGF) Contribution by Clearing Members
- Review of the framework of position limits for Interest Rate Futures contracts
- Inclusion of "Derivatives on Equity shares" - IFSC
- Investments by FPIs in Government Securities
- Capacity Planning Framework for the Depositories

## OTHER HIGHLIGHTS

P-99

- Members Admitted/Restored
- Certificate of Practice Issued/cancelled
- Licentiate ICSI Admitted
- Ethics & Sustainability Corner
- GST Corner
- CG Corner
- ICGN Annual Conferenace 2017
- ICGN Annual Conferenace 2017
- ICSI-III MoU
- Celebration of PCS Day (June 15, 2017)
- 18th National Conference of Practising Company Secretaries
- ICSI initiatives on Goods and Services Tax (GST)
- GST Point ICSI Initiative ensuring effective implementation of GST
- All India Two Days Training Programmes
- ICSI celebrates Capital Markets Week July, 2017
- ICSI Financial Services e-helpdesk
- Request to give suggestions/comments on the Diligence Report for Lending under Consortium Arrangement/Multiple Banking Arrangements
- Model Governance Code for Meetings of Gram Panchayats
- International Corporate Governance Code-ICGC" and International Corporate Governance Day-ICGD
- International Yoga Day 2017

**“THINK GLOBALLY, ACT LOCALLY.  
GOVERNANCE FOR ALL, GOVERNANCE BY ALL”**

**Dear Professional Colleagues,**

The governance norms had predominantly been followed in ancient India to govern day to day life and also to govern the relationships between two states, two individuals and/or also between the individual and the state. In India there is a great deal of similarity in the governance structures of the ancient Indian kingdoms and modern corporations which is evident from the ancient text and scriptures like Vedas, Manu Smruthi, Somadeva neeti stuti, Baharspatya Neeti stuti, Kautilya’s Arthashastra etc. which focuses on governance. All Upanishads, Vedas, and the Epic Kavyas like Mahabharat, Ramayan and Bhagwad Gita emphasize the essence of ethics being followed from within, be it Individual or be it the King or be it the whole kingdom.

Governance Practices followed in ancient period gains lot of relevance in today’s world. The Mauryan period was considered as one of the best administrative period over the entire world. It was Kautilya’s Arthashastra, written during the period of Chandra Gupta Maurya which made Mauryan Empire stronger in terms of administration. The delegation of authority and span of control discussed in Mauryan and Gupta period is what is propounded and practiced in today’s modern world. Today’s Management Principles focuses mainly on delegation of authority, responsibility and span of control as the main principles for better performance of duties. In today’s competitive world the question of survival depends on effective governance. Adherence to ancient practices can help and guide us in better governance.

The Institute of Company Secretaries of India, a premier institute in India and acclaimed for promoting excellence in Corporate Governance through its various efforts and measures being taken for the advancement of the governance in corporate world. Keeping this in mind and working wholeheartedly towards achieving the objective of Corporate Governance, more so with the changes in time, our efforts should increasingly be in line with the cause of National Governance in order that India emerges as a world leader. Such a transformation calls for a journey that aims at connecting the dots between ‘Local to Global (L2G)’ aspects of governance. Father of the Nation, Mahatma Gandhi was also a strong believer of strengthening local self-government system and believed that every village must be strongly empowered to deal with local issues. In this backdrop, there is a need to further expand the horizon of the ICSI, i.e. facilitating Corporate Governance to citizen-centric approach where governance and development is activated at the grass root level. Besides, the need of the hour is to taking the cause of global governance to the newer heights.

Therefore, the ICSI is coming up with a “Model Governance Code for Meetings of Gram Panchayats” which seeks to prescribe a set of principles for convening and conducting Meetings of Gram Panchayats and matters related thereto. The fundamental principles with respect to Governance of Gram Panchayat Meetings are laid down in the respective State laws. This model code seeks to facilitate compliance with the said principles by endeavouring to provide further clarity where there is ambiguity and establishing benchmark standards to harmonise prevalent diverse practices. This model code does not seek to substitute or supplant any existing laws. It only strives to supplement such laws for promoting better governance in the functioning of Gram Panchayat.

In light of the above, your comments/suggestions are solicited on the enclosed draft Model Governance Code for Meetings of Gram Panchayats at [ssb@icsi.edu](mailto:ssb@icsi.edu).

Kindly send your comments/suggestions latest by 30 June 2017.

**Best Wishes**

Yours sincerely,

**CS (Dr.) Shyam Agrawal**

President, The ICSI

# MODEL GOVERNANCE CODE

## FOR

### MEETINGS OF GRAM PANCHAYATS

The following is the text of the Model Governance Code for Meetings of the Gram Panchayats.

#### INTRODUCTION

This Code seeks to prescribe a set of principles for convening and conducting Meetings of Gram Panchayats and matters related thereto.

The principles enunciated in this Code for Meetings of the Gram Panchayats are equally applicable to meetings of Standing Committees, unless otherwise stated herein or otherwise stipulated by any other applicable laws, Guidelines, Rules or Regulations.

A Gram Panchayat cannot act by itself and it acts only through its elected members i.e. Panch(s) and Sarpanch. Moreover, Panch(s) and Sarpanch are in a fiduciary position vis-à-vis the Gram Panchayat and, to that extent, they are also deemed to be trustees of the properties and assets of the Gram Panchayat. They owe a duty to the people of the village and should exercise care, skill and diligence in the discharge of their functions and in the exercise of the powers vested with them. All the powers vested in Panch(s) and Sarpanch are exercisable by them only collectively through decisions taken at a validly convened meeting of the Gram Panchayat.

The fundamental principles with respect to Governance of Gram Panchayat Meetings are laid down in the respective State laws. This model code facilitates compliance with these principles by endeavouring to provide further clarity where there is ambiguity and establishing benchmark standards to harmonise prevalent diverse practices.

This model code does not seek to substitute or supplant any existing laws. It strives to supplement such laws for promoting better governance in the functioning of Gram Panchayat.

Gram Panchayats functioning under the different State Government(s) are free to adopt the provision of this Model Governance Code on Meetings of the Gram Panchayat. If any of the provisions of this code are or become inconsistent with the applicable laws, provisions of such applicable laws shall prevail.

#### DEFINITIONS

In this Code, unless the context otherwise requires -

“Clear days” means days excluding the day of the dispatch of notice and the day of the meeting, however includes Sundays and holidays.

“Competent Authority” means such officer or authority as the State Government may, by notification in the Official Gazette, appoint to perform such functions and exercise such powers in relation to Gram Panchayats as are specified in the notification; “Government” or “State Government” means the State Government of the concerned State;

“Gram Panchayat” means the institutions of self-Government for rural areas at the level of village(s).

“Member” means a member of a Gram Panchayat and includes a Sarpanch;

“Interested Member” means a Member having personal or financial interest, either directly or indirectly, in any matter placed before a Meeting of the Gram Panchayat.

“Panch” means a member of a Panchayat, other than a Sarpanch;

“Prescribed” means prescribed by respective State Acts or Rules made thereunder;

“Sarpanch” means the President or Chairperson or Pradhan of the Gram Panchayat by whatever name called, elected directly by the persons registered in the electoral rolls relating to the village or the group of villages comprised within the area of the Panchayat.

“Up-Sarpanch” means the Vice-President or Vice-Chairperson or Up-Pradhan of a Gram Panchayat, by whatever name called, elected directly by the persons registered in the electoral rolls relating to the village or the group of villages comprised within the area of the Panchayat.

“Secretary” means a person appointed with such designation by the State Government or by such authority as may be authorised by the Government in this behalf, for a Panchayat.

“Standing Committee” means a Standing Committee constituted by the Panchayat;

“Special Meeting” means a meeting, other than a regular meeting of the Gram Panchayat, convened suo moto by the Sarpanch or on the special request of the members, to discuss any specific item including matters of urgent nature.

Words and expressions used herein and not defined shall have the meaning respectively assigned to them under the State Act under which respective Gram Panchayat has been constituted.

#### 1. CONVENING A MEETING

##### 1.1 Authority

- 1.1.1 The Secretary, on the direction of the Sarpanch, shall summon a Meeting of the Gram Panchayat.
- 1.1.2 If a meeting is statutorily required to be convened within a prescribed period, the Secretary shall summon such meeting in consultation with the Sarpanch.
- 1.1.3 The Secretary on requisition by the prescribed number of Members shall consult the Sarpanch for convening the meeting.
- 1.1.4 The Sarpanch may whenever he thinks fit, and shall, upon the written request of the prescribed number of members, require the Secretary to call a special meeting within the prescribed period from the date of receipt of such request and to take such steps as may be necessary to convene the meeting.
- 1.1.5 In case the Sarpanch fails to call a special meeting, then the Up-Sarpanch or in his absence, the Competent Authority may call such meeting and require the Secretary to give notice to the Members and to take such steps as may be necessary to convene the meeting.

## 1.2 Time, Place and Serial Number of meeting

- 1.2.1 A meeting may be convened on any day, at any time between 9 am to 5 pm, at any place within the area of the Panchayat or at such other place as may be approved by the Gram Panchayat/ Government.
- 1.2.2 Every Meeting of the Panchayat shall be serially numbered for ease of reference.
- 1.2.3 Serial number of the original Meeting and the adjourned Meeting, if any, should be the same. The manner in which Meetings may be serially numbered is given below:

[Illustration: If serial number of the original Meeting is 6th, the serial number of the adjourned Meeting should be 6th Meeting (Adjourned)]

(i) Serially numbering on Calendar Year basis as follows:

"1/2015", "2/2015", "3/2015" and so on.... In the next year, numbering would be "1/2016", "2/2016", "3/2016" and so on.

(ii) Serially numbering on financial year basis as follows:

"1/2015-16", "2/2015-16", "3/2015-16" and so on.... or 1/15-16, 2/15-16, 3/15-16 and so on.....

(iii) Continuous serially numbering across years: 120th Meeting, 121st Meeting, 122nd Meeting and so on....

## 1.3 Notice

- 1.3.1 Notice of the meeting of the Gram Panchayat shall be served at least five clear days before the date of the meeting.
- 1.3.2 If a majority of the Members agree to convene a special meeting, the Notice thereof may be given at a shorter period of time than that stated above but at least 24 hours before the meeting.
- 1.3.3 Where the Meetings of the Gram Panchayat are held on pre-determined dates, such Meetings may be convened without any separate Notice, unless the applicable laws require for separate notice for each meeting.
- 1.3.4 Notice shall specify the serial number, date, day, time and full address of the venue of the Meeting.
- 1.3.5 Notice of the meeting of the Gram Panchayat shall be issued by the Secretary or by such other officer as prescribed by the Government for this purpose and in their absence, the Sarpanch or any other member, authorised by the Panchayat for this purpose may issue the notice of the Meeting.
- 1.3.6 Notice shall contain the contact details and authority of the person issuing the Notice.
- 1.3.7 Notice in writing of every Meeting (except where exempted in terms of para 1.3.3 above) shall be given to every Member and such officer as may be prescribed by the Government, by hand or by post or by e-mail.
- 1.3.8 Wherever the presence of a Patwari or other Tehsil level functionaries of the State Government or of a Panchayati Raj Institution, is required or desired by the Gram Panchayat at its meeting, the Notice of such meeting shall also be sent to them. The notice

shall also be sent to such officer as may be prescribed by the Government.

- 1.3.9 In order to facilitate effective and timely communication, the Notice of a Meeting may be given through SMS or other software used by the Panchayat, followed by a copy of the written Notice as stated above.
- 1.3.10 The Notice shall also be affixed on the Notice Board of the Gram Panchayat. In case of pre-determined dates a general notice specifying day, interval, time and full address of the venue of the Meetings shall be kept affixed during such period.
- 1.3.11 The Notice should preferably be sent either on the letter-head of the person issuing the Notice or on the letter head of the Gram Panchayat, if any.
- 1.3.12 Notice shall be sent at the registered address of the Member or such other address, if any, provided by the Member for the purpose.
- 1.3.13 The Gram Panchayat shall maintain proof of sending Notice and its delivery.
- 1.3.14 In case of delivery of Notice by hand, the signature of the recipient will be obtained in a register maintained for this purpose and be kept as record of proof of delivery.
- 1.3.15 In case of Notice sent through e-mail, the proof of delivery may be maintained by way of the soft copy.
- 1.3.16 Proof of sending Notice and its delivery shall be preserved for a period of five years or such higher period as may be decided by the Gram Panchayat.

**(A sample format of Notice is placed at Annexure-A)**

## 1.4 Notice of an Adjourned Meeting

- 1.4.1 Notice of an adjourned meeting shall be given to all Members including those who did not attend the Meeting on the originally convened date.
- 1.4.2 If the date of the adjourned Meeting is decided at the Meeting itself where all the Members are present, the Notice should be given forthwith at the Meeting.
- 1.4.3 Notice of every Meeting so adjourned shall be affixed on the Notice Board of the Panchayat.

## 1.5 Agenda of the Meeting

- 1.5.1 The Secretary shall finalise the Agenda and Notes on Agenda of every Meeting in consultation with the Sarpanch.
- 1.5.2 Each item of business to be taken up at the Meeting shall be serially numbered.
- 1.5.3 Agenda setting out the business to be transacted at the Meeting and Notes on Agenda shall be given to all the Members along with the Notice of the Meeting, unless otherwise provided in the applicable laws.
- 1.5.4 The Notes on Agenda shall specify details about the business to be transacted at the meeting.
- 1.5.5 The Notes on Agenda may be sent separately after issuing the Notice, but at least 3 clear days before the Meeting.
- 1.5.6 Agenda and Notes on Agenda of the Meeting of the Gram Panchayat shall be sent by the Secretary or by such other officer as prescribed by the Government for this purpose and in their absence, by the Sarpanch or any other Member, authorised

by the Panchayat for this purpose.

- 1.5.7 Wherever the presence of the Patwari or other Tehsil level functionaries of the State Government or of a Panchayati Raj Institution, is required or desired by the Gram Panchayat at a Meeting, the Agenda and Notes on Agenda of such meeting shall also be sent to them.
- 1.5.8 Agenda and Notes on Agenda shall also be sent to such officer as may be prescribed by the Government.
- 1.5.9 If majority of the Members agree to convene a special Meeting, the Agenda and Notes on Agenda may be circulated at a shorter period of time than stated above. In such cases, the Agenda and Notes on Agenda shall be given at least 24 hours before the meeting.

**(A list of Standard Agenda Items is placed at Annexure-B)**

## 1.6 Consideration of any other item of business

- 1.6.1 No item of business other than those included in the Agenda shall be considered at a Meeting of the Gram Panchayat.
- 1.6.2 Any other item not included in the Agenda of the Meeting, may be placed at the next meeting of the Gram Panchayat or in case of urgent matters a special meeting may be convened.
- 1.6.3 However, items of urgent nature having wider public interest may be taken up for consideration with the permission of the Sarpanch and with the consent of the majority of the Members of the Gram Panchayat.

## 2. FREQUENCY OF MEETING

- 2.1 A Gram Panchayat shall meet for the transaction of business as often as may be necessary.
- 2.2 Unless otherwise provided under the applicable laws, the Gram Panchayat shall meet at least once in every month.

## 3. QUORUM

### 3.1 Quorum for the Meeting of the Gram Panchayat

- 3.1.1 Quorum for a Meeting of the Gram Panchayat shall be majority of the total number of Members of the Gram Panchayat for the time being or such minimum number of Members as prescribed under the applicable laws.
- 3.1.2 Quorum shall be present throughout the meeting.
- 3.1.3 If the required quorum is not present at any stage of the remaining item of business shall not be taken up for consideration and be deferred for the next meeting, with reasons to be recorded in writing.

### 3.2 Quorum of Non-Interested Members / Disclosure of interest

- 3.2.1 An Interested Member (whether or not the Sarpanch/ Up-Sarpanch), shall neither be reckoned for Quorum nor shall participate during discussion and voting on respective item in which he is interested.
- 3.2.2 If the Sarpanch is interested in any item of business, such fact shall be disclosed by him at the meeting

before consideration of such item and he shall leave the Chair to any Non-interested member in respect of such item.

- 3.2.3 If disclosure of interest is already communicated to the Secretary before circulation of the Agenda and Notes on Agenda, then such disclosure shall be indicated in the Notes on Agenda in respect of such item.
- 3.2.4 The disclosure of interest by interested Member(s) in a matter to be considered at the Meeting and the fact that they abstained from the discussion/voting at the meeting on the said matter shall be recorded in the Minutes.

### 3.3 Adjournment of the Meeting for want of quorum

- 3.3.1 If, at the appointed time for the Meeting, a quorum is not present, the Member(s) present shall wait for at least 30 minutes or for such longer period as may be prescribed by the Government or agreed to by the Member(s) present at the meeting and if within such period there is no quorum, the Meeting shall be adjourned to any future day on such time as the Chairperson or in his absence as the Member(s) present at the meeting may decide.
- 3.3.2 If even at an adjourned meeting no quorum is present, the Meeting shall stand cancelled.
- 3.3.3 If at a Meeting where the quorum is present, few agenda items remain pending for discussion/ decision due to insufficiency of time, the meeting may be adjourned to the following day or any other future day to discuss the unfinished agenda of that Meeting.

### 3.4 Adjournment of the meeting otherwise for want of quorum

- 3.4.1 The Sarpanch with the consent of majority of the Members present may adjourn a validly convened Meeting of the Gram Panchayat.
- 3.4.2 The facts and reasons of such adjournment shall be recorded in the proceedings of the meeting.
- 3.4.3 The procedure of adjournment, if any, approved by the Gram Panchayat or the Government shall be complied with.

## 4. ATTENDANCE OF THE MEETING

### 4.1 Attendance

- 4.1.1 Every Gram Panchayat shall maintain a separate attendance register for the Meetings of the Gram Panchayat.
- 4.1.2 The attendance register shall contain the following particulars: Serial number and date of the Meeting; place of the Meeting; time of the Meeting; name and signature of the Members, the Secretary and of other person(s) attending the Meeting by invitation.
- 4.1.3 The attendance register shall be maintained at the Office of the Gram Panchayat or such other place as may be approved by the Gram Panchayat.
- 4.1.4 The attendance register shall be open for inspection by the Members.

- 4.1.5 Entries in the attendance register shall be authenticated by the Secretary or in his absence, by the person authorised by the Government.
- 4.1.6 Attendance register shall be kept in the custody of the Secretary or a person authorised by the Government.
- 4.1.7 The attendance register shall be preserved for a period of at least five years from the date of the last entry therein or for such other higher period as may be specified by the Government.
- 4.1.8 The attendance register or any other records of the Panchayat shall not be destroyed except in accordance with the policy approved by Government.

**(A sample format of attendance register is placed at Annexure-C)**

#### 4.2 Leave of Absence

- 4.2.1 Leave of absence shall be granted to the Member(s) only when a request for such leave has been received by the Secretary or by the Sarpanch.
- 4.2.2 The request for leave of absence shall state a reason for his inability to attend the meeting.

### 5. READING OF AGENDA AT THE MEETING

The Sarpanch or the Secretary shall read out the Agenda at the Meeting. The Sarpanch or the Secretary shall explain the objective, need and implications of the matters/resolutions before they are put for discussion and voting at the Meeting.

### 6. MINUTES OF THE MEETING

#### 6.1 Recording of Minutes

- 6.1.1 The proceedings of every meeting shall be recorded in the Minutes Book by the Secretary.
- 6.1.2 Minutes shall be read over at the Meeting immediately after deliberation and be accordingly recorded in the Minutes Book.
- 6.1.3 Minutes shall contain a fair and correct summary of the proceedings of the meetings including the following:
- Minutes shall be written in clear, concise and plain language either in Hindi or in the official language of the State.
  - Minutes shall state, at the beginning, the serial number and type of meeting, date, day, venue and time of commencement of the meeting. Minutes shall also state at the end, the time of conclusion of the Meeting.
  - Minutes shall record the names of the Members present in the meeting along with the names of the Secretary and the invitees.
  - Minutes shall record the reason for convening the meeting at shorter notice, if any
  - Dissenting views of Member(s), if any, on any matter shall be recorded in the Minutes with the name of the dissenting member.
- 6.1.4 Any Document, report or notes placed before the Meeting of the Gram Panchayat and referred to in the Minutes shall be identified by initialling of such document, report or notes by the Secretary or the Presiding authority of the Meeting.

#### 6.2 Maintenance of Minutes

- 6.2.1 The Secretary shall maintain the Minutes.
- 6.2.2 Distinct Minutes Book shall be maintained for the meetings of the Gram Panchayat and its Standing Committees.
- 6.2.3 The Minutes shall be maintained in Hindi or in the official language of the State.
- 6.2.4 Pages of the Minutes Book shall be consecutively numbered.
- 6.2.5 Minutes shall not be pasted or attached to the Minutes Book or tampered with, in any manner.

**(A sample format of Minutes Book is placed at Annexure-D)**

#### 6.3 Modification or Cancellation of Resolutions/Decisions

- 6.3.1 No resolution of a Gram Panchayat shall be modified or cancelled except through a resolution passed by a majority or such higher number of the total Members of the Gram Panchayat as prescribed and permitted under the applicable laws.
- 6.3.2 Such modification or cancellation of a resolution shall be done within the time prescribed, if any, by the Government.

#### 6.4 Signing of Minutes

- 6.4.1 Minutes of the Meeting of the Gram Panchayat shall be signed and dated by the presiding authority of that meeting or the next Meeting.
- 6.4.2 The person signing shall initial each page of the Minutes and sign the last page.
- 6.4.3 The date and place of signing the Minutes shall also be mentioned at the last page of the Minutes.
- 6.4.4 Minutes once entered in the Minutes Book, shall not be altered. Any alteration in the Minutes as entered shall be made only by way of approval of the Gram Panchayat at its subsequent meeting and shall be recorded in the Minutes of that meeting.

#### 6.5 Inspection of Minutes

The Minutes of the Meeting of the Gram Panchayat shall be open for inspection by any person, at the office of the Gram Panchayat and a certified copy of the Minutes or extract thereof may be issued to any person on his request, in accordance with the applicable laws.

#### 6.6 Preservation of Minutes

- 6.6.1 Minutes Book shall be kept in the custody of the Secretary or a person authorised by the Government for this purpose.
- 6.6.2 Minutes of all Meetings shall be preserved permanently in physical or electronic form.
- 6.6.3 The Minutes Book shall be kept at the office of the Gram Panchayat.

### 7. Functions of the Secretary

- 7.1 The Secretary of a Gram Panchayat is expected to perform the following functions:
- Take necessary steps to execute and implement the resolutions passed by the Panchayat at its Meetings.



- Communicate the decisions concerning persons of respective Panchayat area to them.
- Convene Meetings of Gram Panchayat and its Committees
- Attend every Meeting of the Gram Panchayat including the Gram Sabha Meetings.
- Write the proceeding of every Meeting in the Minutes Book either in physical or electronic form.
- Place all the correspondence received by him, especially various schemes of the Government and instructions issued by the Government, before the Sarpanch and also for the information of all the Members during the meeting.
- Receive all correspondence on behalf of the Gram Panchayat and take appropriate action on the same.
- Finalise, in consultation with the Sarpanch, the Agenda and Notes on Agenda of every Meeting..
- Maintain all the registers and records prescribed under the applicable laws.
- Report to the Block Development Officer for any vacancy in the office of the Sarpanch/Up-Sarpanch or a Member.
- Be responsible for the safe custody of Panchayat funds, assets and the records maintained by the Gram Panchayat.
- Report to the Block Development Officer about any illegal act or misconduct or misuse or abuse of powers, any infringement of the legal provisions by the Sarpanch or Up-Sarpanch or the members of the Gram Panchayat, as soon as the same come to his knowledge.
- Comply with the instruction issued by the Government from time to time.
- Maintain cordial relations with the elected representatives of Gram Panchayat.

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**Annexure-A**

**Notice for \_\_\_\_ Meeting of Gram Panchayat  
(Name of Panchayat & Block/ District))**

Date:

To

**Name & Address of the Member**

Madam/Sir,

This is to inform you that the \_\_ Meeting of \_\_\_\_\_ (name of Gram Panchayat) is scheduled to be held on \_\_\_\_\_(Day & Date) from \_\_\_\_\_ (time) onwards at \_\_\_\_\_ (place) to discuss and transact the following matters:

(i) \_\_\_\_\_

- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
- (iv) \_\_\_\_\_

The detailed Agenda and Notes on Agenda are enclosed.

You are requested to kindly make it convenient to attend the meeting.

Yours faithfully

(signature)  
(Name of Secretary/ Authorised Officer)

**Annexure-B**

**Standard List of Agenda Item**

The following items shall be invariably be included in the Agenda of Meetings:

- To grant Leave of Absence
- To take note of the Minutes of the previous Meeting
- To take note of the Minutes of the Meetings of Standing Committee(s)
- Follow up and Action Taken Report (ATR) on the decisions of the Previous Meeting;
- Approval/Concurrent review of Gram Panchayat Budget and Annual Plan implementation/utilisation
- Statement of Income and Expenditure and the reasons for fluctuations in the financial statements ,if any ;
- Approval of New Works and Schemes
- Review of utilisation of funds under various schemes;
- Review of physical progress of construction work, other projects and activities;
- Review of Village Sanitation, Street Lighting, Rural Roads, Drinking Water, Anganwadi, Fair Price Shops, Maintenance of School Buildings; Health Centre, etc.
- Any other matter

**Annexure-C**

**Attendance Register of Members**

(Name of the Gram Panchayat) (Block) (District)

No. & Date of the Meeting:

Place:

Time:

Type of meeting (Ordinary/Special/Urgent)

Sl. No.	Name of Member Present	Ward No.	Sign/Thumb Impression	In Time	Out Time	Attested by Secretary/Sarpanch (in case of Thumb impression)
1)						
2)						
3)						
4)						
5)						
6)						
7)						
8)						
9)						
10)						
11)						
12)						
13)						
14)						
15)						
16)						
17)						
18)						
19)						
20)						

Minutes/ Record of Proceedings:

**Item No. 1**

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**Item No. 2**

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**Item No. 3**

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**Item NO.4**

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**Meeting concluded at 00:00\_ with a Vote of Thanks to the Chair.**

Date: /\_/\_\_\_\_  
 Presiding Authority)  
 Place: \_\_\_\_\_

(Signature)  
 (Name of Sarpanch/

**Annexure-D**

**Minutes Book of Gram Panchayat Meeting**

(Name of the Gram Panchayat) (Block) (District)

No. & Date of the Meeting:  
 Place:  
 Time:

Type of meeting (General/Emergency/Specially convened)

Members Present

Sl. No.	Name	Designation	Representing Ward
(i)			
(ii)			
(iii)			
(iv)			
(v)			
(vi)			

**Dear Professional Colleagues,**

It is a proud moment for the Institute which has conceptualised the International Corporate Governance Code for the first time in the world when no one has ever thought of having a universally accepted Corporate Governance norms.

Any initiative will have its sanctity and decorum when the perturbation about the concept itself is settled with the suggestions received from its own members.

In order to gain the real effect and the impact of this initiative which it is going to create in the corporate world and how the stakeholders are going to reap the benefit out of the same, we wish to place this before our own strength i.e., You All (the fraternity) for getting the valuable suggestions.

The report is divided into three sections as under:

**Section – I - Parenthesis of International Corporate Governance Code**

This is a kind of backgrounder including the evolution since ancient ages from different countries including India

**Section – II - Model International Corporate Governance Code (with Principles)**

This is the Main part containing the code detailing the principles of Corporate Governance  
Section-III - Indexation and Advocacy of Corporate Governance

This is the closing part for execution and effective implementation of the code

The institute is aiming to be the stalagmite in the world, for which the heights can be achieved with your unstinted support. Please feel the vibrations of accolades which your institute/fraternity is going to bang and the kind of recognition it is going to be bestowed on the whole fraternity as "Chief Governance Officers – The only professionals having such prominence and identity so closely associated with Governance".

We solicit the suggestions from you on this and the best suggestion will be duly recognised at appropriate forum(s) by ICSI. Further those persons will be associated with this prominent initiative from time to time.

Kindly share your suggestions on the enclosed draft at [icgc@icsi.edu](mailto:icgc@icsi.edu) latest by 16 August 2017.

**Regards,**

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President

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# International Corporate Governance Code

By Institute of Company Secretaries of India

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#### Section – I

## Parenthesis of International Corporate Governance Code

#### Preface:

ICSI being the professional body and more acclaimed towards excellence of Corporate Governance by its various efforts and measures being taken for the upliftment of the governance in corporate world, a thought process has endured excruciating – coming out with a code which is universally acceptable.

The entire mankind and its evolvement itself is based on certain rules and regulations being formulated for smooth and happy living on this holy earth, without disturbing the cause and existence of other creatures and environment as a whole.

The balancing principle is the pivotal principle, on which the whole universe is revolving. But due to giving biased treatment for the things in which the humans, more specifically to say in which the profit motive has become the main objective, have intervened with such important principle in very unruly manner.

To certain extent various countries and various organisations have taken steps to correct this pattern of behaviour by bringing the four concepts of “Accountability, Transparency, Sustainability and Social Responsibility” into the gamut of corporate governance.

However, even after decades of introduction of corporate governance and its continuous evolution over a period of time, still the objectives of corporate governance has not yet been realised to its fullest extent.

Keeping this motive in mind, the Institute of Company Secretaries of India, a premier institute in India working wholeheartedly towards achieving the real objective of Corporate Governance, is placing this backgrounder seeking the intervention and necessary guidance and support from the International Forum for escalating the entire corporate world to its next level of compliance with the corporate governance in its true spirit.

#### Introduction:

The roots of the Corporate Governance has stranded in the evolutionary form of governance across the globe.

The governance aspects were predominantly been followed even in ancient days to govern their day to day life and also to govern the relationships between two states, two individuals and/or also between the individual and the state. Here state means kingdom.

The evolution of these governance aspects were not only evolved in India, but everywhere in the world based on their demographical requirements and necessities of the society prevailing respectively.

There is an absolute necessity to understand how the governance was evolved over a period of time in various parts of the world to streamline their way of dealing with various issues / matters of those countries. Over a period of time with the development of technology and business requirements, the governance also developed to have proper control and guidance to march ahead with the demands of the societies prevailing in respective countries.

But always the necessity of business comes first to meet the demands of the society, and to curb any malpractices in those new businesses, policy used to be formed little later. This kind of follow on approach is giving leeway to all kinds of leniencies and somewhere or the other the arousal of scams and frauds are being witnessed. This implies that there is a necessity to upgrade and scale up to have a code which is acceptable universally in a uniform manner.

Over a period of time most of the countries and organisations have developed various set of corporate governance norms, practices and different codes on corporate governance. But most of them cater to specific requirements only, may be due to some restraints pertaining to demographic stakeholder or an industry specific.

The 360 degree approach is missing in all those Norms or codes. This is because in the present day corporate world, all the corporate houses are tapping different resources to meet their business objectives. In such case, there is a necessity for the code or norm to have a multifaceted approach to cover all aspects and give a wholesome policy guidance for effective functioning of the corporate leaving no scope for any leniencies.

None of the present norms or codes contain the following aspects which are very vital to bring the wholesome transformation and to reap the real benefits of the corporate governance:

- a. Inclusive approach of social responsibility and Indexation of Humanity
- b. Applicability of Corporate Governance to all kinds of business entities
- c. Inclination towards self-regulation in contra to statutory regulation
- d. Inculcating the business perception rather than the legal perception into CG
- e. Necessity of an uniform code for the entire world

All these concepts are appropriately discussed in detail at respective areas

Therefore there is a need to bring a universal code which would be followed uniformly across the globe and also there is a need to have a recourse and evaluation of the same on yearly basis so as to meet the needs of the ever changing corporate world.

In order to give impetus and significance to the concept of Corporate Governance, around the world there is a need to observe and celebrate a day as "International corporate

Governance Day".

### **Genesis theory of Corporate Governance:**

Governance is nothing but following certain rules and regulations. This is prevalent even in other forms of creatures of this universe. Every creature is bound by certain rules and regulations. Even the nature itself is bound by certain rules and regulations.

Following ethical practices in every walk of life is the essence and belief emphasised by each and every civilisation. The construction of the human society itself is based on the principle of how ethical, transparent and accountable one is towards thyself and the society.

in case the nature itself violates the rules and regulations, then one can witness all the natural calamities and disasters happening every now and then. Similarly if the human being also violates the rules and regulations there can be catastrophes in the economic and social fronts.

Even from the nomadic times the laying of principle based code of conduct was prevalent and was the guiding force for restoration of peace and tranquillity among the tribes and also worked as a cause of sustainability.

The aspects of governance can be scaled even upto the age of Neanderthals. Neanderthals lived in nuclear families. Discoveries of elderly or deformed Neanderthal skeletons suggest that they took care of their sick and those who could not care for themselves. It is accepted that Neanderthals buried their dead. Neanderthals had some control of fire, and it is even theorized that they built boats and sailed on the Mediterranean (source: <http://www.livescience.com/28036-neanderthals-facts-about-our-extinct-human-relatives.html>)

After Neanderthals the tribal people, nomads also have certain governance principles. The tribal people also have various sets of principles which were more revolving around leadership, common agreeing for any kind of decision making and also they used to follow their traditional principles.

Traditionally, many tribes followed their leaders when a particular circumstance required a certain set of skills. A person or set of people endowed with these skills was called upon to lead, usually through a process of consensus. When the circumstances changed and a different set of skills were needed, that person's "term" as a leader ended, and whomever had the skills or knowledge necessary to help the tribe in the new situation was called upon.

A leader is a leader as long as the people believe in him and as long as he is the best person to lead the people. This is one set of governance norms being followed in tribes.

(Source: <http://www.lessonsofourland.org/lessons/american-indian-governance%EF%BB%BF>)

Along with the evolution of civilisation and formation of proper geographical boundaries defining the countries, each and every country had laid enormous efforts in building their own set of governance norms and principles

On these lines the governance was evaluated right from the tribals into the modern urban clan society optimising the requirement of governance in each and every part of life.

### **India professes corporate governance from ages:**

The concept of corporate governance in every country has ancient connections, which has its base derived from the governance principles.

In India there is a great deal of similarity in the governance

structures of the ancient kingdoms and modern corporations as is evident from the ancient text and scriptures like Vedas, Manu Smruthi, Somadeva neeti stuti, Baharspatya Neeti stuti, Kautilya's Arthashastra etc which focuses on governance. All Upanishads, Vedas, and the Epic Kavyas like Mahabharat, Ramayan and Bhagwad Gita emphasize the essence of ethics being followed from within, be it Individual or be it the King or be it the whole kingdom.

Practices followed in ancient period, namely, Vedic, Mauryan and Gupta period gains lot of relevance in today's business world. The Mauryan period was considered as one of the best administrative period over the entire world. It was Kautilya's Arthashastra, written during the period of Chandra Gupta Maurya which made Mauryan Empire stronger in terms of administration. The delegation of authority and span of control discussed in Mauryan and Gupta period is what is propounded in today's business. Today's Management Principles focuses mainly on delegation of authority, responsibility and span of control as the main principles for better performance of duties. In today's competitive world of business, the question of survival depends on effective corporate governance. Adherence to ancient practices can help and guide corporates in better governance

**Kautilya's Arthashastra:** Kautilya, who wrote his Arthashastra, in the 4th Century B.C. which contains instructions about administration, management, law and justice, economy, foreign policy etc., it is stated that there existed a Governance module in which the king was the head and all the property of the state comes under the king. The rulers and kings had their own set of principles and systems in governing their kingdoms. These principles and their way of governing their kingdoms had the direct influence of their religious leaders and their faith. So, different principles and practices had been adopted by different rulers, but the common thread was the same, being the universal truth. He said that a king (leader) should have no self-interest, happiness and joy for himself or herself, his or her satisfaction lies in the welfare (happiness) of his or her people, i.e. he or she has to submerge his or her personality into the larger personality of his people. Kautilya states that in the happiness of his subjects lies the happiness of the king; and in their welfare lies the welfare of the king. the king shall not consider as good only that which pleases him, but should treat as beneficial to him, whatever pleases his subjects or "Bahujana sukhaya bahujana hitayacha" – the welfare of the many and the happiness of the many. Public good should be ahead of private good. In fact, this concept of the happiness of the many need integrated into the area of sustainable management as the basic principle. (source: <http://www.siv-g.org/index.php/columnists/16-balakrishnan-muniappan/121-the-bhagavad-gita-on-leadership-development-for-sustainability>)

According to Kautilya, king should act according to Dharma and should stick on to the ethics and principles. He insisted on accountability, responsibility, sharing of work and delegation as the key mantras for good governance. He also explained the correlation between return on investment and social performance of enterprise.

"Sukhasya Moolam Dharma" (Root of happiness is doing Right. Cause of happiness is doing right, In right time, right way do the right.)

"Dharmasya Moolam Artha" (Root of doing right is Wealth. Cause of wealth is sure wealth, Generate wealth and be in health.)

"Arthasya Moolam Raajyam" (Root of wealth is Enterprise Means of wealth is enterprise, Organisation is an enterprise.)

It is clear that combination of ethics and compassion is important for good governance. The king should discharge his duties in the best manner keeping in mind his responsibilities and ethics and he should not do anything for his own welfare. This shows that he is bound by his duties and ethics which are driving force today to run the business effectively and efficiently.

**Teachings of Lord Buddha:** Lord Buddha also propounded five principles, which were known as panchsila. These five principles are non-violence, truth, non-stealing, celibacy and non-intoxication. In the 23rd chapter of the Uttaradhyayana Sutra, Kesi Gautama discusses the five teachings of Lord Mahavira. There is no difference between panchsila and these five teachings.

**Mahabharata:** Shanti Parva which is the part of Indian Epic Mahabharata recites the duties of the ruler, dharma and good governance, as counseled by the dying Bhishma to Yudhishtira and various Rishis. Shanti parva recites a theory of governance and duties of a leader. The parva dedicates over 100 chapters on duties of a king and rules of proper governance. A prosperous kingdom must be guided by truth and justice. The duty of a ruler and his cabinet is to enable people to be happy, pursue truth and act sincerely. The proper function of a ruler is to rule according to dharma; he should lead a simple life and he should not use his power to enjoy the luxuries of life. Shanti parva asserts rulers have a dharma (duty, responsibility) to help the upliftment of all living beings. The best law, claims Shanti parva, is one that enhances the welfare of all living beings, without injuring any specific group. (source: <https://www.revolv.com/main/index.php?s=Shanti%20Parva&sr=50>)

**Ramayana:** The Ramayana, the saga of Rama's life written by Valmiki, is widely acclaimed as among the greatest of all Indian epics. In fact, this famous Grantha carries useful tips on ethics and values, statecraft and politics, and even general and human resources management. With Rama Rajya as a model code for good governance, the Ramayana is a must read for practitioners of statecraft. (source: <http://www.speakingtree.in/blog/management-lessons-from-ramayana>)

The Ayodhya Kanda, the second chapter, contains comprehensive lessons on good governance. When Bharata, the younger brother of Rama, goes to meet the latter in the forest to request him to return to Ayodhya and rule, the two brothers enter into a long and instructive dialogue. Rama counsels Bharata on governance. From quality of ministers and the importance of strategy sessions, to temperance in administration to justice, Rama expounds on all the subtleties of statecraft in a lucid manner. Apparently, Rama seems to be inquiring of Bharata his well-being, whether all is well at Ayodhya - in fact, however, in the process, the lessons on effective governance are offered in a powerful manner. A critical factor in good governance is the quality of ministers.

Rama asks Bharata whether he has appointed courageous, knowledgeable, strong-willed men with a high emotional quotient as his ministers, because quality advice is the key to effective governance.

The emphasis is on competence and confidentiality. Rama's advice to Bharata is to take a decision on a complex issue neither unilaterally nor in consultation with too many people. There should be an efficient core group. A good administrator can ensure high returns from minimum investments. Rama tells Bharata to prefer one wise man to a thousand fools as it is the wise that can ensure prosperity during an economic crisis. Even if there is one minister who is really effective, the king will gain immensely. Appointing tested men of noble lineage and integrity for strategic positions is the key to successful government. Moderate taxes should be levied on the people, lest they revolt. Rama wants Bharata to treat his soldiers well and pay their legitimate wages on time. Delays in payment of wages and other allowances that make the soldiers disturb and depress which can lead to dangerous consequences. Trade and agriculture are important and Rama wants Bharata to ensure good irrigation facilities rather than being overly dependent on rains. Traders need to be ensured of a fear-free environment and their grievances should be redressed promptly. Protecting the forests and maintaining livestock have also been dealt with as important aspects of effective governance.

In fact, the vision of the Ramayana has eternal relevance. Law and justice, finance and business, corruption framing of innocents for monetary gains, injustice to the poor are all mentioned. Rama's words of advice to Bharata are as relevant today as they were in the ancient period. For the benefit of present and future generations, Rama gave valuable advises to Bharata on good governance.

**Bhagwad Gita:** In Bhagwad Gita, Lord Krishna details the divine treasure as fearlessness, purity of heart, steadfastness in knowledge and yoga, charity, self control, and sacrifice, study of scriptures, austerity and uprightness. The Bhagavad-Gita emphasized the concept of duty and its importance for good leadership. In the Bhagavad-Gita, Sri Krishna motivates and encourages leaders who govern to do their duties and not to run away from the duties as he asserted that leaders should perform their prescribed duty, for doing so is better than not working. Besides, one cannot even maintain one's physical body without work. Sri Krishna further stressed that duty needs to be done without attachment and for those who do their duty without attachment will attain the supreme goal. By doing their duties without attachment, the leaders also set examples for their people. Sri Krishna asserted that whatever the leader does, the people will follow and whatever standards or example the leader sets people in general will follow. It is therefore imperative; leaders need to perform their work (duty) in governing effectively for the sake of educating the people in general (leadership by example). This has a great implication for sustainable development as it is a must for leaders to practice what they preach

A great Tamil woman poet also gave a wonderful advice to the King of her time about how the King can achieve fame. In a beautifully described phenomenon of 'bottom up glory' years ago, she said: "When the height of the boundaries of the paddy field increases, the water level in the field increases; when the water level increases, the paddy level

increases; when the paddy level increases, the quality of life increases; when the quality of life increases, the quality of governance increases; and when the quality of governance increases, the country flourishes and the greatness of those who govern admired."

The dynasty kingdom is history now though it exists in politics and business. The vacuum created by the phasing out of the King rule and the kingdom has been slowly and steadily filled by the corporate houses of today. The corporate houses are equivalent to the dynasty kingdom in addition to other kingdoms in other area like politics, culture etc. Thus the principles which applied to the Kings and Rulers of the dynasty Kingdom simply apply to the organisation and their management which manages the organisation. The principle of good governance what was talked of during the ancient period is what which is gaining more prominence today

**Governance during Vedic Period:** The Vedic period has its roots of governance when coming to the Indian history. During this period even the formation of kingdoms have not happened but whatever the small groups formed as tribes have also governed by the principles adopted by them and gradually evolved to the stage of formation of kingdoms and were known as Mahajanapadas

The ancient kingdoms in India were ruled by raja and maharajas. In their court rooms they used to have various ministers guiding the king on various legislative, executive and judiciary branches. However the final decision was left to the king.

**Governance during Mauryan Period:** This period is the golden period of governance, and was accoladed by the entire world.

- The administrative structure under Mauryan Empire was assigned in such a way that each of them had clear cut duty assigned and also the accountability and responsibility was clearly fixed.
- The Mauryan King was the head of the state administration holding legislative, executive and judicial powers.
- Judicial system was well organized and there was continues supervision and inspection process which was installed in every walk of administration.
- Secret services played a major role in maintenance of law and order in the kingdom.
- Local authority was controlled by Parishad who in turn used to report to king.
- So there were many provincial heads appointed by the king and the king used to take the updates from the provincials on regular basis.
- Functions of the states were defined under two main categories namely, Constituent functions and Ministrant functions.
- Delegation of power and authority on basis of law and order, security of the people and property, defence, welfare services, economic activities and moral development of individuals were carried out effectively and
- Administration was carried out on the basis of consultation and collective decisions and such decisions were implemented by centralized bureaucracy

**Governance during Gupta Period:** The Gupta period is called as the Golden Period when come to governance.

During this period the people responsible for designated administrative activities were more independent and exercised their discretions very judiciously.

#### **Administration during Gupta Period**

- During Gupta period lot of reforms were carried out, the empire was divided in to several provinces each of which was headed by viceroy appointed amongst the member of Royal family.
- Local administration were given full powers to frame their own decisions so there were no controls from center except in few cases where they used to report to center.
- Villages were governed by Village heads who in turn used to report to district heads.
- Urban and Rural administration were more decentralized compared to Mauryan period. So, each of them understood their responsibility and they worked towards achievement of welfare objectives.
- Salaries during Gupta period were given in the form of land, more effective and efficient people were benefited with extra land which they can use for cultivation and earn extra income.
- Gupta period had good contact with the outside world, they had good communication system and also well-developed foreign policy. Fa-Hein, a Chinese traveller who visited the court of Chandragupta II has praised the administration system and governance of Gupta period
- As Kings of Gupta period embraced Buddhism, they were kind enough to the subjects. They worked for the welfare of the society and were part and parcel of the development initiatives for poor and needy

#### **How corporate governance grew in the rest of the world:**

In recent years, numerous countries have issued corporate governance codes, and the recommendations of these codes, that typify “good” corporate governance, undoubtedly contribute towards increased transparency and disclosure. Voluntary codes have been increasingly employed across the globe to drive corporate governance reform. These guidelines, which emanate from stock exchanges, securities commissions, investors and investor associations, and supra-national organizations, set forth “best practice” recommendations across a range of topics that listed companies, shareholders, and other relevant parties are encouraged—but not obliged—to follow. (Source: <http://download.xuebalib.com/xuebalib.com.19670.pdf>)

Today corporate governance codes are found in over 70 countries. Whether developed or emerging, all countries have devised and are devising their own approach to developing and successfully implementing corporate governance codes. Apart from this various international organisations have also prescribed robust norms. In spite of all these best efforts, the world is still not witnessing a clean and transparent corporate without any scams/frauds.

There is a general tendency to follow written codes or laws only and not going beyond that. So, there is a necessity for the entire world to have a holistic code which describes each and every scenario and also which is applicable to every form of business entity like Firms, Societies, Trusts, NGOs etc., irrespective of their size and nature

**United Kingdom:** The development of corporate governance

in the UK has its roots in a series of corporate collapses and scandals in the late 1980s and early 1990s. The first version of the UK Corporate Governance Code (the Code) was produced in 1992 by the Cadbury Committee. It has been instrumental in spreading best boardroom practice through the listed sector since it was first issued. It operates on the principle of ‘comply or explain’. It sets out good practice covering issues such as board composition and effectiveness, the role of board committees, risk management, remuneration and relations with shareholders.

A requirement was added to the Listing Rules of the London Stock Exchange that companies should report whether they had followed the recommendations or, if not, explain why they had not done so (this is known as ‘comply or explain’). Listed companies are required under the Financial Conduct Authority Listing Rules either to comply with the provisions of the Code or explain to investors in their next annual report why they have not done so. If shareholders are not content they should engage with the company. If this is unsatisfactory, they can use their rights, including the power to appoint and remove directors, to hold the company to account.

The recommendations in the Cadbury Report have been added to at regular intervals since 1992. In 1995 a separate report set out recommendations on the remuneration of directors, and in 1998 the two reports were brought together in a single code (known initially as the Combined Code and now as the UK Corporate Governance Code). In 1999 separate guidance was issued to directors on how to develop risk management and internal control systems, which has subsequently been updated.

In 2003 the Code was updated to incorporate recommendations from reports on the role of non-executive directors and the role of the audit committee. At this time the UK Government decided that the Financial Reporting Council (FRC), the independent regulator responsible for corporate governance and reporting, was to take responsibility for publishing and maintaining the UK Approach to Corporate Governance (October 2010) Code. The FRC has updated the Code at again in 2010 to reflect lessons learnt from the problems in the UK’s financial services sector.

Throughout all of these changes, the ‘comply or explain’ approach first set out in the Cadbury Report has been retained. There are a number of advantages to the ‘comply or explain’ approach. Its inherent flexibility means that it is possible to set more demanding standards than can be done through hard rules. Experience has shown that the vast majority of companies attain these standards. In addition, requiring companies to report to shareholders rather than regulators means that the decision on whether a company’s governance is adequate is taken by those in whose interest the board is meant to act.

In 2010 the ‘comply or explain’ approach was reinforced by the UK Stewardship Code, under which institutional investors report on their policies for monitoring and engaging with the companies in which they invest. This Code sets standards for investors for monitoring and engaging with the companies they own and aims to improve the quality of dialogue between investors and companies to help improve long-term risk-adjusted returns to shareholders. The Stewardship Code sets out a number of areas of good practice to which the FRC believes institutional investors should aspire and also



operates on a 'comply or explain' basis. The FCA requires UK authorised asset managers to report on whether or not they apply the Code. In a similar way to the UK Corporate Governance Code, the UK Stewardship Code aims to make investors more accountable to their clients and beneficiaries, as well as helping companies.

The Financial Reporting Council (the "FRC") has published a revised version of the UK Corporate Governance Code (the "Code") containing guidance on risk management and internal controls, remuneration policies and engagement with shareholders in September 2014. The new Code was applicable to accounting periods beginning on or after 1st October 2014 and to all companies with a Premium listing of equity shares regardless of whether they are incorporated in the UK or elsewhere.

Both Codes are normally updated every two years to ensure they stay relevant. Any changes are subject to extensive consultation and dialogue with the market. The most recent UK Corporate Governance Code was published in September 2014 and the most recent UK Stewardship Code was published in September 2012.

**South Africa:** The governance of corporations can be on a statutory basis, or as a code of principles and practices, or a combination of the two. South Africa has opted for a code of principles and practices on a 'comply or explain' basis, in addition to certain governance issues that are legislated.

In 1992, former South African Supreme Court Judge, Mervyn King was asked to chair a private sector body to draft corporate governance guidelines. The body became known as the "King Committee", and its first report, issued in 1994, was regarded by many as ahead of its time in adopting an integrated and inclusive approach to the business life of companies, embracing stakeholders other than shareholders. Three reports were issued in 1994 (King I), 2002 (King II), and 2009 (King III).

The release of King III report on 1 September 2009 marked a significant milestone in the evolution of corporate governance in South Africa and brought significant opportunities for organisations that embrace its principles. The King III is on an 'apply or explain' basis. The 'apply or explain' approach requires more consideration – application of the mind - and explanation of what has actually been done to implement the principles and best practice recommendations of governance. The King III Report has also placed great emphasis on an integrated report, which will evaluate the company's impact on the economic life of the community in which it operates, as well as many other matters.

**Australia:** In order to ascertain that Australian companies are equipped to compete globally and to maintain and promote investor confidence both in Australia and overseas, Australian Stock exchange (ASX) convened the ASX Corporate Governance Council in August 2002. Its purpose was to develop recommendations which reflect international good corporate governance practices. The Council introduced the ASX Corporate Governance Council Principles and Recommendations ("Principles and Recommendations") in 2003. A substantially re-written second edition was released in 2007 and new recommendations on diversity and the composition of the remuneration committee were added in 2010.

Since the release of the second edition in 2007, there has been considerable focus across the world on corporate governance practices in response to Global Financial Crisis. A number of countries have adopted new legislation regulating corporate behaviour and upgraded their corporate governance codes. The ASX Corporate Governance Council also comprehensively reviewed its principles and issued the third edition of the Principles and Recommendations on 27th March 2014 reflecting global developments in corporate governance and simplifying the structure of the Principles and Recommendations. The revised principles also provide greater flexibility to listed entities in terms of where they make their governance disclosures.

**Singapore:** Corporate governance frameworks and mechanisms are generally targeted at improving a company's efficiency and/or providing greater transparency and accountability to shareholders and other stakeholders. The regulatory framework for corporate governance in Singapore can be divided into two broad categories –

Legal regulation (including quasi-legal regulation)  
Codes and best practices

The regulatory framework for corporate governance in Singapore is underpinned by corporate law and securities regulations. These are reflected in common law rules as well as in statutory enactments such as the Companies Act and the Securities and Futures Act. This is supplemented by quasi-legislative enactments such as the SGX-ST Listing Manual, which applies only to companies listed on the bourse of the Singapore Exchange Securities Trading Ltd, and the Singapore Code on Takeovers and Mergers.

The Listing Manual in Singapore requires listed companies to describe in company's Annual Reports their corporate governance practices with specific reference to the principles of the Code of Corporate Governance, as well as disclose and explain any deviation from any guideline of the Code. Companies should make a positive confirmation at the start of the corporate governance section of the company's Annual Report that they have adhered to the principles and guidelines of the Code, or specify each area of non-compliance.

**India:** Effective corporate governance requires a sound legal, regulatory and institutional framework. In India after the economic liberalisation and privatisation in 1991, the reform process was initiated in order to suitably respond to the developments taking place world over. On account of the interest generated by Cadbury Committee Report, the Confederation of Indian Industry (CII), the Associated Chambers of Commerce and Industry (ASSOCHAM) and, the Securities and Exchange Board of India (SEBI) constituted Committees to recommend a framework for good Corporate Governance.

The first institutional initiative in Indian Industry was taken by CII, to develop and promote a code for Corporate Governance to be adopted and followed by Indian companies, whether in the private sector, the public sector, banks or financial institutions, all of which are corporate entities. The final draft of the said Code was widely circulated in 1997 and in April 1998, CII released, a Desirable Corporate Governance Code. On May 7, 1999, the Securities and Exchange Board of India (SEBI) had set up Kumar Mangalam Birla Committee to promote and raise standards of corporate governance. The recommendations of the Committee, led to inclusion of

Clause 49 in the Listing Agreement in the year 2000. These recommendations, aimed at improving the standards of Corporate Governance, are divided into mandatory and non-mandatory recommendations.

Naresh Chandra Committee was appointed in the year 2002 to examine various corporate governance issues. The Committee examined and made recommendations pertaining to the entire gamut of issues pertaining to the Auditor-Company relationship with a view to ensuring the professional nature of the relationship; in this respect to consider issues such as (but not limited to) rotation of auditors/auditing partners, restrictions on non-audit fee/work, procedures for appointment of auditors & determination of audit fees, etc.

In the year 2002, SEBI analyzed the statistics of compliance with the clause 49 by listed companies and felt that there was a need to look beyond the mere systems and procedures if corporate governance was to be made effective in protecting the interest of investors. SEBI therefore constituted a Committee under the Chairmanship of Shri N.R. Narayana Murthy, for reviewing the implementation of the corporate governance code by listed companies and issued revised clause 49 based on its recommendations.

In the year 2002, Reserve bank of India also constituted the Consultative Group of Directors of banks and FIs (Dr. Ganguly Group) to review the supervisory role of Boards in banks. The Group submitted its report in April 2002 and RBI recommended banks to follow these recommendations.

In 2004, the Government constituted a committee under the Chairmanship of Dr. J.J. Irani, with the task of advising the Government on the proposed revisions to the Companies Act, 1956 with the objective to have a simplified compact law that would be able to address the changes taking place in the national and international scenario, enable adoption of internationally accepted best practices as well as provide adequate flexibility for timely evolution of new arrangements in response to the requirements of ever-changing business models. Some of the recommendations proposed were like-Board Composition: Law should provide for only the minimum number of directors necessary for various classes of companies. There need not be any limit to maximum number of directors. Other than procedures for appointments, no age limit for directors need be specified in the Act.

Appointment and resignation of director: Every company to have at least one director resident in India. Requirement of obtaining approval of Central Govt. under Companies Act for appointment of non-resident managerial persons should be done away with. Duty to inform the Registrar of particulars regarding appointment/resignation/death etc. of directors should be that of the company.

Independent Directors: Presence of independent director on the boards of companies will lead to greater transparency in company's dealings. Law should recognize the principle of independent directors and spell out their attributes, role, qualifications, liability and manner of appointment along with the criteria of independence. However, prescription of the number and proportion of such directors in the Board may vary depending on size and type of company and may be prescribed through Rules.

Remuneration of Directors: Decision on remuneration of directors should not be based on a "Government approval based system" but should be left to the company. However, this should be transparent, based on principles that ensure

fairness, reasonableness and accountability and should be properly disclosed. No limits need be prescribed. In case of inadequacy of profits also the company to be allowed to pay remuneration recommended by remuneration committee (wherever applicable) and with the approval of shareholders. Committees: Certain committees to be constituted with participation of independent directors should be mandated for certain categories of companies where the requirement of independent directors is mandated. In other cases constitution of such committees should be at the option of the company. The Ministry of Corporate Affairs issued the Corporate Governance Voluntary Guidelines, 2009. These guidelines sought to provide corporate India a framework to govern themselves voluntarily as per the defined standards of ethical and responsible conduct of business.

The Department of Public Enterprises (DPE) which is the nodal Department for laying down policies and guidelines concerning Central Public Sector Enterprises (CPSEs). It has issued the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010. These guidelines are applicable to both listed as well as unlisted public sector enterprises. DPE has also issued Guidelines on Corporate Social Responsibility for Central Public Sector Enterprises in March 2010. In 2013, these Guidelines were revised having a special focus on employee rights and welfare.

The Ministry of Corporate Affairs (MCA) also issued the Corporate Social Responsibility Voluntary Guidelines in December 2009. This was the first step towards mainstreaming the concept of Business Responsibilities. Through these Guidelines, the Ministry urged the business sector to adopt the principles contained in the Guidelines for responsible business practices.

Keeping in view the feedback from stakeholders, review of 2009 Guidelines was undertaken by the Guidelines Drafting Committee (GDC) constituted by the Indian Institute of Corporate Affairs, resulting into the formulation of "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business". These Guidelines were released by MCA on July 8, 2011. The Guidelines have been articulated in the form of nine (9) Principles with the Core Elements. A suggested approach for adopting these guidelines, the steps for building a strategy for responsible business as well as business responsibility reporting framework, have been prescribed under the guidelines.

On August 30, 2013, the Companies Act, 2013 was enacted envisaging radical changes in the sphere of Corporate Governance in India. It provided a major overhaul in Corporate Governance norms and had far-reaching implications on the manner in which corporate operates in India.

In April 2014, SEBI revised clause 49 in line with the norms of Companies Act 2013. Again some amendments were made in September 2014.

On 2nd September 2015 notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the listed entity who has listed designated securities on recognized stock exchanges.

The Insurance Regulatory and Development Authority of India had also issued Guidelines on Corporate Governance for insurance companies which have been revised in 2016 as per Companies Act 2013.

A need, however, has been felt to have a formal policy document that synthesizes the disparate elements in diverse

guidelines, draws on innovative best practices adopted by specific companies, incorporates the current international trends, and anticipates emerging demands on corporate governance in enterprises in various classes and scales of operation.

In the year 2012, the Institute of Company Secretaries of India had prepared a document with the title - "Concept Paper on National Corporate Governance Policy, 2012, Prepared by ICSI".

The Ministry of Corporate Affairs had constituted a committee under the Chairmanship of Mr. Adi Godrej on 7th March 2012 to formulate a policy document on Corporate Governance on the basis of concept paper prepared by ICSI. The Committee had submitted its report titled "Report of the Committee constituted by MCA to formulate a Policy Document on Corporate Governance" to the MCA on 18th September 2012.

The policy document prescribed various Guiding Principles of Corporate Governance. These Guiding Principles were examined by the Ministry and most of the principles have been suitably incorporated in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(source: <https://www.coursehero.com/file/22165290/PP-EGAS-2016-Full-Book-2-02feb2016pdf/>)

### **Impetus of Modern Corporate Governance Norms**

The present day Corporate governance can be understood as the process which enables "Enhancement of the return on capital through increased accountability". It is, in fact, the mechanism by which values; principals, management policies and procedures of a company are made in consonance with the real world. It refers to the entire system by which the company is managed and monitored in a transparent manner. The present corporate governance norms involves a cohesive set of relationships among the Board of Directors, management, shareholders and stakeholders of an organization. Researchers have found that "Firms with stronger shareholder rights had higher firm value, higher profit, higher sales growth, lower capital expenditure and fewer corporate acquisitions". The Board of Directors represents the interests of the company's shareholders i.e. the owners of the Corporation in optimizing long-term value by providing the company with proper guidance and strategic vision on behalf of the shareholders. (source: [https://www.jstor.org/stable/25053900?seq=1#page\\_scan\\_tab\\_contents](https://www.jstor.org/stable/25053900?seq=1#page_scan_tab_contents)) "Right vision, right knowledge and right practice constitute the path to liberation. The term 'right' refers to an enlightened state. The vision, knowledge and practice in their enlightened state are the three jewels which illumine the path of liberation. Without faith, there is no knowledge; without knowledge there is no virtuous conduct; without virtues there is no annihilation of karmas and without annihilation of karmas, there is no liberation." (source: [http://sugaldamani.com/bliss\\_book/religion\\_everyday\\_life.html](http://sugaldamani.com/bliss_book/religion_everyday_life.html))

When it comes to organisation, the liberation comes when the vision and mission are achieved through the sustained efforts of the employees of that organisation.

Corporate governance, therefore, is only part of the larger and economic context in which the funds of the shareholders operate. However, sustenance and long term success of a company depends on the factors such as business ethics and

corporate awareness of the environmental and societal interest of the communities in which it operates

Good corporate governance contributes to sustainable economic development by enhancing the performance of companies and increasing their access to outside capital. Corporate governance is one of the key factors that determine the health of the system and its ability to survive economic shocks.

Corporate governance is fundamental to well-run companies that have controls in place to ensure that individuals or groups connected with the company do not adversely influence the company and its activities and that assets or profits are not used for the benefit of a select group to the disadvantage of the majority. Good corporate governance helps to engender confidence in the stock market and hence in the economic environment as a whole, creating a more attractive environment for investment.

Effective corporate governance requires a sound legal, regulatory and institutional framework. This corporate governance framework typically comprises elements of legislation, regulation, self-regulatory arrangements, voluntary commitments and business practices that are the result of a country's specific circumstances, history and tradition. The desirable mix between legislation, regulation, self-regulation, voluntary standards, etc., varies from country to country.

Many developed and developing countries have introduced corporate governance codes to restore and sustain investor confidence in the wake of a financial crisis or corporate scandal. Corporate governance codes are formulated to raise standards and drive corporate governance reforms.

Corporate governance codes are important tools for enhancing governance systems and practices nationally. They serve as benchmarks for monitoring and implementing corporate practices and policies at the company level.

Corporate governance codes are sets of nonbinding recommendations aimed at improving and guiding the governance practices of corporations within a country's specific legal environment and business context. These codes are typically based on principles and focus on country-specific issues. They differ in their focus or scope and are more or less detailed.

Corporate governance codes are now adopted by many countries as a way to introduce international standards and adapt them to the local environment.

### **Business ethics link in Corporate Governance**

Corporate governance resides on various cardinal ethical values. There are various codes that highlight the ethical feature of good corporate governance. Some of the values that can be counted upon are the values of Transparency, responsibility, accountability and probability. Such values should pervade all features of corporate governance and projected in every action of the board (Walker, 2004). There are various features of corporate governance like functional reporting, disclosure, risk management, etc that are instrumental in gaining the cardinal values of corporate governance. Apart from the values that are underlying in corporate governance, it even contains moral obligations of specific nature that the board, as well as the company needs to follow (Robert, 2009). The noteworthy fact is that the company should act on standards that are high in terms of ethics so that the goodwill of the company will be safeguarded

and the rights of the shareholders are given due respect. It is to be noted that a strong structure of corporate governance establishes a structure that works for the benefit of everyone and complies with all the ethical standards.

Ethics are not mentioned in the code of corporate governance yet any fault leads to an ethical issue. Most importantly business ethics guides the company and governs them. Business ethics are part and parcel of corporate governance and not an optional exercise. Ethics is linked to behavior and business ethics is related to the behavior in business and the behavior of the business (Robert, 2009). The decision making should have an ethical base and that stretch to the board room, organization, and various other activities. The board and the management have the main task of ensuring ethical behavior. The company's risk profile is determined by the board in consultation with the top management by considering the appropriate level of risk. Some companies have a higher risk appetite as compared to others. Establishing a defined level of ethical should be a vital part of every organization strategy, policy making, and risk management (Gillan, 2006). Often many dilemmas happen in the course of business and it needs to be determined what the best course is for the company and those influenced by the actions. Boards need to understand and ensure a proper decision making. It is a prime function of corporate governance that needs to be established considering the business ethics. The future course of action of corporate governance depends immensely on the development of business ethics (Willis, 2005).

#### **CG Norms by various organisations**

Some of the prominent Forums and Institutions of Corporate Governance are given here-

**Organisation for Economic Co-operation and Development (OECD):** The Organisation for Economic Co-operation and Development (OECD) was established in 1961. The OECD was one of the first non-government organizations to spell out the principles that should govern corporates. The OECD Steering Group on Corporate Governance co-ordinates and guides the Organisation's work on corporate governance and related corporate affairs issues, including state-owned assets, market integrity, company law, insolvency and privatisation. The mission of OECD is to promote policies that will improve the economic and social well-being of people around the world. In order to contribute to the development of the world economy, the OECD's focus includes a growing number of other countries, in addition to its 30 members. It now shares its expertise and accumulated experience with more than 70 developing and emerging markets.

The OECD Principles of Corporate Governance has provided governments, regulators and other standard setters with an international benchmark. The OECD works closely with a large number of developing and emerging market countries. In particular, the OECD organises Regional Corporate Governance Roundtables in Asia, Latin America, Eurasia, Southeast Europe and Russia. These Roundtables have used the OECD Principles to formulate regional reform priorities and are now actively engaged in implementing these recommendations. Following principles are developed by OECD -

- G20/OECD Principles of Corporate Governance 5

September 2015

- OECD Principles of Corporate Governance (Draft for public comment) November 2014
- OECD Guidelines on Corporate Governance of State-owned Enterprises May 2014
- OECD Guidelines on Corporate Governance of State-Owned Enterprises September 2005
- Corporate Governance of Non-Listed Companies in Emerging Markets 2005
- Draft Guidelines on Corporate Governance of State-owned Enterprises 20 December 2004
- OECD Principles of Corporate Governance 22 April 2004
- Draft Revised Text: OECD Principles of Corporate Governance January 2004
- OECD Principles of Corporate Governance May 1999

#### **GLOBAL CORPORATE GOVERNANCE FORUM (GCGF):**

The Global Corporate Governance Forum (the Forum) was founded in 1999 by the World Bank and the Organisation for Economic Co-operation and Development (OECD) following the financial crises in Asia and Russia in the latter part of the 1990's. It was established to promote initiatives to raise corporate governance standards and practices in developing countries and emerging markets, using the OECD Principles of Corporate Governance as the basis for its work. The Forum's work program was launched in 2002 in Monterrey, Mexico at the Financing for Development meetings organized by the United Nations. It is a multi-donor trust funded IFC facility hosted by the joint IFC-WB Corporate Governance Department, in Washington D.C. The Forum is also funded by the governments of Canada, France, Luxembourg, Norway, Sweden, and Switzerland.

The Forum promotes sustainable economic growth and poverty reduction within the framework of agreed international development targets. The Forum focuses on practical, targeted corporate governance initiatives at the local, regional and global level. The Forum contributes to the efforts of the international community to promote the private sector as an engine of growth, reduce the vulnerability of developing and transition economies to financial crises, and provide incentives for corporations to invest and perform efficiently, in a socially responsible manner. It fosters cooperation with various corporate governance programs and plays a coordinating role among donors, founders and other relevant institutions. The Forum seeks to address the corporate governance weaknesses of middle-income and low-income countries in the context of broader national or regional economic reform programs.

**THE INSTITUTE OF DIRECTORS (IoD), UK:** The IoD is a non-party political business organisation established in United Kingdom in 1903. The IoD seeks to provide an environment conducive to business success. The objectives of IOI include-

To promote for the public benefit high levels of skill, knowledge, professional competence and integrity on the part of directors, and equivalent office holders however described, of companies and other organisations;

To promote the study, research and development of the law and practice of corporate governance, and to publish, disseminate or otherwise make available the useful results of such study or research;

To represent the interests of members and of the business

community to government and in all public forums, and to encourage and foster a climate favourable to entrepreneurial activity and wealth creation; and

To advance the interests of members of the Institute, and to provide facilities, services and benefits for them.

**COMMONWEALTH ASSOCIATION OF CORPORATE GOVERNANCE (CACG):** The Commonwealth Association of Corporate Governance (CACG) was established in 1998 with the objective of promoting the best international standards germane to a country on corporate governance through education, consultation and information throughout the Commonwealth as a means to achieve global standards of business efficiency, commercial probity and effective economic and social development. There are 53 countries of the Commonwealth, of which 46 are currently Commonwealth Foundation members. Membership of the Foundation is voluntary, and is open to all Commonwealth governments. The CACG aimed to facilitate the development of institutional capacity that promotes good corporate governance by education, consultation and information in all Commonwealth countries. CACG has issued CACG Guidelines: Principles for Corporate Governance in the Commonwealth in November 1999.

**INTERNATIONAL CORPORATE GOVERNANCE NETWORK (ICGN):** The International Corporate Governance Network ("ICGN") is a not-for-profit company limited by guarantee and not having share capital under the laws of England and Wales founded in 1995. The Network's mission is to develop and encourage adherence to corporate governance standards and guidelines, and to promote good corporate governance worldwide. Membership of ICGN is open to those who are committed to the development of good corporate governance. ICGN has developed "ICGN Global Governance Principles 2014".

**THE EUROPEAN CORPORATE GOVERNANCE INSTITUTE (ECGI):** The European Corporate Governance Institute (ECGI) was founded in 2002. It has been established to improve corporate governance through fostering independent scientific research and related activities. The ECGI is an international scientific non-profit association. It provides a forum for debate and dialogue between academics, legislators and practitioners, focusing on major corporate governance issues and thereby promoting best practice. Its primary role is to undertake, commission and disseminate research on corporate governance. Based upon impartial and objective research and the collective knowledge and wisdom of its members, it advises on the formulation of corporate governance policy and development of best practice and undertake any other activity that will improve understanding and exercise of corporate governance. It acts as a focal point for academics working on corporate governance in Europe and elsewhere, encouraging the interaction between the different disciplines, such as economics, law, finance and management.

The Institute articulates its work by expanding on the activities of the European Corporate Governance Network, disseminating research results and other relevant material. It draws on the expertise of scholars from numerous countries and brings together a critical mass of expertise and interest

to bear on this important subject.

**CONFERENCE BOARD:** The Conference Board was established in 1916 in the United States of America. The Conference Board is a not-for-profit organization. The Conference Board creates and disseminates knowledge about management and the marketplace to help businesses strengthen their performance and better serve society. It works as a global, independent membership organization in the public interest, it conducts research, convenes conferences, makes forecasts, assesses trends, publishes information and analysis, and brings executives together to learn from one another.

The Conference Board governance programs help companies improve their processes, inspire public confidence, and ensure they are complying with regulations. The Conference Board Global Corporate Governance Research Center brings together a distinguished group of senior corporate executives from leading world-class companies and influential institutional investors in a non-adversarial setting. In small groups of prominent senior executives, all discussions are confidential, enabling a free-flowing exchange of ideas and effective networking. This highly unique forum allows industry leaders to debate, develop, and advance innovative governance practices, and to drive landmark research in corporate governance.

**THE ASIAN CORPORATE GOVERNANCE ASSOCIATION (ACGA):** The Asian Corporate Governance Association (ACGA) is an independent, non-profit membership organisation dedicated to working with investors, companies and regulators in the implementation of effective corporate governance practices throughout Asia. ACGA was founded in 1999 from a belief that corporate governance is fundamental to the long-term development of Asian economies and capital markets. ACGA is funded by a network of sponsors and corporate members, including leading pension and investment funds, other financial institutions, listed companies, multinational corporations, professional firms and educational institutions.

**CORPORATE SECRETARIES INTERNATIONAL ASSOCIATION (CSIA):** CSIA, a Geneva-registered body, which was established on March 2010 is an international organization whose members comprise national bodies of professionals at the frontline of governance. It is dedicated to promoting the values and practices of governance professionals in order to create, foster or enhance the environment in which business can be conducted in a fair, profitable and sustainable manner.

(source: [https://www.icsi.edu/docs/webmodules/Publications/EGAS\\_04\\_Sep\\_14%20pdf.pdf](https://www.icsi.edu/docs/webmodules/Publications/EGAS_04_Sep_14%20pdf.pdf))

**What changes are required to bring in the present CG to make it more appropriate?**

**Inclusive approach of social responsibility and Indexation of Humanity:** The present day corporate governance in every corner of the world is concentrated on the interests of shareholders and of course few of the codes have given emphasis to the social responsibility also.

Every corporate which is doing business is utilising the resources be it natural or be it human or any other resources.

But a quintessential question arises is – whether we are considering any monetary value for all those resources and if at all we are valuing those resources in monetary terms whether the same is adequately covered.

The concern should be to provide adequate compensatory value to replenish the resources being utilised in order to maintain the balance. This balance could be either related to environment or related to economic or related to human parity.

Therefore there is an absolute necessity to include the social responsibility aspect into the gamut of corporate governance. The logic behind this can be explained with an example.

**Example:** Let's take a company whose object is to generate power by using thermal technology. Such company would obviously utilise the natural resources which is excavating coal from its ore.

Do we know how many thousands of years are required to form that ore under natural process? But within no time the ore is being excavated. Moreover the licence fee etc., charged for handing over the ore is very less compared to the monetary value if really arrived after considering the natural phenomenon of formation of an ore.

Not only that the level of deforestation happening because of that industry and also the emission of pollution into the atmosphere is not at all valued under monetary terms and is not compensated or paid to the government.

The present day corporate governance disclosures is not having any transparent disclosure about the number of hectares of deforestation, the cause of damage to the natural resources, the amount of pollution released into the atmosphere, any rectificatory measures being taken up by the company.

There should be a disclosure about the loss vs. benefit analysis in the Annual reports under a separate heading – "Obligations under the social responsibility" in the section of corporate governance.

There should be a separate mention about the activities undertaken by the corporate to benefit the society. This should be a parameter for incentivising those companies who undertake those activities on voluntary basis and will be a boost to the company for doing more good to the society.

Another aspect of inclusive approach is making the common man i.e, every citizen of the country as part and parcel of this corporate governance. This is because the entities which are earning profits by following good corporate governance measures is the base for levy of the tax by respective governments and that tax itself is utilised for the welfare of the citizens or for the welfare of any state etc. And hence each and every person is entitled to know about the entity and what corporate governance measures are being followed by such entity.

Apart from this a model for indexation of humanity has to be developed and set the scaling for companies, so as to give an impression where they are falling in that index. The highest slab is the best and should be incentivised accordingly.

**Applicability of Corporate Governance to all kinds of business entities:** When corporate governance is relating to ethics, transparency, accountability, sustainability etc., then another moot question arises is – Are these attributes applicable only to big listed entities and is not required for small unlisted companies, societies, NGOs, Firms etc.?

If we are trying to preach something good, then that should be made applicable to everyone without any exceptions. When corporate governance is going to provide multifaceted benefits to various stakeholders and the corporate itself, then the other forms of business entities are also supposed to get those benefits and do the same good to the other stakeholders with whom they are dealing.

Are the other forms of business entities not utilising any resources from external environment? Or are those entities not utilising any bank loans etc., which forms part of public money? Or are those entities not supposed to follow the safeguarding measures prescribed in corporate governance norms?

Let's take the example of the recent scandal involving Sir Philip Green and BHS Ltd (British Home Stores) and also the example of small private limited entities in the case of Satyam in India. All these incidents provoke the requirement of corporate governance applicability to these small and unlisted entities.

Similarly there are numerous societies and Firms which are doing business and dealing with public and also with the society at large.

In addition to that the percentage of the other companies in relation to big listed entities is very huge and there is absolute necessity to bring the ethical mode of transactions and behaviour into those forms of business entities.

If we take the scenario of NGOs, seldom they are accountable in any of the narrowest possible sense in many countries. And this kind of leeway is allowing those NGOs to play with the funds according to the whims and fancies of the owners. But this has to be curbed out by making corporate governance even applicable to those forms of entities also.

Similarly there is another problem associated with these small entities and other forms of business. Generally they have the problem of one person management and lack the institutionalised structure. Therefore applying corporate governance can provide a solution to these other forms of business entities.

There should not be any exception on the size of the entity and form of the entity with respect to the applicability of corporate governance. However, certain clauses in corporate governance can be exempted based on the size and form of the entity.

**Inclination towards self-regulation in contra to statutory regulation:** In the initial days of implementation of corporate governance, there was necessity for the statutory authorities to intervene for providing necessary guidance, procedures and surveillance etc.

But for the fact to be stated corporate governance is not to be monitored by some external agency but it has to be imbibed from within the organisation and in its culture itself. However, there were no steps in this regard so far.

If the real benefits of corporate governance have to be reaped, then there should be a mechanism to be adopted for imbibing automatically into the DNA of the organisation without any surveillance by any statutory authorities.

This is because the statutory regulation lacks the innovation and creativity. Seldom it is prepared by few people sitting at the helm of affairs of making the law. The innovation and/or creativity restricts only to the extent of the capability of those few people alone. But if the same is left open with minimal

control measures, then the whole innovation will flock in abundance because of the involvement of the entire corporate world. The rule based approach leads to excessively prescriptive regimes and gives importance to the 'form' rather than 'substance'.

A rule based approach spells out in precise terms, the manner in which corporates must conduct their affairs. Rules are often made to promote precision, formal equality, predictability, certainty, uniformity, and judicial restraint and reduce the likelihood of bias, arbitrariness, and abuse of power by decision makers (Ford, 2008, p. 7, fn. 24). In the process of meeting standards or complying with regulations, it is often forgotten that rules are not the end but are only a means to the end

Do regulations imply the inability to self-regulate? It may be argued that ethical behaviour is a form of responsible behaviour to self and to others which is merely compelled by compliance. Hence, making ethics and ethical behaviour subject to regulation is counterproductive to instilling an ethical culture. Despite the fact that self-regulation is voluntary, it may ironically have to be sought through the language of regulation and compliance, as such language carries strong normative connotations that incentivise behaviour change, having the potential to overcome the 'market failures' associated with non-compliance-based paradigm.<sup>1</sup> It, therefore, becomes imperative to quote the famous jurist John Austin's definition of law as a command of a sovereign backed by a sanction as the change must start from regulation and evolve into enabling regulation and further move to self-regulation.

One way with self-regulation the burden on the statutory authorities is reduced to a large extent and they only need to monitor for any ill deeds being practiced by any corporate. On the other hand the whole gamut of corporate governance will take a new shape and is automatically imbibed into the DNA of the corporate.

In the present structure of corporate governance, the entire compliance of these norms has become like a check box tick list. The spirit behind the corporate governance and its compliance is totally lost. It has restricted only to paper compliance.

For bringing this kind of phenomenal change and make corporate governance a real aspect in the corporate dealings, a whole new environment should be created wherein the corporates should compete with one another to comply on their own with the corporate governance principles.

Let's examine this with an example. Till a decade back in the old city of Hyderabad, India there were religious fights between Muslims and Hindus. But somehow an environment of software industry, BPO industry and a place for more happening Hyderabad was created. All the youth who used to participate in those fights, slowly turned to learn the requisite technologies and joined those companies with good salaries. In this scenario none of the authorities have guided the public or advised the public suggesting not to participate in quarrels etc. But an environment was created in such a fashion that the youth themselves have realised their purpose and stayed away from such ill practices.

Similarly an environment has to be created, wherein the corporate should feel like adopting the corporate governance for its own good and for the good of the society at large.

This can be created by way of incentivising those corporates, who adopt good practices in the form of concession in tax rates, or giving nation wide publicity or providing them with Corporate Governance Credits etc

**Inculcating the business perception rather than the legal perception into CG:-** So far the compliance with corporate governance has been observed by all the corporate with a legal sense. They used to think that this is a legal compliance which needs to be adhered and feel like an additional burden on them.

But for the fact, the corporate governance is a stream of compliance which is entwined with total business sense. This was not at all advocated by any of the countries when they deal with corporate governance and its importance to the corporate.

Any entity which is doing good and following best practices which are more transparent, accountable and safeguarding the sustainability aspect will have more opportunities in the market to broad base its existence.

The public will also receive that company with open hands and will like to deal with such companies only.

The whole intention of complying with corporate governance norms is to make the company a good legal person which is acceptable to the society, but not to foresee it as a mere legal compliance and filing one more document with the statutory authorities.

But this concept was not at all given preference in the existing norms anywhere in the world. And now it becomes imperative to advocate this concern in wide manner.

**Necessity of a uniform code for the entire world:** Now-a-days the corporate houses are not sticking to the country of their origin. Each and every corporate is becoming a big conglomerate and extending to different countries laying their footage in each place.

This necessitates the understanding of different laws prevailing in each country. But the purpose of the corporate is to do business rather than tangling in a legal junta of each and every country.

Moreover uniformity in corporate governance principles will help each and every country about understanding the corporate and the kind of compliances they are supposed to do.

The logic of having IFRS is applicable even for the corporate governance too. This will bring harmony in the existing codes which are followed in different countries and all the stakeholders will have same understanding about what a corporate has to comply and what their rights are as stakeholders.

This will also enhance the relationship between different stakeholders and corporate from different countries.

The developing countries will also tend to follow the most advanced law as is followed by the advanced countries. This will assist in modernisation of their laws and also the rights and responsibilities will be known to every stakeholder irrespective of country demographic barrier.

Not only this, even harmony is established between various countries to deal with corporate governance on similar lines

<sup>1</sup> Norman, Wayne, (2012, January 19), Business Ethics as Self-Regulation: Why Principles that Ground Regulations Should Be Used to Ground Beyond-Compliance Norms as Well, *Journal of Business Ethics*, <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.463.8989&rep=rep1&type=pdf>

with a better understanding.

A healthy competitive environment will be developed among the corporate from different countries to showcase themselves as more CG compliant companies.

**Approach for ICGC continuous evolution:**

In order to have an effective system of rules, practices and processes by which a corporate is directed and controlled, the world needs a platform to discuss and enumerate the possible methods and procedures for the adoption by corporate beyond the horizons of the respective countries

The below mentioned model code for corporate governance should be continuously be monitored and improvised from time to time by all the countries by meeting in regular intervals.

The deliberations are required to resolve all contentious issues and also to bring harmony in the principles being framed and to be followed by all the countries across the world.

## Section – II

### Model International Corporate Governance Code

**Model International Corporate Governance Code:**

In the new era of globalization and modernization the corporate houses are not restricted to their own country of functioning but spearheading across the globe and the entire world is becoming a stakeholder.

All the countries and organizations are following the corporate governance principles either independently based on the geographical limitations or otherwise bonded by principles of those international organisations for the purpose for which those organizations were established.

There is a need to bring a uniform consensus among all the countries as well as all the organizations to follow the most best global corporate governance practices.

Corporate Governance is needed to create a corporate culture of Transparency, accountability and disclosure. It refers to compliance with all the moral and ethical values, legal framework and voluntarily adopted practices

Complying with the best corporate governance principles will endure the company's a swift edge over generating capital required for their operations and more so from global financial markets. This will also ensure the development of that particular country's economy.

The demand from the global trends in order to be more effective and compliance vigilant by the corporate of all the nations, there is a need to have a more developed version of the corporate governance principles which are acceptable by all the countries.

Because of this scenario the legislations of all the countries need to be reviewed and harmonised with the International standards and a sort of uniformity to the extent possible is highly desirable.

In addition to the above, high quality compliance of corporate governance means low cost of capital market access and even the image of the country will also be enhanced in the eyes of International forum.

Though single corporate governance model may not suit each and every country, but there are few basic tenets on which the entire corporate governance is structured is same

for all the countries.

Similarly the basic tenets of equality, transparency, accountability, sustainability etc., are also applicable to other forms of business entities like Unlisted Companies, Firms, Societies, NGOs etc.

**The most important perception difference brought in these regulations is – these are only recommendatory and not mandatory, but at the same time due recognition is acknowledged in all possible means for those companies who comply with these regulations and disclose accordingly.**

However, there is a caution which we are proposing for this voluntary compliance of corporate governance. Since publicity for the initiatives of the business entities is being provided by way of corporate governance credit and disseminating on the Index, similarly there shall be a note of non-compliance also will be made and all the entities are cautioned for accepting the risks pursuant to that disclosure of non-compliance also.

The principles mentioned in this model “International Corporate Governance Code” are majorly derived from the OECD Principles and other major principles prevalent in various parts of the world.

The entire model code is divided into eight parts as under:

- Part I: Establishing the efficient Framework of Corporate Governance in the entity
- Part II: Rights and Obligations of the Promoters/ Owners/Contributors of the entity
- Part III: Stakeholder Activism and removal of impediments
- Part IV: Constitution of effective Board (Directors Managing Committee etc) and Responsibilities
- Part V: Indexation of Humanity
- Part VI: Ecological Balance in Nature
- Part VII: Inclusive approach of Social Responsibility
- Part VIII: Obligations of Disclosure and Transparency

**The principles of “International Corporate Governance Code”:**

Part I

1. **Establishing the efficient Framework of Corporate Governance in the entity**
  - 1.1 For establishing the most transparent, ethical, accountable and sustainable corporate world there should be a framework of corporate governance for each and every business entity detailing the framework, responsibilities assigned to various levels of officers.
  - 1.2 The corporate governance framework should aim for the development of transparent and efficient markets.
  - 1.3 The framework established should be in synchronisation with the existing rules and law of the land
  - 1.4 The framework should also demarcate the rights and obligations for each category of owners/ contributors, Board etc., and at each and every level of employees



- 1.5 The framework should be in such a manner that it takes care of the public interest and interest of the society at large

#### Part II

### 2. **Rights and Obligations of the Promoters/Owners/Contributors of the entity:**

- 2.1 The corporate governance should protect the rights of the promoters/owners/contributors and at the same time it should also provide a conjugal atmosphere where they can exercise and safeguard their rights like safeguarding their ownership, or transfer their ownership rights, or participating and voting in general meetings, or electing the board level members to run the organisation, or participate in the profits of the entity.
- 2.2 The owners/contributors should possess the right to have the knowledge of important transactions like amendments to the constitutional documents or any material transactions like sale of substantial portion of assets etc., or transfer of shareholding etc.
- 2.3 The owners/contributors should possess all the relevant information of general meetings like Venue, Time, Date, Agenda of the items proposed to be passed etc., and they should also be informed about all material transactions undertaken by the entity during that year
- 2.4 The provision facilitating the voting even by the owners/contributors who are not present at the meeting shall also be provided and they shall be given equal weightage to such votes who casted in absentia also.
- 2.5 The different rights accruing due to variety of ownership/contribution shall be disclosed appropriately
- 2.6 Any major transactions like merger or sale of substantial assets etc., should be disclosed to all the owners/contributors detailing their rights and the eventual effect of these kind of transactions on their rights
- 2.7 A proper platform should be provided to all the owners/contributors to deliberate among themselves for protecting their rights
- 2.8 All the owners/contributors of respective class shall have equal rights and there should not be any discrimination amongst the same class
- 2.9 Any changes in voting rights should get the approval of that class who are going to get effected
- 2.10 There should not be any scope for insider trading and creating an adverse scenario to any class of owners/contributors
- 2.11 The promoters/Owners/Contributors should keep away from managing the operations of the company and have to allow the managers to manage the affairs of the company

#### Part III

### 3. **Stakeholder Activism and removal of impediments:**

- 3.1 The corporate governance framework should

establish proper mechanism to dwell with the interests of various stakeholders in relation to that entity both on micro and macro levels.

- 3.2 It should safeguard and abide by the rules and regulations of the law of the land in relation to the protection of the stakeholders in all possible means
- 3.3 There shall be a redressal mechanism within the framework to seek remedy or to take preventive actions in relation to any transaction which may affect wide variety of stakeholders.
- 3.4 The framework should establish an all-round development and involvement mechanism to the stakeholders and accordingly requisite information should be made available on timely manner.
- 3.5 Stakeholder relationship committee to play the key role to establish connectivity between the stakeholders and the management

#### Part IV

### 4. **Constitution of effective Board (Directors/Managing Committee etc) and Responsibilities:**

- 4.1 The Board size and the composition of wide variety and diversity in the board shall depend on the size and complexity of the entity
- 4.2 The members of the Board shall have an induction program to make themselves familiar and acquaint with the company and the expectations from them in discharging their duties
- 4.3 The Board shall ensure efficient conduct of board and committee meetings and participation of the board and committee members
- 4.4 The Board shall ensure efficient flow of information to the Board so that effective discussions and deliberations can take place and board can take informed decisions
- 4.5 The members of the Board should disclose their interest in any transaction which is affecting the entity.
- 4.6 The members of the Board should act very diligently and on fully informed basis.
- 4.7 The members of the Board should always avoid conflict of interest under all circumstances
- 4.8 The meetings of the board should be structured well in order to have a fruitful deliberation on all matters and facilitate them in discharging their duties
- 4.9 The onus of the responsibility lies immensely on the board because of the fiduciary responsibility towards stakeholders
- 4.10 The corporate governance framework should bestow more ethical responsibility on the board while rendering their services.
- 4.11 While taking any decision on important matters, the Board should keep the interests of various stakeholders in mind and act accordingly.
- 4.12 The board shall ensure that there is proper succession plan for the entity and all the decisions in relation to that are done fairly well.
- 4.13 The Board shall ensure the integrity of the entity while preparing the accounts and financial reporting.
- 4.14 The Board shall exercise independent judgment in relation to the affairs of the entity without any bias

towards their personal interest or to the interest of any particular section of the stakeholders.

- 4.15 The board is empowered to create any number of sub committees to ensure the proper functioning of the entity
- 4.16 The board is under a moral obligation to foresee the future risk aspects and with possible solutions to mitigate them
- 4.17 There should be an effective Board evaluation process which needs be conducted in a very confidential manner
- 4.18 The board should ensure a clear role demarcation between the Chairman, Board, Independent Directors/Members, Board Committees, Management and other Stakeholders
- 4.19 The Board shall ensure quantitative, qualitative and timely dissemination of information to the general public and shareholders

#### Part V

##### 5. **Indexation of Humanity:**

- 5.1 There shall be a predefined parameters to identify and quantify in the "Indexation of Humanity"
- 5.2 Those activities shall be measured on the scale of "Indexation of Humanity" as developed to meet the International standards
- 5.3 All the entities shall disseminate their activities undertaken by giving due weightage and preference for the approach of Humanity

#### Part VI

##### 6. **Ecological balance in nature**

- 6.1 Every organisation shall give priority to maintain the ecological balance in nature
- 6.2 The concept of optimum utilisation of natural resources without affecting the biological, ecological, and environmental elements of the nature shall be taken into account in the effectiveness and evaluation of corporate governance
- 6.3 The impact study on positive and negative aspects of organisation's activities from the angle of ecological balance in nature shall be recognised, measured, accounted and reported by disseminating to the stakeholders

#### Part VII

##### 7. **Inclusive approach of Social Responsibility**

- 7.1 The element of social responsibility should be imbibed in all the activities of the organisations with respect to utilisation of all resources.
- 7.2 Liberal criteria shall be adopted by the organisations for undertaking the activities under social responsibility
- 7.3 All the entities shall disclose their activities on social responsibility in the requisite format devised for this purpose in order to make the organisation more prudent socially.

#### Part VIII

##### 8. **Obligations of Disclosure and Transparency**

- 8.1 The Corporate Governance framework should establish proper means and modes of disclosure requirements, so as to disseminate necessary information to maintain the accountability, transparency and sustainability.
- 8.2 The disclosures should be as elaborative as possible, so that all facets of understanding about the entity is possible in the best effective manner.
- 8.3 The indicative but not exhaustive list covers the items of Financial and non-financial results, objectives, ownership details, Remuneration to Board and one level below the board, Related party transactions, Risk factors and their mitigating measures, employees related, policy decisions, government related, CSR related activities etc.
- 8.4 There shall be exclusive loss vs. benefit analysis on each measure of corporate governance in the annual reports under a separate heading – "Obligations under the social responsibility"
- 8.5 An audit of the corporate governance compliance shall be undertaken by an external auditor and he is accountable to the entire stakeholders
- 8.6 The matters to be disclosed shall be as per the requirements of "Corporate Governance Credit Index" to be established in this regard.

#### Section III

- A. Indexation of Corporate Governance
- B. Advocacy of Corporate Governance and branding of the CG Compliant Companies

##### A. **Indexation of Corporate Governance**

All the principles enumerated in the International Corporate Governance Code shall be earmarked for appropriate indexation for the purpose of giving Corporate Governance Credits and ultimate listing in the Index to be established for this purpose.

##### A1. **Concept of Corporate Governance Credits:**

This is the concept we are proposing to encourage the companies to follow and adopt the self-regulated corporate governance principles.

Anyone in the world desires to be recognised for their good deeds. This gives ample satisfaction and inclination to do more of such good deeds. At the same time it is the moral responsibility on government's part to acknowledge and provide necessary publicity for the good deeds done by any corporate.

For this we are proposing to establish a mechanism of devising "Corporate Governance Credits" similar to carbon credits.

This mechanism should have predefined parameters which can measure any of the activity on the given scale of corporate governance.

The number of points will be accorded based on the good, it made to the society at large. This is only an indicative approach. However this needs to be developed by all the countries to have a uniform scale of corporate governance in

order to issue the credits to each and every corporate.

#### **A2. Indicative parameters for determining the credits:**

Various parameters can be considered as under when the scale of corporate governance is prepared and credits are going to be given:

- The kind of empowerment to the shareholders
- The kind of benefit provided to the government
- The number of people in the society got benefitted by those deeds
- The value addition to the economy of the country of its origin
- The increased international relationships with those deeds

#### **A3. Creation of Transparency Culture**

So far, all the organisations have an inhibition or some kind of fear about being transparent and allowing various stakeholders to know about their activities and conduction of affairs. With this Corporate Governance credit Index listing, there is an enormous amount of transparency will come into the system and moreover this will form part of the culture of the organisations to be more transparent and tend to disclose everything to the maximum extent it is pertinent until and unless the disclosure is too confidential and may lead to collapse of the business.

#### **A4. Inculcation of propensity among organisations towards adhering to corporate governance norms**

The corporate governance credits Index will gradually imbibe the competitive spirit among each and every organisation to show case their adherence to good corporate governance and try to grab as many credits as possible in order to be on top of the respective lists of categories under which that particular organisation may fall.

#### **A5. What government should do towards the entities which are doing remarkably well in corporate governance?**

At the same time the good deeds has to get publicity and there should be some kind of incentive to the company. For this the following measure can be adopted:

- Publicity in all means like print or electronic both nationally and internationally
- Publishing the articles about the impact created by such companies
- Providing Tax rebates/concessions
- Providing duty free clearances
- Making available the research resources either for free or at concessional rates to those companies

Gradually the Corporate Governance Credits should pick up the momentum and every business entity should strive for more credits.

A similar structure of dissemination of information by stock exchanges in relation to the listed entities should also be made available for all kinds of business entities. The should be termed as "Corporate Governance Credit Index".

Under Corporate Governance Credit Index, various business entities shall disclose their information about the compliance and the kind of innovative and good deeds done by those entities. This will facilitate the public to understand about that particular entity without any trouble. This will also give a kind of publicity to that particular entity.

#### **A6. Benefits to the organisations which adhere to good corporate governance norms and embarked on this Index**

Various benefits as enumerated below can be reaped because of this Corporate Governance Credit Index based on the activities and transparency maintained by those entities:

- All companies whether listed or unlisted, Firms can improve their sales
- The societies and NGOs can get more donations from the public
- Mutually aided farmer societies can get proper market price for their harvests
- The listed entities will get a boost in their share prices.
- People will have access to wide variety of entities to suit their requirements
- A synergy is accomplished in all kinds of activities being taken up in that particular country in whatever form by all the entities
- The economy of that country will be in a streamlined manner
- This will boost the image of that country in the international forum
- More foreign funds will flock into the country in the form of Investments
- An increased possibility for all the entities to become global giants or MNCs

#### **A7. Preponderance of corporate governance by Individuals – Eligibility criteria to be appointed as Independent Directors**

The knowledge/awareness along with the experience in dealing with corporate governance related issues by an individual should be considered as one of major selection criteria for appointing him/her as an Independent Director on board of the organisations. In such scenario the real aspect of corporate governance and its benefits can be experienced by that organisation and it turn the whole society.

#### **B. Advocacy of Corporate Governance and branding of CG compliant companies**

Bringing the awareness among different kinds of stakeholders is utmost important in order to bring the real impact of corporate governance.

The following activities can be undertaken for bringing the awareness:

- Creation of story board articles about the greatness of the initiatives and its results
- Conducting awareness campaigns among various sections of public including the rural population
- Introduce the ethical code of conduct as an extra-curricular activity for the children right from the initial school days. Because they are the future entrepreneurs
- Imbibing the culture of corporate governance among various stakeholders
- Make the people understand what the future world is and its impediments.
- Educate them how corporate governance can be a panacea for those problems
- Developing a resource pool for improving the Corporate governance further with innovative solutions to the present and future unforeseen problems



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# 1

## ARTICLES



- BASIC ASPECTS OF DIGITAL ECONOMY
- DIGITAL ECONOMY
- DIGITAL ECONOMY & INDIA
- DIGITAL ECONOMY

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# Basic Aspects of Digital Economy



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As mankind has progressed from the Stone Age to the Metal Age to the Information Age that we are living in today, there has been continuous progress, making our lives simpler day by day. However, the newest revolution to hit the anthropological progression is digitisation. This phenomenon has transformed all our lives and catapulted us into the Digital Age. Every aspect of our lives has been influenced greatly by digitisation.

The term digital economy refers to the convergence of computing and communication technologies through the Internet and the resulting flow of information and technology that is stimulating e-commerce and spurring vast organizational changes. Over the past decade there have been significant changes in how people and businesses connect. Building on the popularity of social networks, enterprises have established their own business networks to connect suppliers, customers and internal systems. This new type of an economy implies not only technological, but also and especially structural and process-related challenges and opportunities. The way in which economic values are created will change fundamentally in the digital economy.

Today, the entire economy is running on devices that have made regular day to day activities easier, more convenient as well as efficient. This transformation has given rise to the digital economy. The concept was initiated towards the end of the twentieth century when Nicholas Negroponte used a metaphor of shifting from processing atoms to processing bits. Thus, a digital economy is based on digital technologies.

Digital economy refers to an economy that is based on digital computing technologies. The digital economy is also sometimes called the Internet Economy, the New Economy, or Web Economy. Digital economy or the internet economy is increasingly influencing our social and economy activities and even the way we live. The internet and its accessory activities including Information and Communication Technologies (ICT) have given birth to new products, services, jobs, enterprises and even markets. World's largest firms – Google's Alphabet, Facebook and Amazon are from the digital world.

According to the Organisation for Economic Cooperation and Development (OECD), "Digital economy is an umbrella term used to describe markets that focus on digital technologies." It refers to the full range of our economic, social and cultural activities supported by the Internet and related information and communications technologies. "These typically involve the trade of information goods or services through electronic commerce. It operates on a layered basis, with separate segments for data transportation and applications." (OECD 2012).

The term 'Digital Economy' was coined by Don Tapscott in his best-seller '*The Digital Economy: Promise and Peril in the Age of Networked Intelligence*' (1995). Academicians and institutions are fine tuning the concept as well as boundaries of digital economy since then. A widely-accepted understanding about digital economy is in its activities on and around the digital world.

Thomas Mesenbourg (2001) has provided three main components for Digital Economy;

i) *E-business infrastructure,*

E-business infrastructure is the share of total economic infrastructure used to support electronic business processes and conduct electronic commerce. It includes hardware,

The backbone of the digital economy is thus hyper-connectivity which creates interconnectedness of people, organisations, and machines that are based on the Internet, mobile technology and the Internet of Things. The internet of things, which is known as the infrastructure of the information society, connects physical devices, smart devices, buildings, and other items embedded with electronics, software, sensors etc. to engage in the exchange of data.

software, telecommunication networks, support services, and human capital used in electronic business and commerce. Examples of e-business infrastructure are: Computers, routers, satellite, wire, optical communications, System and applications software etc.

- ii) *E-business*,  
Electronic business (e-business) is any process that a business organization conducts over computer-mediated networks. Examples of major electronic business process categories include online purchasing, selling, production management, logistics, as well as internal communication and support services.
- iii) *E-commerce*,  
An e-commerce transaction is “completed” when agreement is reached between the buyer and seller online to transfer the ownership or rights to use goods or services. This online agreement is the trigger for determining an e-commerce transaction, not the payment. Only priced transactions will be measured. Downloads of free software, for example, will not be measured. Examples of e-commerce transactions include the sale of a book or CD over the Internet, an electronic marketplace selling parts to another business.

Digital economic activity results from billions of online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is thus hyper-connectivity which creates interconnectedness of people, organisations, and machines that are based on the Internet, mobile technology and the Internet of Things. The internet of things, which is known as the infrastructure of the information society, connects physical devices, smart devices, buildings, and other items embedded with electronics, software, sensors etc. to engage in the exchange of data.

As social media, virtual reality and cloud services are expanding, the boundary between the traditional economy and digital economy is getting difficult to be identified. The OECD has included both

Information and Communication Technology (ICT) goods and services under digital economy. This means that software services are also part of the digital economy. India is the second largest (after Ireland) exporter of ICT services (mostly software) according to the United Nations Conference on Trade and Development (UNCTAD). In the case of ICT goods export, China is the unquestionable global leader with 32% share.

A report from the Internet and Mobile Association of India and Market Research firm IMRB International stated: “As per 2011 census, out of the 444 million urban Indian population, an estimated 269 million (60%) are using the internet and out of the 906 million rural Indian population, an estimated, 163 million (17%) are internet users. Thus, there are potential approximately 730 million users still in rural India who are yet to become internet users; if only they can be reached out properly.” The report further added that it's forecast does not factor in the impact of demonetisation, which gave a boost to digital and mobile transactions.

### EVOLUTION OF DIGITAL ECONOMY

The digital economy is continually evolving. First fuelled by the growing use of personal computing devices, enterprise computing capabilities and internet access, it is now being driven by more advanced digital technologies, notably wireless networks, mobile devices, positioning technologies (i.e., GPS), embedded sensors and real-time analytics. Economists say the growing use of these technologies, coupled with the increasing use of digital technologies in conventional commercial environments, is blurring the distinction between the digital economy and the traditional one.

However, the digital economy is not simply about moving business transactions from face to face to online. The digital economy is about transforming the many facets of business interactions and transactions and also enabling economic innovations. For example, the digital economy both is enabled by and has given rise to the advent of new digital currencies and payment processes, for example Bitcoin and the digital wallets.

As the digital economy is still evolving, there are questions about this new economic model that have yet to be answered. Some have wondered whether cash will become extinct. Others have asked whether a single globally accepted currency will emerge. Economists say neither scenario is likely -- at least in the near future. Economists also note that the digital economy is not just a theoretical construct; it has real impact on societies, too. Some point out that digitization and automation are replacing workers and shifting the kinds of jobs available. Some economic leaders have spoken about a tie between the rise of the digital economy and the stagnation of real wages for many workers and the growing income inequality between the richest individuals and the majority.

They also point out that the digital economy is neither global nor universal. There are many countries, notably in the developing world, where there is limited or no access to the technologies that enable the digital economy. And even in developed countries there are individuals as well as pockets of population that do not have or opt against the technology to participate in the digital economy.

### ADVANTAGES OF A DIGITAL ECONOMY

The advantages of a digital economy are evident and vast in num-



ber. This has been identified by organisations all over the world, including governments of many developed and developing countries, who have made conscious efforts to digitise the economy to improve the efficiency of tedious governmental processes as well as provide convenience to citizens. E-governance is a fast developing concept which requires initial establishment of an Information and Communication Technology (ICT) framework. After the parameters have been set in place, fast and efficient governance can reach the beneficiaries, as it removes various levels of unnecessary protocol that might have been required earlier. Thus, the digital economy requires an initial investment in order to set up the framework necessary to sustain these technologies after which they can be utilised efficiently.

The features of a digital economy make it an inherently useful and advantageous system. Digitisation has provided the solution for storage requirements of articles like books, music, film and newspaper. Libraries filled with archives of newspapers, books and music cassettes would occupy vast amounts of space and labour for maintenance and recovery. However, digital libraries have been a godsend in such situations. With prints of old film and newspapers being digitised, they can be stored in compact forms. In addition to the savings in terms of storage space, there is also the advantage of having ease in recovery of such items as they can be looked up on a central database and obtained within seconds. Also, resources which would otherwise have been used in maintaining these records can now be employed elsewhere. This discussion leads us to the very first and most obvious advantage of a digital economy – minimal space requirements. The vast infrastructure that goes into setting up a digital economy (like the internet) is very small in physical terms.

Another example is ATMs or Automated Teller Machines. These machines require simple commands and absolutely no human resources at the other end in order to facilitate cash withdrawal or balance enquiries. Further, wire transfers of money across the globe and digital cash media like credit cards and debit cards make the requirement of physical presence at a cash source, obsolete. Instant availability of cash and credit has eased transactions for customers across the world.

A paper written by Elizabeth Kolar, titled 'Towards a Cashless Society', way back in 1993, hints at a link in the growth of ATM's, POS and in the higher denomination notes being circulated in large numbers in a society. She writes: "The transition to a cashless society involves an *increase* in cash usage prior to its disappearance for all but low-dollar and 'discrete' transactions". Though there was a discussion on the transition towards a digital economy right from the invention of the credit and debit cards, the idea gathered velocity particularly since the 2008 global economic crisis. It is particularly post crisis that many countries are pushing towards digital transactions. This in itself should cause some consternation.

The OECD report quoted earlier states: "the shift to the predominant use of digital money could both facilitate the entry of new competitors into the financial sector and encourage the emergence of new revenue models for many intangibles, including intellectual property" and that "it will facilitate the development of new products and services, not only in the financial sector but also in various forms of electronic commerce". McKinsey in a report on how digital finances boost growth in emerging economies,

6 Digital economy is about transforming the many facets of business interactions and transactions and also enabling economic innovations. For example, the digital economy both is enabled by and has given rise to the advent of new digital currencies and payment processes, for example Bitcoin and the digital wallets.

released in September, 2016, details the 'benefits' and states that "Digital payments could further enhance revenue by reducing the size of the informal economy. Over the longer term, digital payments can enable development of e-commerce and on-demand services, but digital payments can unleash more rapid growth, given their greater convenience, in turn, e-commerce can unlock consumer spending".

As technologies continue to develop rapidly, so does their user-friendliness. Gadgets these days are easy to handle and use superior technologies and softwares at lower costs. Thus, a digital economy is efficient, cost effective as well as convenient.

## DISADVANTAGES OF A DIGITAL ECONOMY

The digital economy comes with risks as well as opportunities. It is natural to look at both sides of the metaphoric coin when forming opinions about it.

Unauthorized access and use of corporate and personal information are two of the most significant risks of this new economic model. The cashless economy will see a hike in the hacking of the personal information over the internet such as credit and debit card numbers, PINs, passwords and other sensitive information due to an increase of digital transactions. In short, cyber crimes will escalate if adequate internet security measures are not taken.

Another major drawback to the digital economy is the monetary commitment in the beginning phases. There is a substantial initial capital investment in order to provide for the necessary infrastructure and framework, and if one does not have the required capital, they could be left behind on this growing trend. Although digital technologies get cheaper with each innovative development, they require some seed money for research and development as well as implementation. However, it is natural for any new economic framework to have teething problems. Such shortcomings can be resolved by making available the monetary resources required for such a setup.

Inadequate internet infiltration, low internet speeds, limited smartphone and broadband penetration, limitation of PoS machines, are *interalia* a few reasons which restrict the economy from achieving full digitalization.



There will also be uncertainty and ambiguity among the people as their funds will always be in control of a third party such as government, banks, payment interfaces, etc.

While there is no denying the convenience of card or e-wallets, it could open a spending trap. According to behavioural finance theorists, the pain of parting with money is felt more acutely if you use physical cash. Hence, using cash instead of cards or mobile wallet acts as a natural bulwark for people who find it difficult to control spending. Besides, a high penetration of digital payment system is contingent on the fact that the same amount of cash does not come back into circulation. If it does, people are likely to switch back to using cash as it is a habit that they may find difficult to break.

## OPPORTUNITIES IN INDIA

The Department of Electronics & Information Technology of India published Internet of Things (IoT) policy estimating IoT industry in India to grow up to INR 940 billion, by 2020. Focus areas include agriculture, health, water quality, natural disasters, transportation, security, automobile, supply chain management, smart cities, automated metering and monitoring of utilities, waste management, oil and gas.

The intention of pushing our economy to digital mode was made clear by the Finance Minister in his budget speech last year (2015-16) itself. Finance Minister quoted "One way to curb the flow of black money is to discourage transactions in cash. Now that a majority of Indians have or can have, a RuPay debit card, I therefore, propose to introduce soon several measures that will incentivise credit or debit card transactions and disincentivise cash transactions". Further, the finance ministry in an open call on its website, asked for public opinions till June 2015, on its draft proposals for facilitating electronic transactions.

Prime Minister Modi's vision for a Digital India is a strategic call to embrace the opportunity for India as one of the leaders in the third industrial revolution, and the use of Information and Communication Technologies (ICTs) that has never been greater.

McKinsey identifies India to be ready for a transition. It states that at least three conditions should be met to ensure a transition to a digital economy. One, establishment of a widespread mobile connectivity and ownership, two, a national digital-payment infrastructure and three, the existence of a well-disseminated personal ID system with chips or biometric identification. The neo-liberal economic policies since the last decade have already fulfilled all these measures, with the latest addition of Aadhar card. Now the stage

is well set for the next step – digitisation of the economy.

India is on the path to embracing digital technologies and reaping the ensuing benefits especially in the areas of broadband expansion, electronics manufacturing and eGovernance. Implementation of the Digital India program will help the country in overcoming challenges, seizing opportunities and providing citizens with access to better infrastructure and quality of life. It is believed that there is a huge opportunity for the industry to partner with the government in the Digital India program, help transform the life experiences of 1.2 billion Indians and drive India's return to the centre of the world's stage.

As Abraham Lincoln rightly said, "Government of the people, by the people, for the people, shall not perish from the earth." Whatever the government benefits from digital economy, directly have a positive impact on every citizen's life.

However, the let-down here is that according to the World Bank, "nearly a billion Indians are still not able to tap the benefits of a digital economy." To move towards a digital India and achieve a better growing economy, every single citizen must use digital payments even for their petty expenditures.

The drastic digitalization over the past few years has indeed affected almost every sphere of our lives. One of the most recent effects has been the move towards a cashless economy in India. Starting with the note ban in November 2016 due to the sudden withdrawal of the notes of Rs.500 and Rs.1000 denominations from the economy overnight, the Indian economy is going cashless. In other words, least paper transactions will be involved, substituted by more digital transactions with the help of internet banking, digital wallets, Point-of-Sale machines, credit and debit cards, etc.

## CONCLUSION

The digital economy is characterized by the digitization of many products and services and by the use of the Internet and other networks to support economic activities. Such computerization changes the manner in which business is done and considerably improves economic activities and competition. The main issues that are germane to management include the introduction of new business models, different rules in the competition, the issue of organizational transformation to the digital economy, the changing role of intermediation (disintermediation and reintermediation), the process of globalization of each aspect of business activity, organizational changes and new business alliances. Practically all functional areas are impacted by the digital economy.

For a populous country like India, any future strategy for financial inclusion will call for technology to reach the bottom of the pyramid. To facilitate use of Internet and digital transactions, the government can consider forming a Digital Sevak Dal – a network of young people to educate and support the Indian public in cities and rural areas to transition to a cashless economy. The Student Police Cadet scheme in Kerala is an example where schoolchildren visit the homes of poor and the elderly and help with e-literacy and digital transactions. Given the large number of unemployed, and that it requires minimal investment in education, the initiative can create major positive spin-offs.

In essence, the future is limitless for the digital economy, and as long as it enhances the way of the global community, it will be a successful economy for decades to come.

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# Digital Economy



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**D**igital economy refers to an economy that is based on digital computing technologies. The digital economy is also sometimes called the Internet Economy, the New Economy, or Web Economy. Increasingly, the “digital economy” is intertwined with the traditional economy making a clear delineation harder. The term was coined by Don Tapscott, author of the 1995 best-selling book “The Digital Economy: Promise and Peril in the Age of Networked Intelligence”. The Digital Economy was among the first books to consider how the Internet would change the way we did business.

The Article generates insights into how digital technologies are changing individual industries, how they blur the lines between industries, how they are shaping the Future of Digital Economy and Society and the impact of these transformations on the society at large.

According to Thomas Mesenbourg (2001), three main components of the ‘Digital Economy’ concept can be identified:

- e-business infrastructure (hardware, software, telecoms, networks, human capital, etc.)
- e-business (how business is conducted, any process that an organization conducts over computer-mediated networks)
- e-commerce (transfer of goods, for example when a book is sold online).

In this new economy, digital networking and communication infrastructures provide a global platform over which people and organizations devise strategies, interact, communicate, collaborate and search for information. More recently, Digital Economy has been defined as the branch of economics studying zero marginal cost intangible goods over the Net.

Some economists assert that the digital economy is more advanced and complex than the Internet economy, which, under one definition, simply means economic value derived from the Internet.

The digital economy is continually evolving. First fueled by the growing use of personal computing devices, enterprise computing capabilities and Internet access, it is now being driven by more advanced digital technologies, notably wireless networks, mobile devices, positioning technologies (i.e., GPS), embedded sensors and real-time analytics.

Economists say the growing use of these technologies, coupled with the increasing use of digital technologies in conventional commercial environments, is blurring the distinction between the digital economy and the traditional one. However, the digital economy is not simply about moving business transactions from face to face to online. The digital economy is about transforming the many facets of business interactions and transactions and also enabling economic innovations. For example, the digital economy both is enabled by and has given rise to the advent of new digital currencies and payment processes (i.e., Bitcoin and the digital wallet).

## BITCOIN

Bitcoin is a digital currency (also called crypto-currency) that is not backed by any country’s central bank or government. Bitcoins can be traded for goods or services with vendors who accept Bitcoins as payment. Bitcoin-to-Bitcoin transactions are made by digitally exchanging anonymous, heavily encrypted hash codes across a peer-to-peer (P2P) network. The P2P network monitors and verifies the transfer of Bitcoins between users. Each user’s Bitcoins are stored in a program called a digital wallet, which also

Bitcoin-to-Bitcoin transactions are made by digitally exchanging anonymous, heavily encrypted hash codes across a peer-to-peer (P2P) network. The P2P network monitors and verifies the transfer of Bitcoins between users.

holds each address the user sends and receives Bitcoins from, as well as a private key known only to the user.

A transaction is a transfer of value between Bitcoin wallets that gets included in the block chain. Bitcoin wallets keep a secret piece of data called a private key or seed, which is used to sign transactions, providing a mathematical proof that they have come from the owner of the wallet.

## DIGITAL WALLET

A digital wallet refers to an electronic device that allows an individual to make electronic transactions. This can include purchasing items on-line with a computer or using a smartphone to purchase something at a store. They might also have their driver's license, health card, loyalty card(s) and other ID documents stored on the phone. The credentials can be passed to a merchant's terminal wirelessly via near field communication (NFC). Increasingly, digital wallets are being made not just for basic financial transactions but also to authenticate the holder's credentials. For example, a digital-wallet could potentially verify the age of the buyer to the store while purchasing alcohol. The system has already gained popularity in Japan, where digital wallets are known as "wallet mobiles".

## THE OBJECTIVE OF DIGITAL ECONOMY

Therefore, to realise the objective of making India a 'Digital Society' and a 'Knowledge Economy', Prime Minister Narendra Modi envisioned the scheme of "Digital India" so as to transform the entire concept of Governance by making it more transparent and accessible to the citizens. The Digital India initiative is being implemented by Department of Electronics and Information Technology (DeitY), along with other ministries such as Ministry of Communications & IT, Ministry of Rural Development, Ministry of Human Resource Development, Ministry of Health etc.

## VISION AREAS OF DIGITAL INDIA

The main vision of Digital India initiative is to 'transform India into a digitally empowered society and knowledge economy'. To achieve this vision, the government has marked three Vision Areas, viz.:

1. Making digital infrastructure as a utility to every citizen.
2. Making Governance and public services on demand.
3. Making citizens digitally empowered.
- 4.

**Important objectives under these vision areas are:**

1. High-speed internet connectivity for fast delivery of public services.

2. Creation of unique digital identity for every citizen.
3. Providing private space on public cloud.
4. Making cyber-space safe and secure.
5. Making government services available in real time through online medium.
6. Improving ease of doing business through transformed digital services.
7. Financial transactions to be made cashless and electronic
8. Universalization of digital literacy.
9. Making digital resource and services available in Indian languages.
10. Making governance citizen participative through collaborative digital platform.

## NINE KEY INITIATIVES UNDER DIGITAL INDIA SCHEME

- Broadband Highways
- Universal Access to Mobile Connectivity
- National Rural Internet Mission
- e- Governance
- e-Kranti
- Information for All
- Electronic Manufacturing
- Training and Job Creation
- Early Harvest Programme.

## DEMONETISATION EFFECT: DIGITAL PAYMENTS INDIA'S NEW CURRENCY; DEBIT CARD TRANSACTIONS SURGE TO OVER 1 BILLION

In 2016, amid the ongoing debate on the benefits of demonetisation, there's been a strong growth in digital payments and transactions in the months since the currency swap was announced on November 8, according to Reserve Bank of India data. Digital transactions have trebled and quadrupled in volume and value across various modes from wallets to cards and interbank transfers from a year earlier. Card transactions at point of sale (PoS) terminals at merchant locations have surged, reflecting a positive for the economy as more people start using their debit cards for payments rather than for withdrawing cash at ATMs. Debit card transactions rose to more than 1 billion in January from 817 million last year. While ATM transactions have remained constant at around 700 million, the incremental growth has been driven mostly by card swipes at PoS terminals.

After note recall, under pressure from the government, banks deployed 1 million additional PoS terminals within three months, taking their total number to around 2.52 million.

### Digital Drive Gathers Momentum

	2017			2016		
	JAN	FEB	MARCH	JAN	FEB	MARCH
<b>VOLUME OF TRANSACTIONS (IN MILLION)</b>						
Debit Cards	1,040.97	944.32	981.28	817.51	796.69	844.59
IMPS	62.42	59.75	67.41	22.48	23.86	25.98
PPIs	295.8	280.02	342.09	65.25	65.37	72
<b>VALUE OF TRANSACTIONS (IN ₹ BILLION)</b>						
Debit Cards	2,006.48	2,286.82	2,616.45	2,327.99	2,259.57	2,342.82
IMPS	491.25	482.21	564.68	165.59	169.67	198.73
PPIs	110.01	96.28	106.77	49.09	49.98	59.72

Source RBI



## DIGITAL ECONOMY AS A THEME OF BUDGET 2017

Digital economy is one of the nine themes of the budget. According to the Finance Minister, Digital Economy provides speed, accountability and transparency in the country.

“Promotion of a digital economy is an integral part of Government’s strategy to clean the system and weed out corruption and black money.” The budget makes several efforts to realize a number of goals related to the digital economy. These include the construction of digital payments infrastructure, enhancement of digital connectivity in rural areas, provision of skill and education to the youth, raising the quality of e-governance, promotion of digital manufacturing and the important goal of ‘cleaning’ the economy and society.

### 1. Digital payments

Budget also stressed steps to promote digital payment applications including the BHIM App use in important institutions and market places. Digital payment modes including the BHIM

“ A digital wallet refers to an electronic device that allows an individual to make electronic transactions. This can include purchasing items on-line with a computer or using a smartphone to purchase something at a store. An individual’s bank account can also be linked to the digital wallet. They might also have their driver’s license, health card, loyalty card(s) and other ID documents stored on the phone. The credentials can be passed to a merchant’s terminal wirelessly via near field communication (NFC).

App will be promoted in petrol pumps, fertilizer depots, municipalities, Block offices, road transport offices, universities, colleges, hospitals etc.

### 2. Connectivity

The second component of the government’s digital economy initiative in the budget is enhancement of connectivity. With speedy connectivity, people can not access digital services and hence broadband connectivity is to be expanded. For this, an allocation of Rs 10000 crore will be provided during 2017-18 to the existing BharatNet project. BharatNet targets to provide digital connectivity to the country’s nearly 250000 panchayats. By the end of 2017-18, high speed broadband connectivity on optical fibre will be available in more than 1,50,000 **gram panchayats, with wifi hot spots** and access to digital services at low tariffs.

### 3. Digital education/skill formation

Digital economy is going to have profound impact on the education sector. Already, the MHRD has launched SWAYAM as an indigenously developed IT platform that facilitates hosting of all the courses, taught in classrooms from 9th class till post-graduation to be accessed by anyone, anywhere at any time. SWAYAM seeks to bridge the digital divide for students who have hitherto remained untouched by the digital revolution and have not been able to join the mainstream of the knowledge economy. Nearly 350 courses will be offered through the SWAYAM platform. A DigiGaon initiative will be launched to provide tele-medicine, education and skills through digital technology.

### 4. Public service delivery and e governance

Ever since the beginning of the digital India Mission, the government is trying to maximize the gains of digital revolution by providing government transfers like pension, NREGA wages, scholarships etc. through the JAM platform.

In the new budget, the Finance Minister announced the expansion of national online agricultural market or the e-NAM for entire farmers so that they can get better price for their crop. According to the budget, the coverage of National Agricultural Market (e-NAM) will be expanded to 585 APMCs. Similarly, e-NAM will be linked to derivative markets.

### 5. Digital economy for cleaning the system

Perhaps digitalization’s best benefit is that all accounts and transactions are recorded so that there is little scope for tax evasion and black money. In this context, the digital economy

will help the government to cleanse the system.

### 6. Manufacturing of digital devices

Cashless economy is possible with the expansion of devices and infrastructure. For this, the budget brought several steps to promote the manufacturing of PoS machines and Micro ATMs. For the promotion of cashless transaction equipment and their domestic manufacturing, the basic customs duty, countervailing duty and special additional duty of imported components were abolished. Similarly, the excise duty of several POS machine components were eliminated. Miniaturized card reader for POS, Micro ATM, finger print reader, scanner, iris scanner etc. will get benefit. The excise duty of these items was also eliminated.

For the manufacturing sector, the allocation for incentive schemes M-SIPS (Modified Special Incentive Package) and EDF (Electronics Development Fund) enhanced to an all-time high of Rs 745 crores in 2017-18.

## OPPORTUNITIES FOR INDIA IN THE DIGITAL ECONOMY

The digital economy is the new productivity platform that some experts regard as the third industrial revolution. Digital revolution, also known as 'The Internet Economy' or Internet of Everything (IoE), is expected to generate new market growth opportunities, jobs and become the biggest business opportunity of mankind in the next 30 to 40 years. Goldman Sachs predicts that India - comprising 15% of the world population, with a growth rate of 7 to 8%, could be the second largest economy by 2030. India's new leadership considers the digital economy as a major growth enabler. When Prime Minister Narendra Modi strategically listed "Digital India" among the top priorities for the new central government, he delivered a resounding nod to the digital economy's opportunities.

Cisco estimates that all IoE pillars - Internet of things, Internet of people, Internet of data, and Internet of Process for India have a value at stake (VAS) of INR 31.880 trillion (about half a trillion U.S. dollars) for the next ten years. From that INR 7.263 trillion is in the public sector and INR 24.616 trillion is in the private sector during the next decade.

Primary benefits of India's public sector are increased revenue; reduced costs; higher employee productivity; improved safety and security; improved environment; enhanced citizen experience, and better health and well-being.

Prime Minister Modi's vision for a Digital India is a strategic call to embrace the opportunity for India as one of the leaders in the third industrial revolution, and the use of Information and Communication Technologies (ICTs) that has never been greater.

India's leaders also acknowledge the digital economy's potential and have substantially invested in digitalization for public and private sectors. The commitment of India's government to spend Rs1.13T (US\$19 billion) within the next five years strategically acknowledges the increasing value of Communication Technologies (ICTs). Nearly 40 percent of the global value at stake will have new winners and vendors in the next decade. This major opportunity of the digital economy has the power to change the lives of millions of people of India. It could be an important vehicle for change and it could provide the opportunity for India to dramatically expand its role and influence in the global economy and become a powerhouse of digital innovation.


## IMPACT

Union IT Minister has categorically brushed aside fears of a downturn in the technology sector, saying that the digital economy will touch \$1 trillion (Rs 600 lakh crore approx.) in the next five to seven years.

"Once the digital economy is here, you will see how much it will progress," the Minister said during an interaction with reporters at a press meet in the Ministry on achievements of the Narendra Modi Government in three years.

"The digital economy in the country will become a one trillion economy in the next five to seven years," he said. "Corporatizing digital India provides great flexibility and greater opportunity for talent and faster decision making."

## CONCLUSION

The digital economy is the new productivity platform that some experts regard as the third industrial revolution. Digital revolution, also known as 'The Internet Economy' or Internet of Everything (IoE), is expected to generate new market growth opportunities, jobs and become the biggest business opportunity of mankind in the next 30 to 40 years. While moving towards a cashless economy is the eventual endeavor, it is important to understand that the sudden push to 'go-digital' may test the existing security and fraud controls extensively. India's status as a digital economy is at a very nascent stage and will evolve and innovate drastically in the coming years, especially with the increased convergence of sectors such as financial services, telecom, information technology, etc. This change will also come with its fair share of challenges, both in the short and long term. This major opportunity of the digital economy has the power to change the lives of millions of people of India. It could be an important vehicle for change and it could provide the opportunity for India to dramatically expand its role and influence in the global economy and become a powerhouse of digital innovation. While the government is encouraging and pushing people to embrace digital banking/ payment solutions, it is a reality that a large part of the demography in India has limited awareness on the use of this technology, and to a large part, even banking as a concept. This therefore may pose challenges for organizations, financial institutions and the government to instill faith in opting for such a route. Fraudsters may also find this the most appropriate period to induce customers into sharing critical information and embezzle their money (cramming frauds). It is therefore important that customers not only understand the mechanism of transactions, but the security aspects related to it as well. This may be one of the most critical factors that has the potential to derail the adoption of digital payment instruments, if not addressed adequately. 

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# Digital Economy & India



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## INTRODUCTION

Presently 'Digital Economy' is a buzz word and with the push of vibrant 'Digital India' it has gained much importance in India. If we discover the origin of the phrase, 'Digital Economy' was first described in Don Tapscott's book *The Digital Economy: Promise and Peril in the Age of Networked Intelligence*.<sup>1</sup> This book was one of the first which described how Internet based Information Technology will change the way we perform the business. Digital Economy is a form of economy that is functioning on digital computing technologies. Often phrases like the new Economy, the Internet Economy or Web Economy are being used interchangeably for the term 'Digital Economy'. Increasingly, the "Digital Economy" is intertwined with the traditional economy making a clear delineation harder.<sup>2</sup> It is firmly realized that the advancement of the digital economy has far-reaching impact on the world economy and thus most developed economies have started embracing digital economy. These economies are also aware that we are at the dawn of the fourth Industrial Revolution, which will string up digital, biological and physical technologies in innovative and strong combinations.

World Economies are transforming into the Digital Economy due to innovative evolution of Information and Communication Technologies and as one of the fastest growing economy India is also striving hard to adopt Digital Economy through its Digital India initiative. To assess the status of Digital Economy, analysis of world economies along-with their preparedness for adopting Digital Economy is essential to study. To fulfill this objective, the Networked Readiness Index 2016 presented by the World Economic Forum has been considered. Some countries are very close to become Digital Economy but India slips down two positions to an overall rank of 91 from its previous position, despite improvements in its political, innovative and regulatory environment. However, Last year India has taken revolutionary measures in its journey to Digital Economy which will help it in improving its tally on the Networked Readiness Index 2017.



## COUNTRIES WELL ADAPTED FOR THE DIGITAL ECONOMY

Before analyzing the Indian conditions for Digital Economy it is imperative to look world over and see their preparedness. In this regard the World Economic Forum has prepared a *Networked Readiness Index* for measuring digital depth of various countries. The Networked Readiness Index developed by the World Economic Forum is a crucial barometer for determining how countries are performing in the digital world. It is also referred to as Technology Readiness which determines the propensity for the world economies to grab the opportunities created by Information and Communication Technologies. It quantifies how well an economy is using information and communications technologies to enhance competitiveness

1 (Tapscott, 1997)

2 ([www.wikipedia.com](http://www.wikipedia.com))

and wellbeing<sup>3</sup>. As per the Networked Readiness Index 2016 the top ten countries that are found to be best placed to adopt the most of the digital economy is given below:

**Table 1: Rank of top 10 Countries harnessing Information Technology out of 139 World Economies**

Networked Readiness Index 2016	
Countries	Global Rank
Singapore	1
Finland	2
Sweden	3
Norway	4
United States	5
Netherlands	6
Switzerland	7
United Kingdom	8
Luxembourg	9
Japan	10

Source: World Economic Forum 2016

Singapore has occupied the number one spot and its ranking is the outcome of its Government's firm commitment to pursue the digital agenda. Benefits from Information Technology are extensively derived in Singapore and it makes exemplary usage of digital technologies in delivering basic and government services and also ensures that its Institutions are smoothly connected. The other nine countries also have more or less similar attributes. They have exceptionally fine access to the advance technologies making their venture capital and business network highly connected. These countries have an extremely favourable business and innovative atmosphere, which has created one of the most buoyant and digitized economic centers in the world.

Beside the above list of top ten countries, there is also data for main movers in the Networked Readiness Index 2016. The table below shows some countries that have made remarkable improvements on previous year's rankings:

**Table 2: Top movers - Global Information Technology Report 2016**

Networked Readiness Index 2016			
Countries	2015 Rank	2016 Rank	Change
Italy	59	47	12 points
Kuwait	72	61	11 points
Lebanon	99	88	11 points
Slovak Republic	55	45	10 points
South Africa	75	65	10 points
Ethiopia	130	120	10 points
Côte d'Ivoire	115	106	9 points

Source: World Economic Forum 2016

## INDIAN SCENARIO

India has launched its ambitious project "Digital India" with a mission "Digital infrastructure as a utility to every citizen, governance and services on demand and empowerment of citizen." Precisely, the Digital India programme is a flagship programme of the Government of India with a vision to transform

3 (Breene, 2016)

Digital India is to empower common people using broadband by delivering e-governance, education and health facilities to them even in remote areas. It aims to bridge the gap between haves and have-nots and also between rural and urban areas commonly known as 'urban & rural digital divide'.

India into a digitally empowered society and knowledge economy.<sup>4</sup> The Digital India document of the Ministry conceptualizes in depth on providing e-learning, health and e-governance services as its fundamental objectives. Detailed roadmap portrays "public internet in 2.5 lakh villages by March 2017 and broadband to all by March 2017". In a nutshell, Digital India is to empower common people using broadband by delivering e-governance, education and health facilities to them even in remote areas. It aims to bridge the gap between haves and have-nots and also between rural and urban areas commonly known as 'urban & rural digital divide'.<sup>5</sup>

At the time of publication of the Networked Readiness Index 2016 India did not make any remarkable progress. The World Economic Forum observed that "Despite of improvements in its political and regulatory environment and also in its business and innovation environment, India slips down two positions to an overall rank of 91. Although India's absolute score has changed only marginally in recent years, the drop can be attributed in part to the fact that other countries are moving ahead at higher speeds. In addition, lack of infrastructure and low levels of skills among the population remain the key bottlenecks to widespread ICT adoption, especially in terms of individual usage. A third of the Indian population is still illiterate and a similar share of youth is not enrolled in secondary education. Only 15 out of 100 households have access to the Internet and mobile broadband remains a privilege of the few, with only 5.5 subscriptions for every 100 people. This is in spite of the fact that affordability has long been one of the strengths of the Indian ICT ecosystem, with the country ranking 8<sup>th</sup> in the year 2016 in that area. A deep divide persists between well-connected metropolitan hubs and remote areas, where even the most basic infrastructure is insufficient. In the year 2015 the government launched the Digital India programme, which aims to close this gap by fostering investment in digital infrastructure, improving digital literacy, and increasingly providing online services to citizens. India's performance in terms of providing online services and allowing e-participation has so far been in line with that of peer countries, but far from global best."

However the above comment of World Economic Forum was made in the year 2016 and after which India had witnessed two revolutionary turning points first was launch of Jio Telecom services and second was demonetization. Demonetization led cash crunch in the economy and common people started making digital transactions and thus involved themselves in the digital

4 ([www.digitalindia.gov.in](http://www.digitalindia.gov.in))

5 ([www.thewire.in](http://www.thewire.in))



economy on massive scale but subsequent re-monetization again reduced the quantum of digital transactions. During the period of demonetization the number of daily transactions through e-wallet services such as Oxigen, Paytm and MobiKwik has shot up from 17 lakh — recorded on November 8, 2016 when demonetization was announced — to 63 lakh as on December 7, 2016 (a growth of 271%). In terms of value, the surge has been 267%, from Rs 52 crore daily to Rs 191 crore. Transactions through RuPay Cards (e-commerce and point-of-sale) were up 316% at 16 lakh daily (3.85 lakh on November 8), while in terms of value the growth has been 503% at Rs 236 crore (Rs 39 crore).<sup>6</sup> Similarly with more than 10 billion subscribers of Jio Telecom Services and competitive measures of other Telecom service operators now a large part of Indian population is using internet enabled services like digital payments, e-commerce, e-learning, tele-medicine and e-governance, etc.

Status of Digital India: As of March 31, 2017, only 17,000 village panchayats could be provided with broadband connectivity as against a target of 2.5 lakh village panchayats. It obviously proves that there is still lack of broadband connectivity in rural areas. According to TRAI, the teledensity data is as follows:

**Table 3: Subscribers ratio and Teledensity**

Month	Subscribers Ratio		Teledensity	
	Urban	Rural	Urban	Rural
August, 2016	57.57%	42.43%	152%	51%
December, 2016	59.30%	40.69%	170%	53%
March, 2017	<60% (estimated)	>40% (estimated)		

Source: www.data.gov.in

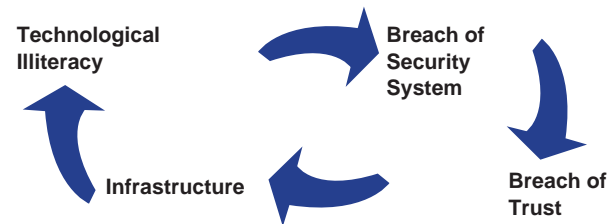
The above data clearly shows that India has made progress in digital inclusion but this digital inclusion should not be confused with digital economy because before concluding one has to enquire: who are these subscribers and what they do with this digital inclusion? If most of these users are subscribers in urban areas as highlighted in the TRAI data and they are enjoying internet connectivity to browse social media sites then it is not “Digital India” as envisioned by the Government.

## BARRIERS IN ACHIEVING DIGITAL ECONOMY

There are four major barriers in achieving digital economy viz. technical illiteracy, security threats, non-confidence of users and infrastructure. These barriers are hampering the adoption of digital economy individually and supporting to each other also. Digital Economy is prone to breach of security system. In the month of September 2016, India has experienced 3.2 million debit cards compromised. The probe by NPCI found a malware-induced security breach in the systems of Hitachi Payment Services, which provide ATMs, point of sale and other services in India. The investigation alleged that the security breach occurred in the ATMs of a particular private bank.<sup>7</sup> This incidence has lost faith of common people in Digital Economy and refrained them from adopting digital economy. Although security breach is not frequent and often happens due to subscriber’s negligent behavior traceable to technical illiteracy, security threats, non-confidence of users and infrastructure which are supportive to each other.

<sup>6</sup> (<http://timesofindia.indiatimes.com>)

<sup>7</sup> (<http://indianexpress.com>)



Technological illiteracy leads to omission and non-observance of cautionary measures which renders security system vulnerable. Breach of Security system always erodes the faith of users on digital environment. Then new devices and software will be invented to ensure security and to gain the faith of common people on digital system. These new inventions make existing infrastructure obsolete and creates the infrastructure inadequacies. Also new infrastructure requires know-how to operate and thus leads to technological illiteracy.

## CONCLUSION

The characteristics of a digital economy make it an inherently beneficial and convenient system. Digitization has provided the solution for storage requirements of books & records and simultaneously it makes entry of each and every transaction thereby proving helpful in shrinking the black economy. Its real time operation and global reach will derive major benefits to the economy. Although India did not perform well in the Networked Readiness Index 2016, yet due to last year’s major initiatives it will take a giant step in improving its tally on the Index of 2017. India has more than 65% of its population below 35 years of age and naturally young people are more tech-savvy who will fulfill the objectives of Digital India. This will also be helpful in transforming the economy of India into Digital Economy. However way ahead is not much easy, it needs to improve its school enrollment ratio besides making knowledge & performance of digital transactions part of school/college curriculum. As a welfare measure, government should introduce compensatory measures beneficial to genuine and marginal users for any loss occurred due to breach of security system which will act as indemnity to faith of people reposed in the digital system. For mitigating infrastructural inadequacies common public platform should be developed at urban and rural centers where common citizen may avail advanced digital services. CS

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# Digital Economy



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## INTRODUCTION

As shown by the experience of leading countries, digital technologies can be transformational for development generating economic and social benefits for people, businesses and governments. Digital technologies now provide opportunities for inclusive and sustainable economic growth, in all sectors of the economy. It is important for countries to undertake structured efforts to create and harness the benefits of digital economy in order to realize greater job creation, increase country competitiveness, allow for greater diversification and catalyze innovations in service delivery to improve the lives of their citizens.

The world as we know is rapidly changing, and one of the fundamental drivers is digital transformation. At its core, digital transformation isn't about Internet "unicorns." It's about using the latest technology to do what you already do – but better. The global economy is undergoing a digital transformation as well, and it's happening at breakneck speed. Digital Economy is the economic activity that results from billions of everyday online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is hyper connectivity which means growing interconnectedness of people, organisations, and machines that results from the Internet, mobile technology and the internet of things.

According to Thomas Mesenbourg (2001), three main components of the 'Digital Economy' concept can be identified:

1. E-business infrastructure (hardware, software, telecoms, networks, human capital, etc.),
2. e-business (how business is conducted, any process that an organization conducts over computer-mediated networks),
3. E-commerce (transfer of goods, for example when a book is sold online).

Professor Walter Brenner of the University of St. Gallen in Switzerland states: *"The aggressive use of data is transforming business models, facilitating new products and services, creating new processes, generating greater utility, and ushering in a new culture of management."*

The digital economy is sometimes called the Internet economy, the new economy or Web economy. But some economists assert that the digital economy is more advanced and complex than the Internet economy, which, under one definition, simply means economic value derived from the Internet.

## DIGITAL ECONOMY CONCEPTS AND DEFINITIONS

The concept of digital economy is evolving all the time because of its multifaceted and dynamic nature and due to the transformational power of digital technologies. For instance, the Australian government defines a digital economy as "the global network of economic and social activities that are enabled by platforms such as the Internet, mobile and sensor networks". Oxford Dictionary defines Digital Economy as "an economy which functions primarily by means of digital technology, especially electronic transactions made using the internet".

According to OECD, the digital economy enables and executes the trade of goods and services through electronic commerce on the internet. The recent studies highlight diffusion of the digital economy within the whole economy and claim that "it can no longer

Recent studies highlight diffusion of the digital economy within the whole economy and claim that “it can no longer be described as a separate part, or subset, of the mainstream economy”. It goes beyond e-commerce and e-business and includes doing business, conducting communications and providing services across all sectors.

be described as a separate part, or subset, of the mainstream economy”. It goes beyond e-commerce and e-business and includes doing business, conducting communications and providing services across all sectors including transport, financial services, manufacturing, education, healthcare, agriculture, retail, media, entertainment and business using digital technologies. Digital economy plays a significant role in accelerating global economic development, enhancing productivity of existing industries, cultivating new markets and industries, and achieving inclusive, sustainable growth. At the same time, the digital economy is becoming a powerful catalyst and a driver of inclusiveness, by linking communities to each other in a sort of “global village”, sharing information, ideas and products, and allowing countries to rise up the value chain.

## ECONOMIC AND SOCIAL BENEFITS OF DIGITAL ECONOMY DEVELOPMENT

Today, people around the world rely on mobile communication, internet access and social media for interaction with each other, sharing information and obtaining new knowledge and services, while governments and businesses increasingly prefer the internet for disseminating information, delivering services, communications, marketing and doing business in general.

According to the World Development Report 2016: digital technologies in many instances have boosted growth, expanded opportunities, and improved service delivery. Digital technologies have the power to deeply transform the economy as a whole and across various sectors. As shown by the successful practices, the more efficient use of digital technologies is a key driver for a more competitive economy, growth and jobs.

## CONTRIBUTION TO ECONOMIC GROWTH

The global digital economy is experiencing high growth, rapid innovation, and broad application to other economic sectors. An Accenture study estimates that digital transformation of the top ten economies of the world is a \$ 1.36 trillion opportunity waiting to be unlocked by governments and business leaders. According to BSG, it will reach \$4.2 trillion in the G-20 economies by 2016 and “already contributes up to eight per cent of GDP, powering growth and creating jobs.” In addition,

over 75% of the value added created by the Internet is in traditional industries, due to higher productivity gains.

### Talent Management and Skills Development

The rapid growth of new technologies and business models, demographic shifts, and economic trends are likely to have significant global impacts. Such effects will necessarily cause stresses in labor markets as existing jobs change, evolve and in some cases disappear. Advances in robotics, artificial intelligence, autonomous/semi-autonomous vehicles are a few examples of disruptive technologies that are gaining momentum. Changes in demographics and economic variables are also becoming increasingly pronounced. The effects of these cumulative changes on labor markets are likely to be felt across all countries – developed and developing. Countries in preparing for the future will, therefore, need to pursue agile strategies for rapidly aligning skills to fast changing demand in labor markets. Such approaches may need to create a “liquid workforce” which is highly adaptable and malleable to changing market needs. Countries will need to move on multiple fronts in this context. At one end countries will need to have a much more sophisticated and granular understanding of the local, regional and global demand for skills. At the other end, countries will need to put in place mechanisms for anticipating and responding to this demand.

## RISKS ASSOCIATED WITH NEW DIGITAL ECONOMY

There are a number of risks that the government need to think about. A few are listed here.

1. **Cyber security:** Cyber security risks are growing exponentially with the increasing digitization of the economy. The government might consider some aspects of cyber security to be too sensitive to be handled by the private sector. However, there might be value in pursuing in parallel public-private partnerships in cyber security for creating a more secure ecosystem. Unless cyber security is addressed across the digital economy spectrum, it will be difficult to have a secure and trusted environment conducive to growing businesses and attracting investors. Various partnership approaches could be explored in this context. For example, cyber risk insurance is becoming increasingly important, and there may be opportunities for PPPs in the reinsurance of cyber risks, much along the lines of catastrophe reinsurance. There may be other models that might be of interest.
2. **Disruptions in labor markets:** While the Digital Economy is believed to create new jobs, on the other hand, the shift to automation, ability to connect and quickly create a test ideas are posing risks to the traditional types of employment and job security as we know it today. WDR2016 on Digital Dividends identifies a number of risks, such as – Risks associated with the speed of labor market changes and the destruction of traditional jobs; Risks associated with changing nature of work and the quality of internet enabled jobs, such as micro work or jobs in the on-demand economy; The risks associated with widening income inequality. Although technologies are becoming widespread. The economic pay off are not. The governments need to think through strategies to address this problem.
3. **Social and economic inequities:** The digital economy can accelerate development and growth, but it can equally

exacerbate existing social and economic inequities. This is borne out by the numerous digital divides that exist today. Currently only 40% of the globe has digital access. A McKinsey report suggests that about 75% of the offline population is concentrated in 20 countries, and is disproportionately rural, low income, elderly, illiterate, and female. A study by the World Economic Forum highlights that in India, only 25 of every 100 households have access to the internet and there are only 5.5 mobile broadband connections for every 100 people. Unless we can provide universal access to all, the digital economy will benefit only a few, exacerbating inequities between the digital haves and have-nots.

But the digital divide is not only about access. It is also about the degree and quality of participation among those who are already online. According to a Boston Consulting Group study, the percentage of women internet users in India is approximated at only 29%; the remainder 71% is men. A paper analyzing Twitter feeds in India concluding that women were significantly underrepresented in political conversations. Addressing this divide requires providing universal and affordable access to all. The private sector has a necessary role to play as it invests in the backhaul infrastructure for digital connectivity. But the emphasis must be on promoting government backed structural solutions rather than private sector commercial ventures alone. This would include dismantling the monopoly control over international gateways, liberalising domestic markets for building and operating physical infrastructure networks, and creating robust regulatory frameworks that check for policy capture by private sector monopolies. Commercial solutions such as Face book's Internet.Org can provide affordable access, but with a high cost to net neutrality; whether Google's Project Loon that uses Wi-Fi balloons will impose the same kind of restrictions is yet to be seen. Access also must be balanced with concerns about data integrity, privacy, and security.

The drastic digitalization over the past few years has indeed affected almost every sphere of our lives. One of the most recent effects has been the move towards a cashless economy in India. Starting with the demonitisation in November 2016 due to the sudden withdrawal of the currencies of Rs.500 and Rs.1000 denominations from the economy overnight, the Indian economy is going cashless. In other words, least paper transactions will be involved, substituted by more digital transactions with the help of internet banking, digital wallets, Point-of-Sale machines, credit and debit cards, etc.

## FUTURE OF DIGITAL ECONOMY

Although it has been sufficiently stated that digital economy is a well established concept in our minds and world, it is also a phenomenon of the future. In other words, there is still a lot of scope for digital technologies to evolve and break their own records. Although some parts of the world are heavily ensconced in their digital lives, there are still others who are struggling to see the light as far as digital technologies are concerned. The ascent of this digital economy has not been evenly spread across the globe. Such large dissensions in the

outreach of a digital economy need to be addressed. Efforts are being made to make digital technologies and gadgets more accessible to the multitudes still unaware of this technological revolution. For instance, India recently developed the world's cheapest tablet computer which was sold to students at subsidised rates of \$35.

## ECONOMY THROUGH MORE AND MORE DEPENDENCE TOWARDS DIGITAL TOOLS.

Though the approach is positive, but still there lies certain challenges to execute this step in hard core reality. The challenges in this regard include -

- **Priority of cash** - India is a kind of mixed economy where there is the highest use of cash in the world. A major proportion of payments done in India are through cash only. High use of cash in this country is only helpful to the informal economy and not by any means for the formal one. The mindset of public in this country is such that people are still not tech savvy and their dependence on mobile phone and internet for commercial purpose is still very minimal.
- **Usage of ATM is mainly through cash mode** - From the perspective of ATM cards, a major proportion of this financial instrument are employed for cash withdrawals and nothing else. A very low level of digital payment is done through this entity which is also an issue of orthodox mindset of the common man.
- **Restricted availability of point of sale terminals** - The availability of point of sale terminals in India is still majorly restricted to urban and semi urban areas. More and more availability of these POS terminals in the hard core city area is essential to make people aware of digital commerce and trade.
- **Crisis of mobile internet penetration** - Digital transactions need solid support of internet connectivity. From the perspective of Indian infrastructure, there is still poor internet connectivity in rural areas and even in areas growing as extensions of major cities.





- **Hesitation of public for digital transactions-** India has unfortunately poor literacy level in rural areas. This is the biggest impedance on the part of government to impose digital economy in the country. Lack of even basic knowledge in language, science and technology is becoming a great handicap for people to get accustomed with the digital movement. Common man in India living far away from the glitz and glamour of the mega cities is fearful about carrying their everyday economic life digitally.

## CONCLUSION

Demonetization was recently introduced as a major step to curb the enemies of our economy. This is a two way process through which black marketing can be controlled and our economy can gradually move towards a cashless format. Although the decision is undoubtedly brave but the preparation to do such a thing is not always proper to make the common man get relief from its ill effects. The entire country was taken by storm when the decision to ban Rs 500 and Rs. 1000 notes was imposed on the country. There was surprise, apprehension and concern amongst people as well as industries over how the economy would function without the notes that had made up almost 86% of the total currency. But there was one sector of the industry that got the opportunity of a lifetime as a consequence of this decision- Mobile Wallet and E-Commerce companies. These companies literally cashed in and grabbed this chance with both hands, resulting in an exponential growth of the mobile transactions scene.

## ROLE OF MOBILE WALLETS IN CASHLESS ECONOMY

Soon enough, the jingle 'Paytm Karo' was on every tongue and mobile wallets filled in for the shortage of cash. The convenience, handiness and ease of access they provide, combined with their simple and user-friendly interfaces meant that anybody who owned a Smartphone, could use it. So began the cashless revolution and street vendors, grocers, as well as wealthy enterprises jumped on the band wagon. This gave rise to an increase of 435% in traffic, 200% in app downloads and 250% in overall transactions, just for Paytm,

According to the World Development Report 2016: digital technologies in many instances have boosted growth, expanded opportunities, and improved service delivery. Digital technologies have the power to deeply transform the economy as a whole and across various sectors. As shown by the successful practices, the more efficient use of digital technologies is a key driver for a more competitive economy, growth and jobs.

the country's largest mobile wallet. Closely following Paytm is Mobikwik, another mobile wallet that has experienced a similar boom in its trades and if the latest trend is anything to go by, this upsurge is not just limited to being a post-demonetization constraint but a lasting habit. The number of internet banking and credit card users has already been outdone by the number of mobile wallet users by a significant figure. However, in order to make sure that mobile wallets and cashless transactions don't become a thing of the past, certain measures need to be taken by the government as well as these companies. Nevertheless, mobile wallets have emerged as the stepping stones towards making the Indian economy a largely cashless one and all things considered, their accessibility and lucrative deals have the capability to ensure that people stick to mobile wallets in the foreseeable future. From our extensive discussion on Indian economy going cashless, we can only infer and remark that there needs a solid preparation both from the sides of the common man and the financial institutions to create an awareness platform for making our society switch to digital commerce gradually and with no hesitation from both mental and socio economic perspectives. CS

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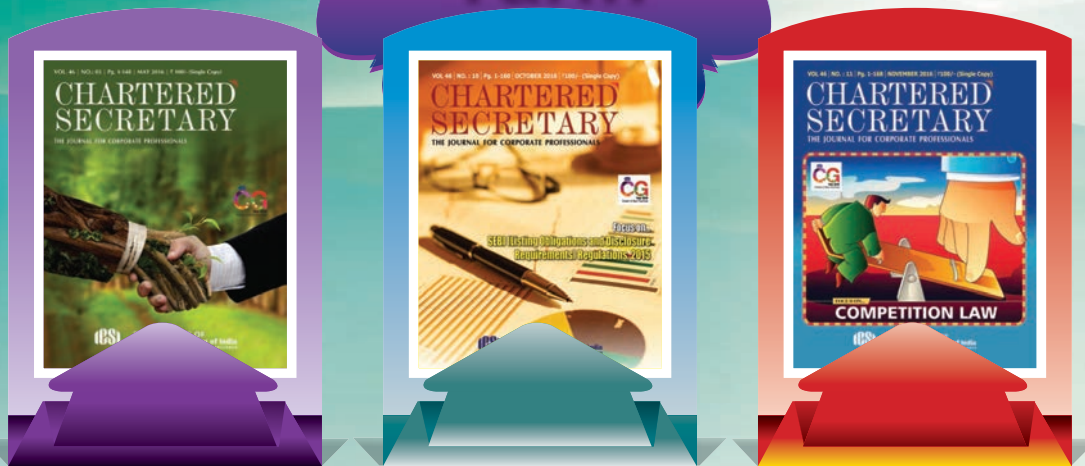
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# A Study on 'Growth of Mergers & Acquisitions in India'



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Indian Mergers & Acquisitions seen a sharp rise in deal activity to \$69.75 billion across 1195 transactions in 2016 fuelled by a series of structural reforms undertaken by Government which has helped created an environment of greater confidence on long-term sustainable growth mainly due to big ticket deals of Reliance-Aircel Merger for \$4.86 bn and Ultratech's acquisition of Jaiprakash Associates and HDFC's Life merger with Max creating India's largest private sector life insurance company. Also, fair trade regulator, CCI's (Competition Commission of India) role in promoting competitions in market through amendments to Combination ('mergers' and 'acquisitions') Regulations omitting certain requirements to simplifying existing norms, reducing the number of filings for the ease of business, is also promoting merger growth in India. The article seeks to study current state of M&A deals and the impact of amendments of CCI in merger process.

Mergers and Acquisitions, an inorganic way of business growth and expansion, has been rising rapidly owing to CCI's role in promoting competitions in markets through amendments to Combination Regulations in line with international best practices. The paper seeks to throw light on impact assessment of CCI's amendments on M&As.

## OBJECTIVES

Research is undertaken for following objectives:

- i. To analyse current M&A trends in key Indian Economy sectors including banking, telecom, etc.
- ii. To study provisions of Competition Act, 2012 (Merger control in India) to Combination Regulations.
- iii. To enlist CCI's judgemental case laws of merger deals in India.
- iv. To undertake impact assessment of CCI's amendments to Combination Regulations.
- v. To identify valuation issues in M&A and deal failed due to the reason.

## I. INTRODUCTION

Transforming a small business into a big one, or a big business into an even bigger one, essentially occurs in one of two ways. Companies can grow their revenues and profits from within by cultivating and growing demand for their products and services. This strategy, known as organic growth, requires patience, but pays big dividends when executed successfully. A riskier and popular way that companies can grow is through a mergers and acquisitions (M&A) strategy which can create synergies when companies with complementary products, services and missions unite.

M&A's were one of those by-products of epic economic reforms of 1991 that eased 'license raj' and opened the doors for intense competition. After the reforms were rolled out and many restrictive policies were rolled back into the annals of history, family business conglomerates, which established businesses and thrived even under stringent regulatory environment, were first to sniff the opportunity to accelerate the pace of growth through M&As. Initially, with the motive to capture readymade capacities in expanding markets in India, domestic M&As took place in textile, steel, cement, pharma and other core manufacturing industries dominated by these family-run groups.

With M&As only confined to family-owned companies till 1990s, year 2000 marked the beginning of complete realignment with opening of new sectors like IT, technology, telecom, BPOs where big companies diversified into with a ferocious hunger for growth fuelled by large flow of capital into these newer sectors. In 2003 to 2007, India became the

nerve-centre of cross-border acquisitions with billion-dollar assets being gobbled up by Country's manufacturing biggies owned by big conglomerates where bankers came up with innovative models to restructure big family-owned groups. And now between 2006 and 2010, \$40-50 billion PE money played out in Indian market which shaped the fortunes of mid-market bankers.

Third phase started immediately after the slowdown in 2008 when companies strangled by huge debts, decided to sell distress assets. Buoyed by opportunities, several multinationals and large Indian corporate houses bought distress or under-performing assets in India. Going by the sectors, technology, consumer, pharma and healthcare also emerged as a major area for M&A activities after 2008 as the recession-proof industry strived for consolidation.

## II. M&A ACTIVITY TRENDS IN INDIA

M&As which have become a major engine of economic growth over the last 25 years have hit all-time high of \$69.75 billion across 1,195 announced transactions beating the previous record of \$66.96 billion seen in 2007, fuelled by a wave of consolidation and rising confidence in Country's economic growth prospects. Activity was almost doubled that of 2015 when 1306 M&A deals worth \$36.68 billion were recorded. Series of structural reforms undertaken by Government over the past 24 months has helped create an environment of greater confidence on long-term sustainable growth.

Indian conglomerates have used the increase in investor interest to sell assets for deleveraging balance sheets and utilizing cash flows for investments in core business, which has been a significant driver of transactions in the infrastructure sector.

Figure 1: M&A Trend in India



Source: Thomson Reuters

While inbound M&A transactions grew by 72% to \$33.37 bn (across 304 deals), domestic transactions grew almost three times to \$26.58 bn (across 687 deals) whereas Outbound grew by 64% to \$8.39 bn.

The sharp upstick in domestic M&A was a reflection of much-awaited consolidation activities in certain capital-intensive and cyclical sectors such as cement, power and metals and mining. Corporates with stronger balance sheet saw this as an opportunity to consolidate market positions, particularly as many global buyers remained distracted in their home geographies. M&A also increased as financial sponsors such as PE funds, sovereign wealth funds and pension funds increased investments in the Country.

Exits for Private Equity funds have also been an important driver

for inbound M&A. Global strategies are comfortable in acquiring companies with PE ownership. Interest from pension funds and sovereign wealth funds is high, particularly in well-managed, stable cash flow generating assets.

Despite a weak deal-making environment globally, Indian corporates continued to seek opportunities to maintain competitiveness and expand their core business across India and Abroad.

Table 1: M&A Deals in India

Year	Value in \$ billion		Deal Count	
	Inbound	Outbound	Inbound	Outbound
2007	26.2	18.2	141	125
2008	19.6	14.0	130	128
2009	9.1	2.4	103	40
2010	21.4	22.5	128	93
2011	25.4	6.8	136	76
2012	15.6	6.3	138	75
2013	14.9	7.9	156	40
2014	15.2	1.7	169	59
2015	19.4	5.11	224	72
2016	33.37	8.39	304	79

Source: Mergermarket Trend Report

Outbound acquisitions by Indian Companies have seen a surge in first month of 2017 after a lull for three years with the biggest deal acquisition of Finland's PKC Group by automobile ancillary giant Motherson Sumi for \$604 million. The trend for automobile acquisitions is more relevant in pharmaceuticals and auto industries, where Indian companies are looking for extension of their businesses in overseas markets.

Table 2: Top Deals in 2016

Date	Target	Amount (\$bn)	Acquirer	Sector
15 Oct	Essar Oil	12.9	Petrol Complex	
15 Sep	Reliance Communications-Indian Wireless Business	4.86	Aircel	Telecom
8 Aug	Max Financial Services-Life Insurance Business	3.19	HDFC Standard Life Insurance	Banking & Financial Services
11 Aug	Aditya Birla Nuvo	2.89	Grasim Industries	
28 Oct	Jaiprakash Associates Cement Units	2.42	Ultratech Cements	Manufacturing

The year witnessed two mega-mergers in Telecom and Banking Sectors. Reliance Communication's merger with Aircel Ltd for US \$4.86 billion (65% of total deal value in telecom sector) is one of largest consolidation in this sector in recent years. Also, HDFC Life's US \$3.9 billion merger with Max Life created India's largest private sector life insurance company with a market value of US\$10 billion.

Demonetisation could lead to a temporary impact on performance of companies in FMCG, auto, healthcare services and other consumption led sectors which in turn could lead to a potential broadening of bid-ask gap in valuations. However, it is a key near-term challenge, though the medium-to-long term prospects remain bright.

### III. MERGER CONTROL IN INDIA- COMPETITION ACT, 2002

Be it mergers, amalgamations or restructuring, the deals reflect a process among companies to focus on core business by a suitable process of streamlining. The focus on business is broadly to keep core and related business together either to expand in an upcoming market or to face competition. A fallback to restructuring and mergers may perhaps have been due to the prevalence of licensing policies followed by government under the Industries Development and Regulation Act where concerns of business was more in acquiring licenses rather than in concentrating and developing core strengths. Taxation policies only contributed to the kind of haphazard and unconnected business conglomeration where the intention was more on avoiding taxes.

The system of controls in shape of industrial licensing restricted the freedom of entry into industry and also led to concentration of economic power in hands of few individuals or groups of business houses. This entrenchment of a few individuals led to the emergence of monopolistic industries, License-raj and consequently to their indulging in restrictive trade practices which were detrimental to consumer and economy.

In 1964, Government of India appointed a commission named Monopolies Inquiry which later became MRTP Act, 1969 to provide for control of restrictive trade practices and prevention of concentration of economic powers detrimental to public interest. However, MRTP was solely concentrating on size of industrial undertaking and in view of policy shift from curbing monopoly to promoting competition, MRTP Act was repealed to enact Competition Act, 2002 which seeks to promote competition in markets and prevent only those anti-competitive practices that have an appreciable adverse impact on competition.

#### Provisions of Competition Act

India is one of the fastest growing economies in world. Since the growth process is driven both by organic and inorganic (through M&A route) growth of enterprises, Indian Competition Act, 2002 obligates Competition Commission of India (CCI) to regulate business restructuring which in parlance of law known as 'combinations'. Further, number of M&A taking place in India is enormous and it is not feasible for CCI to regulate all transaction, hence presuming that small size combinations are less likely to have appreciable adverse effect on competition, Act provides for high thresholds in terms of assets/turnover for mandatory notification to Commission. Combinations are of three types including horizontal, vertical and conglomerate, however, only such horizontal mergers that may lead to reduction in competition substantially need regulation.

Corporate Acquisitions including hostile takeovers or amalgamations, or mergers and acquisitions of control, shares, voting rights or assets between firms, which collectively cross the thresholds in terms of assets or turnover under Section 5 of Competition Act, 2002, qualify to be called as 'combinations'. It is an ex-ante regulation and approval of CCI under the Act is first and foremost legal requirement before parties enter into any strategic restructuring which may result into a combination.

Overlapping jurisdictions of regulators in various sectors like SEBI, TRAI, IRDAI, Central Electricity Regulatory Commission (CERC), RBI for competition issues in banking sector, etc often result in risk of either transactions relating to M&A being needlessly stalled due to multiple or contradictory regulatory

requirement that need to be met to get a transaction approved. In light of above, it is critical that parallel regulatory approval processes are aligned to ensure that M&A activity is not hindered due to lack of coordination between various regulators or cumbersome procedural formalities. This position is partially sought to be addressed under the Competition (Amendment) Bill, 2012 which includes a proposal that other regulators are required to mandatorily refer the matters to CCI where an issue arises that any decision of such authority is contrary to the Act.

#### Case Laws-Judgment of CCI

##### ➤ Acquisition- Etihad Airways PJSC/Jet Airways India Limited- [C-2013/05/122]

The proposed combination related to acquisition of 24% equity interest in Jet Airways India Limited ("Jet") by Etihad Airways PJSC ("Etihad") and in relation to all rights and benefits which the parties commercially agreed upon, CCI observed that Jet and Etihad had entered into a composite combination with common/ultimate objective of enhancing their airline business through joint initiatives. The effect of these agreements established Etihad's joint control over Jet, more particularly over the assets and operations of Jet, thereby, CCI concluded that proposed deal would change the competitive landscape in a way that is most likely to benefit Indian aviation passenger. CCI thus approved the proposed acquisition holding that it does not lead to any AAEC in the market.

##### ➤ Amalgamation- Alstom Bharat Forge Power Ltd.

CCI in case held that if there is no horizontal overlap between two enterprises, scheme of amalgamation cannot be challenged. Alstom Bharat Forge Power Ltd. (ABFPL) and another company proposed to go for amalgamation under which ABFPL will continue to be under joint control of promoters i.e. Alstom Power holding S.A. and Bharat Forge Ltd. The amalgamating company was in business of manufacturing heat exchangers and auxiliary equipments. The Commission held that products would be complimentary to each other for setting up of turbine islands and had no adverse effect on competition in India.

CCI (Procedure in Regard to Transaction of Business Relating to



Combinations) Regulations, 2011 as amended from time-to-time serve as an implementing regulations and the substantive test applied for merger control in India is whether the combination shall cause appreciable adverse effect on competition (AAEC) within the relevant market in India. The Act also provides for revision of threshold limits every two years by government, in consultation with Commission, through notification, based on changes in Wholesale Price Index (WPI) or fluctuations in exchange rates of rupee or foreign currencies. Further, vide notification S.O. 675 (E) dated 4<sup>th</sup> March, 2016; thresholds prescribed has been enhanced by 100% through notification as per tabulated:

**Table 3: Thresholds by CCI**

Thresholds for filing Notice				
Enterprise Level	India	Assets	OR	Turnover
		Worldwide with India leg		>2000 INR crore
		>USD 1 bn with atleast >1000 INR crore in India		>USD 3 bn with atleast >3000 INR crore in India
OR				
Group Level	India	Assets	OR	Turnover
		Worldwide with India leg		>8000 INR crore
		>USD 4 bn with atleast >1000 INR crore in India		>USD 12 bn with atleast >3000 INR crore in India

The Regulations also provide for Categories of transactions not likely to have AAEC which are exempted from filing of any notice to Commission.

- i. Acquisition or investment or in ordinary course of business in so far as total shares or voting rights held by acquirer directly or indirectly, does not entitle the acquirer to hold 25% or

more of total shares or voting rights of target company subject to certain conditions. Similar exemption for cases where Acquirer with group already holds 25% but not more than 50%, subject to condition that acquisition does not result in sole or joint control. Exemption is also given in cases where Acquirer already has 50% or more shares or voting rights subject to condition that transaction should not result into sole control form joint control.

- ii. Acquisition of stock-in-trade, raw materials, stores and spares, trade receivables and other similar current assets.
- iii. Acquisition of shares or voting rights Securities Underwriter or a registered stock broker on behalf of their clients in ordinary course of business.
- iv. Acquisition of shares or voting rights or assets, by one person or enterprise, of another person or enterprise within the same group, except in cases where the acquired enterprise is jointly controlled by enterprises that are not part of the same group.
- v. Merger or amalgamation of two enterprises where one of enterprises has more than 50% shares or voting rights of other enterprise, and/or merger or amalgamation of enterprises in which more than 50% shares or voting rights in each of such enterprises are held by enterprises within the same group, subject to condition that it doesn't result to sole control from joint control.

#### Notice to CCI

Section 6 of the Act stipulates that any person or enterprise who proposes to enter into a combination shall give a notice to CCI in prescribed form-1 or Form-II, as case may be, along with prescribed fee (Rs. 15 lac or Rs. 50 lac w.e.f. 28.03.2014, within 30 days of occurrence of any of events or at the option of party subject to crossing of the specified Asset/Turnover thresholds –

- i. Approval of proposal relating to merger or amalgamation, by board of directors of the enterprises concerned;
- ii. Execution of an agreement or other document for an acquisition of one or more enterprises or acquiring control over an enterprise;
- iii. Execution of an agreement or other document for Acquisition of control over one or more enterprises where the acquirer already has control over a similar/identical business.

No combination can take effect unless the transaction is approved by CCI. Moreover, sub section (1) of Sec. 6 of Act stipulates that "No person or enterprise shall enter into a combination which causes or is likely to cause an (AAEC) within the relevant market in India and such a combination shall be void".

#### Penalty for failure to file Notice in Time

Section 43A of Act provides that CCI shall impose penalty on an enterprise/person which fails to give notice of reportable transaction within thirty working days and that penalty may extend to one percent of total turnover or assets, whichever is higher, of such a combination. This provision has not remained dormant and infact, CCI has imposed penalty in umpteen number of belated filings.

#### Case of acquisition of businesses of Alston S.A. by GE-CCI imposed penalty of Rs. 5crores.

GE agreed to acquire thermal power, renewable power and grid businesses of Alstom S.A. where acquisition documents were signed on 4th November 2014 and parties notified the CCI on 24<sup>th</sup> November 2014. CCI cleared merger, but initiated proceedings against GE for missing the 30 day filing deadline imposed by

India's rules which, according to CCI, began when GE publicly notified the deal to India's stock exchanges in May 2014 by way of a public announcement and imposed a fine of INR 5,00,00,000 (5 crores).

The case reveals that non-compliance was merely a formality and procedural in nature as notifications were filed with CCI; CCI had sufficient time to review and the transactions and consummation of transaction occurred only after clearance was obtained. Also, CCI found that no AAEC emanated from proposed combination. Also, out of 120 jurisdictions worldwide having merger control laws, most of suspensory jurisdictions don't mandate parties to file notice within the given time.

Filing deadlines are not a necessary feature of a modern merger control regime. The European Commission (EC) abolished its one-week filing deadline in 2004, citing that practice had shown that a strict enforcement of deadline was neither realistic nor necessary. A filing deadline could actually disadvantage the parties as it can be difficult for parties to file a high quality notification on time, resulting in filing of deficient/incomplete notices and CCI issuing defect notices. Where removal of timeline will reduce the burden of regulatory approvals required to be undertaken by a combining party; cases before CCI dealing with gun jumping will be substantially reduced which will enable it to focus on review of transactions as opposed to complaints of belated filings; and merger regulation in India will fall in line with global trend and will elevate India's position in relation to ease of doing business.

#### IV. IMPACT OF AMENDMENTS OF CCI TO COMBINATION REGULATIONS

In order to further reduce the number of filings for ease of business and to ensure quick and swift review of Combination cases, CCI in its Combination Regulation has carved out certain categories of transactions which need not normally be filed with CCI by way of notifications issued on 4<sup>th</sup> March'2016. It will ensure CCI is not unnecessarily unburdened with inconsequential merger filings and is able to focus its resources on transactions which truly have a market impact. This move is in consonance with GOI's proactive stance on fuelling investments/equity participation into start-ups under the aegis of 'Startup India'.

In the last six years of merger control regime, CCI have approved 338 Form I merger and 21 Form II merger notifications. In view of the increase of transactions which were getting notified to CCI, amendment notification are a welcome move which will provide relief to corporate entities from making filing for combinations which are unlikely to raise adverse competition concerns, reduce their compliance requirements, make filing simpler and to move towards certainty in application of Act and Regulations.

##### Implications of Amendments to Merger

i. **Invalidation of Notice:** Commission now may give an opportunity of being heard to parties to invalidate a notice if it found that notice was not valid, i.e. not 'complete and in conformity with Combination Regulations.' Also, the time taken by Commission to decide the notice's validity would be excluded from 210 calendar days period within which Commission is required to pass its final order and from 30 working days period within which Commission is required to form its prima facie view as to whether a combination is likely to cause an appreciable adverse effect on competition within relevant market in India. Thus, like many other natural jurisdictions, India also has a suspensory regime. The

amendment is truly a positive step in line with understanding that merger regulation is a non-adversarial process that requires regulator to communicate with parties who present the matter for regulator's consideration.

- ii. **Increase in shareholding while holding between 25% and 50%:** Previously, a notice was required to be filed with Commission in the event an acquirer was increasing its shareholding by more than 5% in an enterprise in which it already held between 25% and 50% equity share capital or voting rights. The exemption provided in Item 2 of Schedule I of Combination Regulations has been widened where now an investor who holds between 25% and 50% of equity share capital or voting rights of target enterprise would be allowed to increase shareholding below 50% without an approval of Commission. This is a welcome step and a number of transactions which had little or no competitive impact are no longer notifiable.
- iii. **Relaxation on person filing the notice:** Where earlier, in case of an acquirer being a company, a notice could be filed by any person authorized by Board of Directors of Company, now as per amendment, any person authorized by company would be able to file notice on behalf of company without any authorization from BODs. This is a positive development and would allow for easier management of logistical processes such as executing the declaration required to be filed along with notice. The BODs may now authorise a team to carry out all acts for completion of proposed transaction. This team may now sub-delegate the authority of filing the notice with Commission.
- iv. **Trigger to Filing:** Where a binding document had not been executed to notify the Commission of an acquisition within 30 calendar days but intention had been communicated to a Statutory Authority, the amendment states a Statutory Authority is no longer a trigger to filing a notice with Commission. The new second proviso to Regulation 5(8) of Combination Regulations states that where a public announcement has been made in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) (Takeover Code), for acquisition of shares, voting rights or control, such public announcement would be considered as the trigger to filing the notice with Commission. The amendment provides welcome clarity in specifying that it is communications with respect to acquisitions under Indian securities laws that would trigger a filing with CCI and not communications with any Statutory Authority (which could theoretically have included the Reserve Bank of India, or even authorities that received joint proposals for tenders floated etc.)

#### V. VALUATION ISSUES IN M&A CAUSING FAILURE OF DEALS

Companies make acquisitions mainly to maximize shareholders value that, the value of acquirer and target is greater if they operate as a single entity than as separate ones, i.e. if synergies are associated with the transaction. But the transactions carry risk; risk of overpricing or underpricing a business; risk of not realizing expected synergies. The uncertainty created by current economic and regulatory climate amplifies these risks. Enhanced diligence is required of valuation issues inherent in every transaction to ensure consistent and unbiased application of fundamental principles.

1. **Price is what you pay. Value is what you get.-Warren Buffet.** As said by Warren Buffet, price is what the market requires to effectuate a transaction; value is the intrinsic worth of a business which is a function of cash flows to be generated by acquired business which in turn is a function of core operations, expected synergies, integration success. Price versus value is foundational equation in every transaction, yet deal makers simply ignore this reality at best. Successful deal making requires a sharp focus on relationship between risk and return such as how are expected cash flows and future performance captured in the model, and is this consistent with your underlying diligence findings; whether the synergies identified in diligence likely to be realized, and when will this incremental value be captured; what is the required return; what option exist after a transaction closes and do these options have value now.
2. **Bias:** Bias, a perfectly natural and human condition is ever-present in deal making posing risks typically by producing biased valuations. Chief executives have big visions, which sometimes result in narrow consideration of alternate views. Bankers are not motivated by doing deals; they are motivated by closing them. Sellers are selling. Internal politics or compensation strategies at acquiring companies and target companies may drive behaviors that diverge from defined deal objectives. A lack of independence between management and board of directors may leave important risks uncovered.  
Forecasted cash flows may reflect stronger performance than industry trends reasonable support as speculative synergies may be increased and costs to achieve the synergies understated. Required returns may fail to properly account for market risks. Failure to pay attention to bias is a common storyline for transactions that produce insufficient returns. However, establishing clear deal objectives and performing a valuation diligence exercise that is comprehensive and substantive are two ways to counter deal risk created by bias.
3. Valuation has been described as part science, part art where 'science' is rooted in decades of academic and applied financial and economic research establishing widely accepted theories about the relationship between risk and return. Whereas 'art' is an appropriate reflection of the need to consider experiential knowledge. However, valuation too commonly described only as art which amplifies deal risk, example being the distinction between informed judgment and bias is often blurry. While judgment can greatly improve clarity about the financial aspects of a transaction, bias can disguise it. Additionally, when judgment becomes the primary consideration, outcomes are circular and self-fulfilling. When judgment is modifying science in appropriate and reasonable ways, or vice versa, valuation is more credible and compelling in a negotiation. Science objectivity to the process and provides a foundational framework from which to measure the reasonableness of judgment. Smart deal making requires practitioners to have a deep understanding of the science of finance.
4. Since current value is a function of future cash flows, a detailed association of future is critical to successful deal making. Historical results can inform projections of future performance but transactions often signal changing competitive forces and industry trends, which may challenge the applicability of historical results. Projection should reflect

expected cash flows which are a probability-weighted average of possible outcomes. The underpinning of valuation science is relationship between expected cash flows and the systematic risk of achieving those cash flows. Expected cash flows differ from most-likely cash flows, unless upside and downside distributions around most-likely cash flows are symmetrical. Expected cash flows are unconditional; achieving the forecasts is not conditioned on an event that is ignored in forecasts. For example, a conditional forecast would project cash flow if the Food and Drug Administration approves a new drug, while an unconditional forecast would project cash flow as a probability-weighted average of cash flow with approval and cash flow without approval. Thus, expected cash flows require a more robust and challenging forecasting process but enhance the understanding of equation between price and value.

5. **Linking Value and Integration:** Realizing expected value depends on realizing expected cash flow, which in turn depends on successfully executing operational strategies, in other words, ultimately, there is a quantifiable link between successful integration of an acquired company and transaction economics. When a purchase price is modeled based on future cash flow, including synergistic cash flows, the buyer is implicitly committing to amount and timing of shareholder value expected to be maintained or created by the transaction. Smart deal makers use valuation tools to analyze expected annual profit creation and map the profit to identified integration tasks, a process that creates measurable performance indicators. This road map of value generation allows for better monitoring of value trends, including the timing and realization of synergies.

#### Case Studies-Failed M&A deals

Without mergers and acquisitions, many of the most well-known brands and companies would not be where they are today. Some merged companies are so successful we can't remember a time when two were distinct. Where would Disney be without Pixar, or J.P. Morgan without Chase? At the same time, history of mergers and acquisitions has had its fair share of failures.

Indian companies could have been better off had they not taken acquisition path for growth, as per Consulting Firm KPMG. Three-fourth of acquisitions made by local firms have failed to create a substantial value from deals and 59% of acquisition have actually destroyed value within a year of closing a deal.

When you merge cultures well, value is created. When you don't value is destroyed. Relationship between cultural fit and acquisition implementation is highly related. It is difficult, if not impossible, to undergo a successful implementation without adequately addressing the cultural fit issues as happened in Hewlett Packard and Compaq merger in 2001 that resulted in US \$13 billion loss in market value due to cultural clashes.

#### Failure of Daimler-Benz and Chrysler

In 1998, German automotive company Daimler AG, then known as Daimler-Benz, and American Car company Chrysler merged to form a transatlantic auto company. Many observers praised the merger because it combined two companies that focused on different areas of automotive market and operated in different geographical regions. However, the financial and product synergies for this merger soon paled in comparison to the cultural conflicts the merger created. Though strategically the merger made good business sense but contrasting cultures and

management styles hindered the realization of synergies. Daimler-Benz attempted to run Chrysler USA operations in the same way as it would run its German operations. Daimler-Benz was characterized by methodical decision-making, on other hand, Chrysler encouraged creativity. While Chrysler represented American adaptability and valued efficiency and equal empowerment, Daimler-Benz valued a more traditional respect for hierarchy and centralized decision-making. Chrysler had a loose, entrepreneurial culture, while Daimler-Benz had a very structured and hierarchical approach to business. Clashes between German and American managers at the companies appeared, and ultimately merger dissolved when Daimler sold its remaining 19.9% stake in Chrysler in 2009.

### Merger Failure of Volvo and Renault

The attempted merger of Volvo and Renault SA in 1993 ran into trouble because the two parties failed to address ownership structure at the outset. Unlike the Daimler and Chrysler merger, this automotive deal lacked executive and cultural clashes. Instead, the two companies began their relationship as joint venture partners, which allowed them to get comfortable with each other. The merger was expected to save companies \$5 billion, however, the two companies failed to consider problems of combining an investor-owned entity with a government-owned company. The merger would have left Volvo shareholders with a 35% stake in combined company, while the French government controlled the remainder of shares. It was believed that shareholders of Volvo and Swedish people found it unacceptable to sell one of its prized companies to French government.

### AOL & Time Warner

At the height of Internet craze, two media companies merged together to form (what was seen as) a revolutionary move to fuse the old with new. In 2001, old-school media giant Time Warner consolidated with American Online (AOL), the Internet and email provider of people, for a whopping \$164 billion. Though on paper the merger occurred, cultures of these two dynamically different companies never did. The dot-com bubble burst and the decline of dialup Internet access spelled disaster for the future. In 2003, AOL/Time Warner reported a \$45 billion dollar write-down which leads to a \$100 billion dollar yearly loss. Finally, in 2009, the two companies finally split in a sort of corporate divorce.

Culture and Core values play a vital role in the Pre-Merger and Post-Merger situations which can be mitigated by improving the understanding and purpose of Merger and Post-Merger; HR executives help integrate the 2 companies into one. Also, appointing or hiring experienced professionals who help foresee problems which may cause the deal to fail which can also help the deal to be completed earlier as it's done in a structured process, can be a solution. Although most business leaders understand the elements of a successful deal, fewer are able to translate that understanding into action, given multiple and sometimes conflicting forces at play.

### CONCLUSION

Demonetisation drive announced by PM Modi could lead to a temporary impact on performance of companies, however, in near-term start-ups which will grow to achieve size and nature, will witness consolidation; also Indian Pharma biggies could do billion-dollar acquisition abroad. The growth in M&A activities is also witnessed due to merger control regime, CCI, which has been in force for last six years. CCI had been proactive in

ensuring merger review process while streamlining it with international best practices in protecting AAEC. However, with heavy penalties imposed by CCI for contravention of provisions of Competition Act, 2002, time has come for the professionals to advise the management of companies to strictly adapt their market policies and strategies and for CCI to revisit the mandate of filing notice and take steps to abolish the filing deadline to ensure the merger regulation fall in line with global trend.

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## ICSI -CCGRT Announces

PCH- 10

### Three Days Residential Research Colloquium On Analysis of NCLT/NCLAT Orders & Mock Appearance (Three Days of Aficionados Congregation)

**NO BACKGROUND MATERIAL, ONLY INPUTS IN BRAIN & GUIDANCE OF CONNOISSEURS**



**National Company Law Tribunal**

#### **The Trajectory**

In its endeavor to provide impetus to research activities and taking it to the zenith, CCGRT is organizing the aforesaid program to analyze the National Company Law Tribunal & National Company Law Appellate Tribunal (NCLT/NCLAT) Orders. Teams shall be formed in advance and NCLT/NCLAT orders along with related subject matter for research shall be assigned to each Team in advance. Team formation and allocation of specific topic/case does not mean that respective participant is required to read and focus only on allocated subject/case, rather it should be clearly understood that this has been done with sole objective of maximizing value additions and knowledge enhancement of each participant in all subject areas. Therefore each participant is expected to come prepared on all subject areas/cases and should participate in inter group discussions for maximizing mutual enrichment. For better understanding each team shall be provided one coordinator, who shall guide further regarding research methodology, identification of critical issues, search judicial pronouncements and help respective team in delivering its best output.

#### **The Orientation – Experts Talk**

During the pre-lunch session of the first day of the workshop experts will share their wisdom regarding Court Craft, etiquettes, appearance, arguments, general process etc.



**The First Move-Group Study & Brain Storming**

This session of the workshop will focus upon the idea behind formation of the Research Circle and its role as a catalytic agent in conducting research on NCLT/NCLAT Orders. Each team shall undertake in depth research and brainstorm on the assigned topic/cases and prepare written submissions in the template provided by CCGRT.

Panel Speakers and Organisers will explain expansively the importance of the colloquium, the proposed outcome, its relevance for the Company Secretaries in practice and employment.

The session will also throw light on the procedure or process to be embraced by the participants during the voyage of this workshop. Now all these can only be accomplished, if the activities are executed in a group, as the adage goes, "United We Stand and Divided We Fall", so in journey of attaining excellence in research, it is imperative to march together.

So, in view of the immense value brainstorming holds, this session will unite team members (after formation of groups during the colloquium), who will engage into a detailed discussion on the assigned NCLT Orders. As various people have different perceptions and it consumes paramount time to reach the point of reconciliation. Keeping this in view, substantial time will be allocated for the mentioned session, so that all participants with the combination of 3Ds, 'Dedication, Determination & Discipline' give their optimum output. This session aims to throw light on significant issues covered in the NCLT/NCLAT Orders.

**The Third Move: Inter-Group Discussion**

After participants discussed their viewpoints among their group members, the next stage involves holding in-depth discussion with other group members. This will assist in forming better views or in formulating refined and unsullied conclusions on the below mentioned subject.

Since this session is a metamorphosis from a 'River to an Ocean', as all group members share their thoughts/opinions, it demands ample time and so not few hours rather full is allocated for the mentioned session.

**Mock Session:**

Each Group shall prepare a case study and participate in the mock session. Each Group shall be required to submit Case Study at least one day before a day prior to the Mock Session.

This will be in the presence of Judges and Best Teams shall be awarded.

**All Participants should carry their own Laptop, Books, Bare Acts, and other relevant reading material.**

**Date, Time and Venue**

Day & Date: Time: Friday, 09th June, 2017 at 10:00 a.m. to Sunday, 11th June, 2017 till 5:00 p.m.

INR 9,200/- Per participant (Inclusive of Service Tax @ 15%) upto 25th of May 2017.

INR 9,775/- Per participant (Inclusive of Service Tax @ 15%) from 26th of May to 31st May, 2017

INR 10,350/- Per participant (Inclusive of Service Tax @ 15%) from 01st Jun to 09th Jun, 2017 (Subject to availability of seats)

Above cost covers Conference kit, Lunch (3), Dinner (2), Morning & Evening snacks (6), tea /coffee and lodging at ICSI-CCGRT.

**Venue:** ICSI-CCGRT, Plot No.101, Sector-15, Institutional Area, CBD-Belapur, Navi Mumbai-400614

**For Registration**

Fees may be paid through Pay U link (link available on CCGRT website-Pay U Money Link

[https://www.payumoney.com/customer/users/paymentOptions/#/5CC5C752DEA07B6F2813FB0136AE4CBF/ICSI-CCGRT/103967\)/local](https://www.payumoney.com/customer/users/paymentOptions/#/5CC5C752DEA07B6F2813FB0136AE4CBF/ICSI-CCGRT/103967)/local) / Par cheque payable at Mumbai in favour of "ICSI-CCGRT A/c" and sent to: Dr. Rajesh Agarwal, Director, ICSI-Centre for Corporate Governance, Research & Training (ICSI-CCGRT), Plot No. 101, Sector-15, Institutional Area, CBD Belapur, Navi Mumbai-400 614

Tel: 022-41021503/10, Fax: 022-27574384; email: [programs.ccgrt@gmail.com](mailto:programs.ccgrt@gmail.com)

For any further assistance, please contact us at [ccgrrt@ics.edu](mailto:ccgrrt@ics.edu) ; 022-41021503/10 and for more details please visit

<http://www.icsi.edu/ccgrrt/Home.aspx>

Limited participants' 60 only

**CS Ashish Garg**  
Chairman, ICSI-CCGRT  
Management Committee

**CS Ahalada Rao V**  
Chairman, ICSI Research Committee



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## ANNOUNCES

Unique

# Critical Research Analysis of Indian Companies Act, 2013



ICSI-CCGRT is pleased to announce **unique Literature Review Competition on Critical Analysis of Companies Act, 2013** with an objective of creating proclivity towards research among its Members, both in employment and practice, students pursuing Company Secretary and other professional courses, academicians, corporate professionals and other interested folk.

The purpose of competition is to identify significant concepts and try to find out a comprehensive and definitive solutions. Since research in all disciplines and subjects, must begin with a clearly defined goal, this study is also designed keeping those objectives in mind.

### Prologue

Indian Company Law is a procedural law, emerging out with various critical issue in its implementation and operation. Since from its effective date i.e. 01-04-2014 with various sections notified, industry professionals, corporates are facing various critical issues which are of utmost importance in the field of law as well as in the execution. Further, the new Companies Act have provided robust base to Corporate Governance. As it can be observed from the corporate history, that there have been lot of financial fiascos have

taken place, which in turn have created the need for corporate governance. The new Companies Act have espoused the tenets of corporate governance, thereby, played a pivotal role in protecting the interest of stakeholders. Embracing of concepts like, Independent Director, Woman Director, Secretarial Audit, Internal Audit, CSR, Class Action Suit, Related Party Transaction etc. all goes a long way in ensuring the best governance practices on the part of the management of corporate houses.

In light of this, it generates substantial interest to delve deep into the critical angles of Indian Companies Act, 2013. These critical research analysis helps the members and others for identifying the gaps and also providing the solutions to the industry and regulators etc.

### Objectives:

- To comprehend the implications of critical aspects covered under Companies Act, 2013.
- To analyze the different school of thoughts on the critical issues.
- To find out probable solution based on National / International Practices, Principles, procedures and Judicial Pronouncements.
- To understand the probable hurdles that will be witnessed by

corporate houses in embracing the sections covered under Companies Act, 2013, once they are notified.

- e) To draw a comparison with relevant international corporate laws while studying the critical aspects covered under the Chapters XI to XXIX.

**Please submit your views through the below given links either all questions or any no. of questions or alternative by emails at ccgrt@icsi.edu & research.icsi@gmail.com**

#### Coverage-

#### \* CHAPTER XIII- APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL:

1. If a person is not fulfilling the conditions of Section 196(3) of the Companies Act, 2013, whether a Company can appoint him as Managing Director/Whole-Time Director/Manager with the approval of Central Government? Please provide your answer with detailed commentary along with the relevant case laws.
2. If a Company which was not covered under Section 269 of the Companies Act, 1956 has appointed a person as Managing Director/Manager/Whole-Time Director for lifetime, whether he/she can continue his/her employment as such or the company needs to reappoint him/her for 5 years pursuant to Section 196 of the Companies Act, 2013? Please provide your answer with detailed commentary along with the relevant case laws.
3. Whether a person can be appointed as Managing Director/Manager/Whole-Time Director in more than one Company(s) which are not covered under Section 203? Please provide your answer with detailed commentary along with the relevant case laws.
4. If a Private Company appoints a person on its Board as executive Director than whether that Company need to comply with the provisions of Section 196? Please provide your answer with detailed commentary along with the relevant case laws.
5. If a person is disqualified under Part I of Schedule V but comply with the provisions of the Section 196, then whether a Govt and Private company can appoint that person as Managing Director/Whole-Time Director/Manager pursuant to Section 196? Please provide your answer with detailed commentary along with the relevant case laws.
6. ABC Private Limited is a private limited company incorporated under the Companies Act, 1956. XYZ Corporation is the holding Company of ABC Private Limited, incorporated in Japan and having its registered office in Japan. XYZ has deputed its whole-time employee Mr. O as the branch head in the Japan Branch office of ABC. Japan branch office (JBO) is paying XYZ for the services of Mr. O and no payment is being made to Mr. O by JBO directly. Mr. O being the Japan branch head, is involved in the day to day working of JBO. In addition, Mr. O is also assigned as a division head in one of the divisions of XYZ. Now Mr. O is proposed to be appointed as the Director of ABC Private Limited. Whether his appointed as director in ABC Private Limited is treated as Whole-Time Director or not? Please provide your answer with detailed commentary along with the relevant case laws.
7. Whether a Company can give sitting fee to Key Managerial Personnel? Please provide your answer with detailed commentary along with the relevant case laws.
8. Whether a Company Secretary can hold the position of Whole-Time Director/Manager/Managing Director in the same Company? Please provide your answer with detailed commentary along with the relevant case laws.
9. Whether a person can be appointed as Whole-Time Director in more than one Company? Please provide your answer with detailed commentary along with the relevant case laws.
10. Whether all Managing Director/Whole-Time Director/Manager/Chief Executive Officer/Company Secretary/Chief Financial Officer are de-facto Key Managerial Personnel (KMPs) or Person(s) appointed under 203 are only KMPs?
11. Whether a Company can appoint a person as Managing Director/Whole-Time Director/Manager for 5 years who has attained the age of 68 years without special resolution? Please provide your answer with detailed commentary along with the relevant case laws.
12. Mr. X a foreign resident is in full time employment of XYZ Limited, now he is appointed as Additional Director of the XYZ Limited. Whether the XYZ Limited is required to obtain Central Government approval for his appointment as Additional Director? Please provide your answer with detailed commentary along with the relevant case laws.
13. Whether a Company can pay more than 5% or 10% of Net Profit subject to the overall limit of 11% to its Whole-Time Director/Managing Director/Manager as the case may be, without the Central Government Approval? Please provide your answer with detailed commentary along with the relevant case laws.
14. Whether a Company can pay more than 1% or 3% of Net Profit to its Non-Executive Director (Including Independent Director) as the case may be, without Central Government Approval? Please provide your answer with detailed commentary along with the relevant case laws.
15. Whether a Company can pay all the 11% of Net Profit to one Director/Managing Director/Whole-Time Director/Manager without the Central Government Approval? Please provide your answer with detailed commentary along with the relevant case laws.
16. Whether a Company can give monthly fix remuneration to non-Executive Non-Independent Director? Please provide your answer with detailed commentary along with the relevant case laws.
17. Whether a Public Company can give remuneration to Non-Executive Director in case of Loss or Inadequate Profit as per Schedule-V? Please provide your answer with detailed commentary along with the relevant case laws.
18. Mr. A is holding the position of Managing Director of ABC Limited and XYZ Limited and withdrawing salary of Rs. 1 Crore from ABC Limited and Rs. 1.5 Crore from XYZ Limited. Profit for the Year for ABC Limited is Rs. 20 Crore and for XYZ Limited is Rs. 30 Crore. Whether the remuneration received by Mr. A is within the limit as per Companies Act? If not how much remuneration he can take from both the Companies? Please provide your answer with detailed commentary along with the relevant case laws.
19. Whether remuneration to a managing director can be given without passing shareholder's resolution by a company? Please provide your answer with detailed commentary along with the relevant case laws.
20. If a Managing Director was appointed by entering into an agreement with the Company and after expiry of such agreement whether board resolution is required for his vacation of filing with the Registrar of Companies? Please provide your answer with detailed commentary along with the relevant case laws.
21. If a person has dual citizenship, whether his appointment in a Public Limited Company in India require Central Government

Approval or Not? Please provide your answer with detailed commentary along with the relevant case laws.

**Google Link:**

[https://docs.google.com/forms/d/e/1FAIpQLSfHmQwuh9M8kvKmlbRw7LCccP\\_N6Su1UGuZreMo2AnmjbqmLA/viewform?c=0&w=1](https://docs.google.com/forms/d/e/1FAIpQLSfHmQwuh9M8kvKmlbRw7LCccP_N6Su1UGuZreMo2AnmjbqmLA/viewform?c=0&w=1)

❖ **Chapter XVIII-REMOVAL OF NAMES OF COMPANIES FROM THE REGISTER OF COMPANIES**

1. What will be the treatment of property in case of strike off of Company by order of ROC u/s 248(1)?
2. Whether director will be disqualify under section 164(2) read with section 167 even after strike off of Company?
  - Strike off by order of the Court
  - Sut moto strike off
3. After strike off whether ROC can issue show cause notice for non filing of annual forms?
4. Whether after strike off of companies, creditors can apply for IBC?
5. Whether Bank Account can be maintain after strike off of Companies?
6. Whether a third party can apply for restoration of Company after strike off?
7. What is the impact of limitation act on Restoration of strike off application?
8. What are the provisions of re allocation of name of a strike off company to a new Company?

**Google Link:**

[https://docs.google.com/forms/d/e/1FAIpQLSeJNUaFDB-hy9VliEeUysBNfmhggrl8U8EyuP34N2r\\_SkwgnA/viewform?c=0&w=1](https://docs.google.com/forms/d/e/1FAIpQLSeJNUaFDB-hy9VliEeUysBNfmhggrl8U8EyuP34N2r_SkwgnA/viewform?c=0&w=1)

**How to present the Significant Aspects**

Answers of the critical issues needs to be presented in the format appended below-

- ❖ S.NO.
- ❖ Issue (heads)
- ❖ Details of issue with justification
- ❖ Different School of Thoughts
- ❖ Interpretation issues
- ❖ Relevant Sections of Indian Companies Act, 2013 as well as Indian Companies Act, 1956.
- ❖ Relevant provisions of any other Indian Corporate Laws and international Corporate Laws.

**Research Paper / Manuscript Guidelines**

- ❖ Original papers are invited from Company Secretaries in employment & practice, Chartered Accountants, Advocates, Academicians, merchant bankers, doyens from industry and interested folk.
- ❖ The paper must be accompanied with the author's name(s), affiliations(s), full postal address, email ID, and telephone/fax number along with the title of the paper on the front page and membership details of professional bodies, if any.
- ❖ Full text of the paper should be submitted in MS Word using

Times New Roman, font size 12 on A4 size paper in 1.5 spacing, with a maximum of 5000 words.

- ❖ The text should be typed in MS-Word.
- ❖ The author/s' name should not appear anywhere else on the body of the manuscript to facilitate the blind review process. The research paper should be in clear, coherent and concise English.
- ❖ Tables / Exhibits should be numbered consecutively in Arabic numerals and should be referred to in the text as Table 1, Table 2 / Exhibit 1, Exhibit 2 etc.
- ❖ All notes must be serially numbered. These should be given at the bottom of the page as footnotes.
- ❖ The following should also accompany the manuscripts on separate sheets: (i) A brief biographical sketch (60-80 words) of the author/s describing current designation and affiliation, specialization, number of books and articles in refereed journals, membership number of ICSI, if any, and other membership on editorial boards and companies, etc.
- ❖ The research papers should reach the Competition Committee on or before 30th of Jun 2017 by 12 noon (IST).
- ❖ Participants should email their research papers on the following email id: ccgrt@icsi.edu & research.icsi@gmail.com
- ❖ The paper may be presented either in single section of any chapter or multiple sections after chapters.
- ❖ There is no restriction on number of entries. One participant can submit more than one entries.

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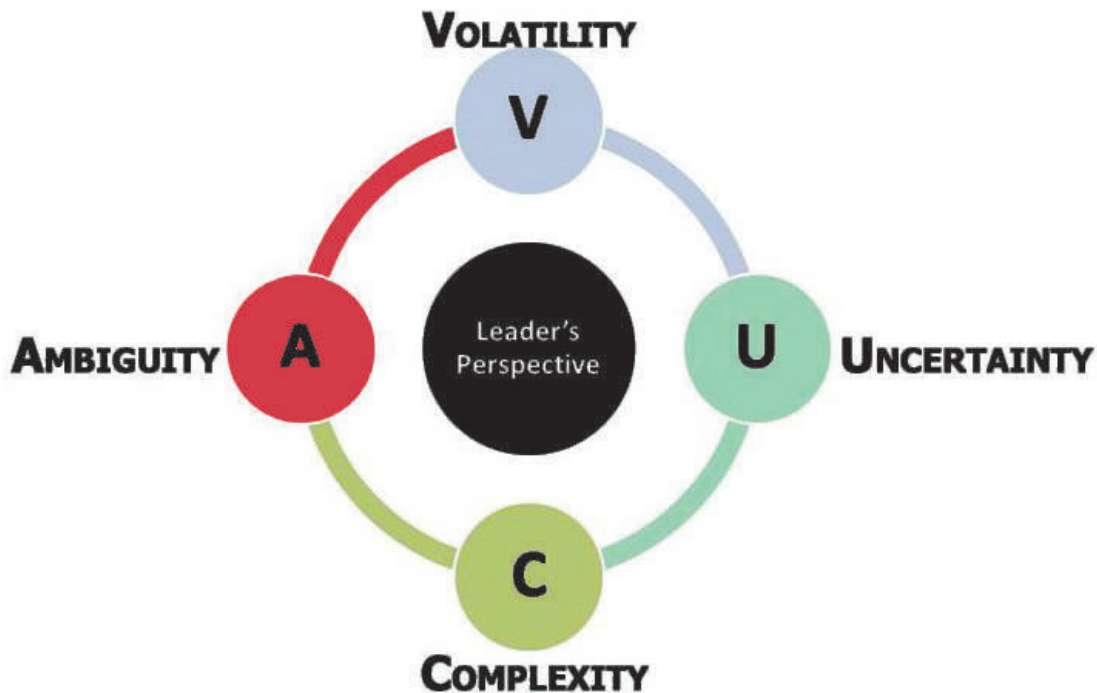
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## ICSI – CCGRT ANNOUNCES

Unique

# All India Research Paper Competition on Living in VUCA World & Business Sustainability



ICSI-CCGRT is pleased to announce *unique* “All India Research Paper Competition on Living in VUCA (Volatility, Uncertainty, Complexity and Ambiguity) World & Business Sustainability” with an objective of creating proclivity towards research among its Members, both in employment and practice.

The purpose of research is to identify specific questions and try to find out a comprehensive and definitive answer. Since research in all disciplines and subjects, must begin with a clearly defined goal, this study is also designed keeping those objectives in mind.

### Prologue

VUCA is an acronym that stands for volatility, uncertainty, complexity and ambiguity, a combination of qualities that, taken together, characterize the nature of some difficult conditions and situations. The concept of VUCA was introduced by the U.S. Army War College to describe the more volatile, uncertain, complex and ambiguous multilateral world which resulted from the end of the Cold War. The common usage of the term VUCA began in the 1990s and derives from military vocabulary. Business World is no less than a war field, as it constantly witnesses numerous developments in political, economic,

social, legal and environment. A change in government policy or change of government, amendments in corporate, capital market, industrial, labor and various mercantile laws, changes in the demography of the population, taste, habits and fashions of the consumer, taxation laws etc. can exert a deep impact on the survival or sustainability of the business. As there is an adage in business that 'Only Constant thing

This research paper competition aims to touch upon the four elements of VUCA and its impact on the corporate world.

#### Objectives:

- To understand in depth the genesis of VUCA and its relevance to business world.
- To understand the negative impacts of ignoring VUCA.
- To delve deep into various regulatory, risks, economic pacts both at national and international level, other critical aspects etc. that influence growth and sustainability of a corporate.

#### Themes on which Research Papers are invited on the following topics-

- ❖ VUCA in ancient times and how kingdoms overcame it
- ❖ Takeaways from Vedas / Upanishads as to how to survive in VUCA world
- ❖ BREXIT and its impact on Global Trade.
- ❖ Amendments in Corporate Laws and its impact on the growth of MNCs
- ❖ Amendments in Mercantile / Industrial Laws and its resultant effect on Start-ups
- ❖ Growth of SMEs in VUCA World.
- ❖ NPA Management and ensuring Industrial Growth- Making Both Ends Meet.
- ❖ Indian Companies Act, 2013 and its role in mitigating the effects of VUCA.
- ❖ The VUCA Scenario post Global Economic Crisis and its impact on corporate world.
- ❖ The VUCA Scenario during Eurozone Crises and its impact on corporate world.
- ❖ Assessing the effectiveness of LPG (Liberalization, Privatization & Globalization) in tackling VUCA.
- ❖ Assessing the impact of VUCA on selected key sectors of Indian economy
- ❖ Practices embraced by companies situated in developed economies in overcoming VUCA.
- ❖ Opportunities galore for Company Secretaries in VUCA world.

Note: *Authors are expected to cover the sustainability aspects in every theme.*

#### Research Paper / Manuscript Guidelines

- ❖ Original papers are invited from Company Secretaries in employment & practice, Academicians, Research Scholars

and other Professionals.

- ❖ The paper must be accompanied with the author's name(s), affiliations(s), full postal address, email ID, and telephone/ fax number along with the title of the paper on the front page.
- ❖ Full text of the paper should be submitted in MS Word using Times New Roman, font size 12 on A4 size paper in 1.5 spacing, with a maximum of 5000 words.
- ❖ The text should be typed double-spaced only on one side of A4 size paper in MS Word, Times New Roman, 12 font size with one-inch margins all around.
- ❖ The author/s' name should not appear anywhere else on the body of the manuscript to facilitate the blind review process. The research paper should be in clear, coherent and concise English.
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- ❖ All notes must be serially numbered. These should be given at the bottom of the page as footnotes.
- ❖ The following should also accompany the manuscripts on separate sheets: (i) An abstract of approximately 150 words with a maximum of five key words, and (ii) A brief biographical sketch (60-80 words) of the author/s describing current designation and affiliation, specialization, number of books and articles in refereed journals, membership number of ICSI and other membership on editorial boards and companies, etc.
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Chairman  
ICSI-Research Committee

**CS Ashish Garg**  
Chairman  
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# 3

# LEGAL WORLD



- TATA ENGINEERING AND LOCOMOTIVE CO LTD V. STATE OF BIHAR & ORS [SC]
- CONSORTIUM OF TITAGARH FIREMA ADLER S.P.A. TITAGARH WAGONS LTD V. NAGPUR METRO RAIL CORPORATION LTD [SC]
- GOVT. OF NCT OF DELHI V. MANAV DHARAM TRUST & ANR [SC]
- MAHARISHI MARKANDESHWAR MEDICAL COLLEGE & HOSPITAL V. STATE OF HIMACHAL PRADESH & ORS [SC]
- COSMO FERRITES LTD V. PRAGYA ELECTRONICS PVT. LTD & ORS. [DEL]
- M/S PALAM GAS SERVICE V. COMMISSIONER OF INCOME TAX [SC]
- SARLA PERFORMANCE FIBERS LTD V. C.C.E.C., VAPI. [SC]
- FORMULA ONE WORLD CHAMPIONSHIP LTD V. COMMISSIOER OF INCOME TAX [SC]
- BIOCON LTD & ORS V. F. HOFFMANN-LA ROCHE AG & ORS [CCI]



## Corporate Laws

LMJ 20:06:2017

TATA ENGINEERING AND LOCOMOTIVE CO LTD v. STATE OF BIHAR & ORS [SC]

Writ Petitions Nos.112 and 113 of 1961 etc.

Gajendragadkar (CJ), K.N. Wanchoo, J.C.Shah, N. Rajagopala Ayyangar, & S.M. Sikri, JJ. [Decided on 25/02/1964]

Equivalent citations: 1965 AIR 40; 1964 SCR (6) 885; (1964) 34 comp Cas 548.

Companies Act, 1956 read with Articles 19 and 32 of the constitution of India-whether the corporate veil could be lifted so as to enable the Indian citizens who are the shareholders of the company to enforce their fundamental rights under Article 32- Held, No.

### Brief facts:

Though these writ petitions raise a common question of law in regard to the validity of the demand for sales tax which has been made against the respective petitioners by the Sales-tax Officers for different areas, we are concerned with that part of the judgement where the issue of 'lifting the corporate veil' was raised and dealt with by the Court.

**Decision:** Petitions dismissed.

### Reason:

That takes us to the question as to whether the petitioners, some of whom are companies registered under the Indian Companies Act and one of whom is the State Trading Corporation, can claim to file the present writ petitions under Art. 32 having regard to the decision of this Court in the case of the State Trading Corporation of India Ltd. v. The Commercial Tax Officer & Ors A.I.R. 1963 S.C. 1811[LMJ 15: 01:2017]. The petitioners argue that the said decision merely held that the State Trading Corporation of India Ltd. was not a citizen. The question as to whether the veil of the Corporation can be lifted and the rights of the shareholders of the said Corporation could be recognised under Art. 19 or not, was not decided, and it is on this aspect of the question that arguments have been urged before us in the present writ petitions.

Mr. Palkhivala has very strongly urged before us that having regard to the fact that the controversy between the parties relates

to the fundamental rights of citizens, we should not hesitate to look at the substance of the matter and disregard the doctrinaire approach which recognises the existence of companies as separate juristic or legal persons. If all the shareholders of the petitioning companies are Indian citizens, why should not the Court look at the substance of the matter and give the shareholders the right to challenge that the contravention of their fundamental rights should be prevented. He does not dispute that the shareholders cannot claim that the property of the companies is their own and cannot plead that the business of the companies is their business in the strict legal sense. The doctrine of lifting of the veil postulates the existence of dualism between the corporation or company on the one hand and its members or shareholders on the other. So, it is no good emphasising that technical aspect of the matter in dealing with the question as to whether the veil should be lifted or not.

The doctrine of the lifting of the veil has been applied in the words of Palmer in five categories of cases : where companies are in the relationship of holding and subsidiary (or sub-subsidiary) companies; where a shareholder has lost the privilege of limited liability and has become directly liable to certain creditors of the company on the ground that, with his knowledge, the company continued to carry on business six months after the number of its members was reduced below the legal minimum; in certain matters pertaining to the law of taxes, death duties and stamps, particularly where the question of the "controlling interest" is in issue; in the law relating to exchange control; and in the law relating to trading with the enemy where the test of control is adopted(1). In some of these cases, judicial decisions have no doubt lifted the veil and considered the substance of the matter. Gower has similarly summarised this position with the observation that in a number of important respects, the legislature has rent the veil woven by the Salomon case. Particularly is this so, 'says Gower, in the sphere of taxation and in the steps which have been taken towards the recognition of enterprise-entity rather than corporate- entity. It is significant, however, that according to Gower, the courts have only construed statutes as "cracking open the corporate shell" when compelled to do so by the clear words of the statute; indeed they have gone' out of their way to avoid this construction whenever possible. Thus, at present, the judicial approach in cracking open the corporate shell is somewhat cautious and circumspect. It is only where the legislative provision justifies the adoption of such a course that the veil has been lifted. In exceptional cases where courts have felt "themselves able to ignore the corporate entity and to treat the individual shareholders as liable for its acts", the same course has been adopted. Summarising his conclusions, Gower has classified seven categories of cases where the veil of a corporate body has been lifted. But it would not be possible to evolve a rational, consistent and inflexible principle which can be invoked in determining the question as to whether the veil of the corporation should be lifted or not. Broadly stated, where fraud is intended to be prevented, or trading with an enemy is sought to be defeated, the veil of a corporation is lifted by judicial decisions and the shareholders are held to be the persons who actually work for the corporation.

That being the position with regard to the doctrine of the veil of a corporation and the principle that the said veil can be lifted in some cases, the question which arises for our decision is; can we lift the veil of the petitioners and say that it is the shareholders



who are really moving the Court under Art. 32, and so, the existence of the legal and juristic separate entity of the petitioners as a corporation or as a company should not make the petitions filed by them under Art. 32 incompetent?

We do not think we can answer this question in the affirmative. No doubt, the complaint made by the petitioners is that their fundamental rights are infringed and it is a truism to say that this Court as the guardian of the fundamental rights of the citizens will always attempt to safeguard the said fundamental rights; but having regard to the decision of this Court in State Trading Corporation of India Ltd (supra) we do not see how we can legitimately entertain the petitioners' plea in the present petitions, because if their plea was upheld, it would really mean that what the corporations or the companies cannot achieve directly, can be achieved by them indirectly by relying upon the doctrine of lifting the veil. If the corporations and companies are not citizens, it means that the Constitution intended that they should not get the benefit of Art. 19. It is no doubt suggested by the petitioners that though Art. 19 is confined to citizens, the Constitution-makers may have thought that in dealing with the claims of corporations to invoke the provisions of Art. 19, courts would act upon the doctrine of lifting the veil and would not treat the attempts of the corporations in that behalf as falling outside Art. 19. We do not think this argument is well-founded. The effect of confining Art. 19 to citizens as distinguished from persons to whom other Articles like 14 apply, clearly must be that it is only citizens to whom the rights under Art. 19 are guaranteed. If the legislature intends that the benefit of Art. 19 should be made available to the corporations, it would not be difficult for it to adopt a proper measure in that behalf by enlarging the definition of 'citizen' prescribed by the Citizenship Act passed by the Parliament.

On the other hand, the fact that the Parliament has not chosen to make any such provision indicates that it was not the intention of the Parliament to treat corporations as citizens. Therefore, it seems to us that in view of the decision of this Court in the case of the State Trading Corporation of India Ltd (supra) the petitioners cannot be heard to say that their shareholders should be allowed to file the present petitions on the ground that, in substance, the corporations and companies are nothing more than associations of shareholders and members thereof. In our opinion, therefore, the argument that in the present petitions we would be justified in lifting the veil cannot be sustained.



## General Laws

LW 40:06:2017

CONSORTIUM OF TITAGARH FIREMA ADLER S.P.A.

## TITAGARH WAGONS LTD v. NAGPUR METRO RAIL CORPORATION LTD [SC]

Civil Appeal Nos. 1353-1354 OF 2017 arising out of S.L.P. (C) Nos. 35104-35105 OF 2016.

Dipak Misra & Amitava Roy, JJ. [Decided on 09/05/2017]

Holding Company bids on the experience of its subsidiaries- whether consideration of the bid by the owner is correct- Held, Yes.

### Brief facts:

Nagpur Metro Rail Corporation Ltd., the 1st respondent herein, issued a Notice Inviting Tender (NIT) on 25.01.2016 for the work of design, manufacture, supply, testing, commissioning of 69 passenger rolling stock (Electrical Multiple Units) and training of personnel at Nagpur Metro Rail Project. The said project is being funded by KfW Development Bank, Germany. As per the clause ITS 35.8 at all stages of bid evaluation and contract, award would have to be subject to no-objection from KfW Development Bank.

In response to the said NIT, three bidders submitted their bids. One was found technically disqualified and thus, only the appellant and the respondent No. 2 remained in contest. Appellant quoted Rs.852 crores while Respondent No.2 quoted Rs.851 crores. Contract was awarded to Respondent No.2. Appellant challenged this award of contract before the High Court, which eventually dismissed the Writ Petition.

**Decision:** Appeal dismissed.

### Reason:

What is urged before this Court is that the respondent No. 2 could not have been regarded as a single entity and, in any case, it could not have claimed the experience of its subsidiaries because no consortium or joint venture with its subsidiaries was formed.

We have to see, how the 1st respondent has perceived the offer of the respondent No. 2 in the backdrop of the tender conditions. It is not in dispute that the project in question has been funded by KfW Development Bank, Germany and as per Clause ITB 35.8, it is necessary at all stages of bid evaluation and contract award has to be subject to no-objection from KfW Development Bank. Emphasis has been laid on the approach of the High Court which has taken note of the fact that the respondent No. 2 had been awarded the tender by the Delhi Metro Rail Corporation. It has also been highlighted that the papers relating to the financial bid along with report were forwarded to KfW which gave its no-objection. Be it noted, the appellants have been quite critical about the acceptance of the offer and the 1st respondent has given a number of reasons to justify the same. As indicated earlier, we are only concerned with the eligibility criteria and not with the fiscal aspect.

Respondent No. 2, as is evident, is a company owned by the People's Republic of China and, therefore, it comes within the ambit of Clause 4.1 of the bid document as a Government owned entity. We have already reproduced the said clause in earlier part of the judgment. As perceived by the 1st respondent, a single entity can bid for itself and it can consist of its constituents which

are wholly owned subsidiaries and they may have experience in relation to the project. That apart, as is understood by the said respondent, where the singular or unified entity claims that as a consequence of merger, all the subsidiaries form a homogenous pool under its immediate control in respect of rights, liabilities, assets and obligations, the integrity of the singular entity as owning such rights, assets and liabilities cannot be ignored and must be given effect. While judging the eligibility criteria of the second respondent, the 1st respondent has scanned Article 164 of the Articles of Association of the respondent No. 2 which are submitted along with the bid from which it is evincible that the Board of Directors of the respondent No. 2 has been entrusted with the authority and responsibility to discharge all necessary and essential decisions and functions for the subsidiaries as well. According to the 1st respondent, the term "Government owned entity" would include a government owned entity and its subsidiaries and there can be no matter of doubt that the identity of the entities as belonging to the Government when established can be treated as a Government owned entity and the experience claimed by the parent of the subsidiaries can be taken into consideration.

With regard to the satisfaction of the 1st respondent, it has been highlighted before us that the said respondent had thoroughly examined the bid documents and satisfied itself about of the capability, experience and expertise of the respondent No. 2 and there has been a thorough analysis of the technical qualification of the respondent No. 2 by the independent General Consultant and the reports of the Appraisal and Tender Committee of the 1st respondent and also the no-objection has been received from KfW Development Bank, Germany which is funding the entire project.

As is noticeable, there is material on record that the respondent No. 2, a Government company, is the owner of the subsidiaries companies and subsidiaries companies have experience. The 1st respondent, as it appears, has applied its commercial wisdom in the understanding and interpretation which has been given the concurrence by the concerned Committee and the financing bank. We are disposed to think that the concept of "Government owned entity" cannot be conferred a narrow construction. It would include its subsidiaries subject to the satisfaction of the owner. There need not be a formation of a joint venture or a consortium. In the obtaining fact situation, the interpretation placed by the 1st respondent in the absence of any kind of perversity, bias or mala fide should not be interfered with in exercise of power of judicial review. Decision taken by the 1st respondent, as is perceptible, is keeping in view the commercial wisdom and the expertise and it is no way against the public interest. Therefore, we concur with the view expressed by the High Court.

Resultantly, the appeals, being devoid of merit, are dismissed. In the facts and circumstances of the case, there shall be no order as to costs.

**LW 41:06:2017**

GOVT. OF NCT OF DELHI v. MANAV DHARAM TRUST & ANR [SC]

Civil Appeal No.6112 of 2017 (Arising out of S.L.P. (C) No. 13551 of 2015) with batch of appeals.

Kurian Joseph & R. Banumathi, JJ. [Decided on 04/05/2017]

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 –section 24(2)- lapse of acquisition under the 1894 Act- subsequent purchasers/assignees/power of attorney holders, etc. approaching the court to set aside the acquisition- whether they have locus standi- Held, Yes.

## Brief facts:

Whether the subsequent purchasers/assignees/power of attorney holders, etc., have locus standi to file a petition for a declaration of lapse of acquisition proceedings under Section 24(2) of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as "the 2013 Act"), is the only issue arising for consideration in these cases.

The High Court has taken the view in favour of such people. Thus, aggrieved the NCT of Delhi and Delhi Development Authority are in appeals before this Court.

Decision: Appeals dismissed.

## Reason:

At the outset, we may note that in these cases, the land acquisition proceedings have otherwise lapsed by the operation of Section 24(2) of the 2013 Act since either compensation was not paid or possession was not taken within five years prior to 01.01.2014, the date of coming into force of the 2013 Act. Thus, the dispute is only on the locus standi.

All the decisions cited by the appellants, no doubt, have categorically held that the subsequent purchasers do not have locus standi to challenge the acquisition proceedings. But in the present case, the challenge is not to the acquisition proceeding; it is only for a declaration that the acquisition proceedings have lapsed in view of the operation of Section 24(2) of the 2013 Act, and therefore, the ratio in those cases has no application to these cases.

It is one thing to say that there is a challenge to the legality or propriety or validity of the acquisition proceedings and yet another thing to say that by virtue of operation of a subsequent legislation, the acquisition proceedings have lapsed.

In all the decisions cited by the learned Senior Counsel for the appellants, this Court has protected the rights of the subsequent purchaser to claim compensation, being a person interested in the compensation, despite holding that they have no locus standi to challenge the acquisition proceedings.

The 2013 Act has made a sea change in the approach on the acquisition of land and compensation thereof. The only lapse under the 1894 Act was under Section 11A where what would lapse is the ... "entire proceedings for the acquisition of land" whereas under Section 24(2) of the 2013 Act, what gets lapsed is the land acquisition proceedings initiated under the 1894 Act which has culminated in passing of an award under Section 11 but where either possession was not taken or compensation was not paid within five years prior to 01.01.2014. In other words, the land acquisition proceedings contemplated under

Section 24(2) of the 2013 Act would take in both, payment of compensation and taking of possession within the five year period prior to 01.01.2014. If either of them is not satisfied, the entire land acquisition proceedings would lapse under the deeming provision. The impact of deemed lapse under Section 24(2) is that pervasive.

Thus, on account of the lapse, the encumbrance created in favour of the State comes to an end, and resultantly, the impediment to encumber the land also comes to an end. Even, according to the appellants, the transfers were illegal and void for the reason that there was an impediment for the transfer. Once the acquisition proceedings lapse, all impediments cease to exist.

As we have already noted above, the whole face of land acquisition has changed by the 2013 Act. Section 105 of the 2013 Act has provided that the provisions of the Act shall not apply to the enactments specified in the Fourth Schedule. So far, only 13 Acts have been notified under the Fourth Schedule. Neither The Delhi Development Act, 1957 nor The Delhi Lands (Restrictions on Transfers) Act, 1972 is included in the Fourth Schedule.

Thus, the subsequent purchaser, the assignee, the successor in interest, the power of attorney, etc., are all persons who are interested in compensation/land owners/affected persons in terms of the 2013 Act and such persons are entitled to file a case for a declaration that the land acquisition proceedings have lapsed by virtue of operation of Section 24(2) of the 2013 Act. It is a declaration qua the land wherein indisputably they have an interest and they are affected by such acquisition. For such a declaration, it cannot be said that the respondents/writ petitioners do not have any locus standi. Thus, we do not find any merit in these appeals and they are accordingly dismissed.

## LW 42:06:2017

MAHARISHI MARKANDESHWAR MEDICAL COLLEGE & HOSPITAL v. STATE OF HIMACHAL PRADESH & ORS [SC]

Civil Appeal No. 5198 of 2017(Arising out of SLP (Civil) No. 9837 of 2017)

Dipak Misra, A.M. Khanwilkar & Mohan M. Shantanagoudar, JJ. [Decided on 28/04/2017]

Himachal Pradesh Private Medical Educational Institutions (Regulation of Admission and Fixation of Fee) Act, 2006 read with Maharishi Markandeshwar University (Establishment and Regulation) Act, 2010-whether a medical college affiliated to a private university under the 2010 Act is required to obtain affiliation with Government university under the 2006 Act- Held, No.

### Brief facts:

This appeal emanates from the judgment of the High Court of Himachal Pradesh at Shimla dated 20.12.2016, passed in CWP No.4773 of 2015. The High Court dismissed the writ petition filed by the Appellants challenging the validity of Sections 3(6), 3(6a) and 3(6b) of the Himachal Pradesh Private Medical Educational Institutions (Regulation of Admission and Fixation of Fee) Act, 2006 (for short "2006 Act") as amended vide amendment Act No.24 of 2015.

Appellant No.1 is an unaided private medical college established

by the Appellant No.3 - University Trust as a constituent of the Appellant No.2 - University. The Appellant No.2 - University has been established under the Maharishi Markandeshwar University (Establishment and Regulation) Act, 2010 (for short "2010 Act"). Before the said Act was enacted, on the basis of the Essentiality Certificate issued under Section 4(2) of the 2006 Act, the Appellant No.3 - University Trust established the medical college as a constituent unit of the proposed private University and made necessary investments in that regard.

In 2012 the Appellant No.2 - University requested the Principal Secretary (Health) to the Government of Himachal Pradesh for grant of an "Essentiality Certificate" to establish a new medical college at Kumarhatti, Solan "under" the Appellant No.2 - University.

The State Government, in exercise of its powers under Section 3(3) of the 2006 Act, issued a notification on 14.08.2013, regarding admission procedure and fee structure for admission to MBBS Course in the Appellant No.1 - College. The new law required the appellant No.1 College to seek affiliation with Himachal Pradesh University at Shimla.

**Decision:** Appeal allowed.

### Reason:

After considering the rival submissions, we are in agreement with the Appellants that the High Court has not touched upon the core issue relating to the autonomy of the Appellant No. 2 - University including its authority to start a constituent medical college, as prescribed by the 2010 Act. Admittedly, the Appellant No. 2 - University has been established under the 2010 Act. In the present case, it has been asserted that the Appellant No. 1 - College is a constituent of the Appellant No. 2 - University. In such a situation, it is unfathomable that the requirement of taking affiliation from another University (Himachal Pradesh University) established under a separate State Legislation, can and ought to be insisted upon. If insisted, it would, inevitably, entail in making an inroad into the autonomy of the Appellant No. 2 - University. True it is that Section 7 of the 2010 Act does not empower the Appellant No. 2 - University to affiliate or otherwise admit to its privileges any other institution. But that will have no application to the case on hand. For, the Appellant No. 1 - College is none other than a constituent college of Appellant No. 2 - University itself. The Medical Council of India as well as the Union Government have, therefore, justly stated that it was not necessary for the Appellant No.1 - College to take affiliation from the Himachal Pradesh University.

A priori, we have no hesitation in taking the view that the amended provisions, in particular Section 3(6a), would impinge upon the autonomy of an independent University established under a separate State Legislation. Further, the field of affiliation is governed by the State legislation under which the respective Universities have been established. The power of granting affiliation to colleges under the control of the concerned University, must vest with the respective University to which the college will be affiliated. That power of granting affiliation, by the University concerned, therefore, cannot be whittled down by the 2006 Act or amendments made thereto. Understood thus, the amended provisions of Section 3 (6a) of the 2006 Act, cannot be sustained as the same are unreasonable, irrational and in conflict

with the special State Legislation under which the Appellant No.2 – University has been established, namely the 2010 Act. We shall now examine the possibility of reading down the impugned provision in Section 3 (6a) of the Act so as to save it from being unconstitutional. The expression “Private Medical Educational Institution” includes a Private Medical Educational Institution established by or affiliated to a private University. We find force in the argument of the Appellants that the definition of Private Medical Educational Institution, as amended, can be extended to the Appellants in relation to other matters governed by the 2006 Act, except the mandate of requiring the Appellant No.1 - College (a constituent college of the Appellant No.2 – University) to take affiliation from the Himachal Pradesh University. That requirement springs from Section 3 (6a).

Indisputably, there is no other private medical University in the State except the Appellant No.2 - University. Therefore, we explored the possibility of omitting the words “Himachal Pradesh” from the amended Section 3 (6a) to save the whole of that provision from being invalid, as was contended. However, we find that if the words “Himachal Pradesh” alone were to be struck down, the remaining Section 3 (6a) may create some confusion. It would then mean that Private Medical Institutions in the State must take affiliation from the “concerned” University. To wit, Himachal Pradesh University or the Appellant No. 2 – University, as the case may be. In other words, the concerned University can exercise power to affiliate a private medical institution set up in the State. However, the Appellant No. 2 is not authorised to affiliate a private medical college (not its constituent) by virtue of Section 7 of the 2010 Act, which prohibits the Appellant No.2 – University from affiliating or otherwise extending to its privileges any other institution. Therefore, the appropriate course to avoid any confusion is to strike down Section 3(6a) of the 2006 Act, as amended.

As noted earlier, since the Appellant No.1 – College is a constituent of the Appellant No. 2 – University, the question of compelling it to take affiliation from another University (Himachal Pradesh University) cannot be countenanced.

The impugned judgment of the High Court of Himachal Pradesh dated 20.12.2016 in CWP No.4773 of 2015 is set aside. We also strike down Section 3(6a) of the Himachal Pradesh Private Medical Educational Institutions (Regulation of Admission and Fixation of Fee) Act, 2006, being irrational, unreasonable, ultra vires and unconstitutional.

## LW 43:06:2017

COSMO FERRITES LTD v. PRAGYA ELECTRONICS PVT. LTD & ORS. [DEL]

O.M.P. (Comm) 350/2016

Vibhu Bakhru, J. [Decided on 25/05/2017]

Arbitration and Conciliation Act, 1996- section 31(7) (a)-interest on award-arbitrator refused to allow interest on awarded sum- whether correct- Held, No.

### Brief facts:

CFL entered into a non-exclusive distributorship agreement dated 01.04.2005 (hereafter ‘the Agreement’) with PEPL,

respondent herein for the supply of soft ferrites. Subsequently, the parties entered into annual agreements for the years 2007, 2008 and 2009. In terms of the Agreement, PEPL placed purchase orders on CFL for supply of goods, which in turn were sold by PEPL to its customers.

Dispute arose as to the payments and the issue was referred to arbitration. Although, the arbitral tribunal found that CFL was entitled to recover the aforesaid amount, it rejected CFL’s claim for interest at the rate of 12.25% p.a. on the said awarded sum.

**Decision:** Appeal allowed.

### Reason:

The principal issue to be addressed is whether the decision of the arbitral tribunal to reject CFL’s claim for interest is sustainable. It is trite law that the arbitral tribunal cannot ignore the terms of the agreement between the parties. Section 28(3) of the Act mandates that the arbitral tribunal must decide in accordance with the contract between the parties. (See: Indian Hume Pipe Company Limited v. State of Rajasthan: (2009) 10 SCC 187).

In the present case, there is no dispute that the Agreement expressly provided for interest on delayed payments. The arbitral tribunal has not found the aforesaid clause to be invalid or inapplicable. The arbitral tribunal has also not indicated any reason as to why the aforesaid clause ought to be ignored. The arbitral tribunal is bound to make award in terms of the Agreement between the parties and there is no indication as to why the arbitral tribunal has rejected CFL’s claim for interest. In the case of State of Haryana & Ors v. S. L. Arora & Co (2010) 3 SCC 690, the Supreme Court had expressly held as under:- “24.2 The authority of the Arbitral Tribunals to award interest under Section 31(7) (a) is subject to the contract between the parties and the contract will prevail over the provisions of Section 31(7) (a) of the Act. Where the contract between the parties contains a provision relating to, or regulating or prohibiting interest, the entitlement of a party to the contract to interest for the period between the date on which the cause of action arose and the date on which the award is made, will be governed by the provisions of the contract, and the Arbitral Tribunal will have to grant or refuse interest, strictly in accordance with the contract. The Arbitral Tribunals cannot ignore the contract between the parties, while dealing with or awarding pre- award interest. Where the contract does not prohibit award of interest, and where the arbitral award is for payment of money, the arbitral tribunal can award interest in accordance with Section 31(7)(a) of the Act, subject to any term regarding interest in the contract.”

The aforesaid decision was overruled by the Supreme Court in its later decision in Hyder Consulting (UK) Ltd. v. Governor, State of Orissa: (2015) 2 SCC 189, albeit, only to the extent that interest under Section 31(7) (b) of the Act would also be payable on any interest included in the sum awarded under Section 31(7) (a) of the Act. However, the view that contractual stipulations as to interest cannot be ignored by the arbitral tribunal is good law and the decision of the Supreme Court in S. L. Arora (supra) continues to be a binding precedent.

Having stated the above, it is also necessary to observe that the arbitral tribunal would still have the discretion to award interest

in cases where the contract is silent. However, such discretion would have to be exercised objectively keeping in view, the facts of the case. In cases where the contract expressly provides that interest would be payable on sums withheld, the arbitral tribunal would be bound to award the same unless there are good reasons to not to do so.

In the present case, the impugned award does not indicate any reason as to why CFL's claim for interest has been rejected. This Court is hard pressed to find any discernible reason from the facts and circumstances, as discussed in the impugned award, as to why interest on the amount awarded has been denied to CFL. The arbitral tribunal has also ignored the provisions of the Agreement, which expressly entitles CFL to claim interest not exceeding the rate of 14% p.a. for any delay in payment.

In view of the above, the petition is liable to be allowed and the impugned award is liable to be set aside to the extent of rejection of CFL's claim for interest at the rate of 12.25% p.a. from the date of invoices till the date of the impugned award. In view of the above, the impugned award is set aside to the extent as indicated above. The petition is, accordingly, disposed of.



## LW 44:06:2017

M/S PALAM GAS SERVICE v. COMMISSIONER OF INCOME TAX [SC]

Civil Appeal No. 5512 of 2017

A.K. Sikri & Ashok Bhushan, JJ. [Decided on 03/05/2017]

Income tax Act 1961- section 40(a)(ia)- whether the term 'payable' includes the amount paid also- Held, Yes.

### Brief facts:

The neat question which arises for consideration in this appeal relates to the interpretation of Section 40(a) (ia) of the Income Tax Act, 1961 (the Act). Section 197C of the Act has also some bearing on the issue involved.

Section 40 of the Act enumerates certain situations wherein expenditure incurred by the assessee, in the course of his business, will not be allowed to be deducted in computing the income chargeable under the head 'Profits and Gains from Business or Profession'. One such contingency is provided in clause (ia) of sub-section (a) of Section 40(a) (ia). As per clause (ia), certain payments made, which includes amounts

payable to a contractor or sub-contractor, would not be allowed as expenditure in case the tax is deductible at source on the said payment has not been deducted or, after deduction, has not been paid during the previous year or in the subsequent year before the expiry of the time prescribed.

In the instant case, certain payments were made by the appellant assessee, in the Assessment Year 2006-2007 but the tax at source was not deducted and deposited. We may point out here itself that as per Section 194C of the Act, payments to contractors and sub-contractors are subject to tax deduction at source. The Income Tax Department/Revenue has, therefore, not allowed the amounts paid to the sub-contractors as deduction while computing the income chargeable to tax at the hands of the assessee in the said Assessment Year.

**Decision:** Appeal dismissed.

### Reason:

It can be seen that Section 40(a) (ia) uses the expression 'payable' and on that basis the question which is raised for consideration is: "Whether the provisions of Section 40(a) (ia) shall be attracted when the amount is not 'payable' to a contractor or sub-contractor but has been actually paid?"

It may be pertinent to observe that the question raised now and formulated above was specifically raised before the authorities below, including the High Court.

The question is, as noted above, when the word used in Section 40(a)(ia) is 'payable', whether this Section would cover only those contingencies where the amount is due and still payable or it would also cover the situations where the amount is already paid but no advance tax was deducted thereupon. This issue has come up for hearing before various High Courts and there are divergent views of the High Courts there upon. In fact, most of the High Courts have taken the view that the aforesaid provision would cover even those cases where the amount stands paid. This is the view of the Madras, Calcutta and Gujarat High Courts. Contrary view is taken by the Allahabad High Court. In a recent judgment, the Punjab & Haryana High Court took note of the judgments of the aforesaid High Courts and concurred with the view taken by the Madras, Calcutta and Gujarat High Courts and showed its reluctance to follow the view taken by the Allahabad High Court.

In this scenario, we would like to first discuss the reasons given by the High Courts in two sets of judgments, arriving at a contrary conclusion. [Detailed analysis of the judgements of various High Courts discussed.]

In view of the aforesaid discussion, we hold that the view taken by the High Courts of Punjab & Haryana, Madras and Calcutta is the correct view and the judgment of the Allahabad High Court in CIT v. Vector Shipping Services (P) Ltd., (2013) 357 ITR 642 did not decide the question of law correctly. Thus, insofar as the judgment of the Allahabad High Court is concerned, we overrule the same. Consequences of the aforesaid discussion will be to answer the question against the appellant/assessee thereby approving the view taken by the High Court. The appeal is, accordingly, dismissed with costs.

## LW 45:06:2017

SARLA PERFORMANCE FIBERS LTD v. C.C.E.C., VAPI.  
[SC]

Civil Appeal Nos. 5805-5807 of 2009

A.K. Sikri & Ashok Bhushan, JJ. [Decided on 27/04/2017]

Central Excise Act- Polyester Covered Yarn and Nylon Covered Yarn classification of goods- whether the products fall under Chapter 56 as claimed by the assessee- Held, No.

### Brief facts:

All these appeals involve identical dispute, which pertain to classification of the goods known as Polyester Covered Yarn and Nylon Covered Yarn. Whereas the appellants/assesseees argue that these products are covered by Chapter No. 56 and come under CSH No. 5606.06, the Revenue has taken the position that the aforesaid goods fall in CSH No. 5402.62/61. The stand of the Revenue has been accepted by the Customs Excise & Service Tax Appellate Tribunal (for short 'CESTAT') which is challenged by the assesseees in these appeals. For the sake of convenience, we shall take note of the facts from Civil Appeal Nos. 5805-5807 of 2009.

Decision: Appeals dismissed.

### Reason:

The aforesaid two products, namely, Polyester Covered Yarn and Nylon Covered Yarn are manufactured by the appellants by applying the process of conventional covering on machine – MENEGATTO – Model 1500/2000 and also separately by applying the process of air covering on machine SSM-DP2-C. The dispute pertains to the goods manufactured with the application of air covering process. This process of air covering is as under: The Lycra/Spandex Spool is loaded on the feeder and nylon or polyester is loaded on the Creel. Then the Lycra or Spandex is drafted to certain extent i.e. as per the requirement of quality. Then the Nylon/polyester & Lycra/Spandex is passed through the air jet where the covering takes place. Finally the covered yarn is wound on paper tube.

At the outset, it may be pointed out that there is no dispute that two yarns are used in the manufacture of the product, namely, Nylon and Lycra. At the same time, however, it is also an admitted fact that in Polyester Covered Yarn, the percentage of Lycra is only nine to ten and it is Polyester/Nylon which is pre-dominantly used ranging from 91% to 93%. Taking note of these facts and definition of gimped yarn in Explanation (A) to Chapter Heading 56.00 under Section XI of Explanatory note to HSN, it was stated in the show cause notice that the product could not be treated as gimped yarn.

In nutshell, having regard to the use of Nylon and Lycra in the ratio of 90:10, the classification was proposed on the principle of pre-dominance of textile material used. The Order-in-Original was passed by the Assessing Authority, taking note of the dominance of Polyester or Nylon yarn in the manufacturing of the said product. The Assessing Authority

also referred to tests reports from Man Made Textile Research Association (MANTRA) which also supported the version of the Revenue. Contention of the assesseees that the product should be covered under Chapter Heading 56.06 was turned down by the Assessing Officer.

The Appellate Authority while affirming the order of the Assessing Officer also referred to Rule 3(a) of the Rules of Interpretation as per which the heading which provides the most specific description is to be preferred to the heading providing a more general description. The Tribunal has revisited the entire issue taking into consideration all the aspects of the matter and in the light of tests reports of MANTRA, affirmed the findings of the Authorities below that the products manufactured by assesseees are nothing but air mingled yarn and, therefore, cannot be classified under Chapter No. 56 in view of the fact that it does not contain a core around which another yarn has been woven.

Thus, a categorical finding is arrived at that the core does not itself undergo twisting with covered threads. On the basis of the aforesaid concurrent finding of the Authorities below rejecting the contentions of the assesseees that the product in question was a gimped yarn, supported with cogent and valid reasons, we do not find any merit in any of the contentions raised by the appellants before us. The appeals accordingly fail and are dismissed with cost.

## LW 46:06:2017

FORMULA ONE WORLD CHAMPIONSHIP LTD v.  
COMMISSIONER OF INCOME TAX [SC]

Civil Appeal No. 3849 of 2017

A.K. Sikri & Ashok Bhushan, JJ. [Decided on 24/04/2017]

Income tax Act, 1961- Formula 1 race Indian circuit- whether race circuit area is a place of business- Held, Yes. Whether FOWC had PE in India- Held, Yes. Whether FOWC is required to pay tax under section 195- Held, Yes.

### Brief facts:

Authority for Advance Ruling ["AAR"], in the applications filed by FOWC and Jaypee, answered the first question holding that the consideration paid or payable by Jaypee to FOWC amounted to 'Royalty' under the DTAA. Second question was answered in favour of FOWC holding that it did not have any PE in India. As far as the question of subjecting the payments to tax at source under Section 195 of the Act is concerned, AAR ruled that since the amount received/receivable by FOWC was income in the nature of Royalty and it was liable to pay tax there on to the Income Tax Department in India, it was incumbent upon Jaypee to deduct the tax at source on the payments made to FOWC.

FOWC and Jaypee challenged the ruling on the first issue by filing writ petitions in the High Court contending that the payment would not constitute Royalty under Article 13 of the DTAA. Revenue also filed the writ petition challenging the answer of the AAR on the second issue by taking the stand that FOWC had PE in India in terms of Article 5 of the DTAA and, therefore, tax was payable accordingly.

Interestingly, the High Court has reversed the findings of the AAR on both the issues. Whereas it has held that the amount paid/payable under RPC by Jaypee to FOWC would not be treated as Royalty, as per the High Court FOWC had the PE in India and, therefore, taxable in India. While deciding this question, the High Court has not accepted the plea of the Revenue that it was not a dependent PE. The High Court has also held, as the sequitur, that Jaypee is bound to make appropriate deductions from the amount payable to FOWC under Section 195 of the Act. It is for this reason all the three parties are again before us.

Decision: Appeals dismissed.

## Reason:

The main question in the appeals, therefore, pertains to PE. We are of the firm opinion, and it cannot be denied, that Buddh International Circuit is a fixed place. From this circuit different races, including the Grand Prix is conducted, which is undoubtedly an economic/business activity. The core question is as to whether this was put at the disposal of FOWC. Whether this was a fixed place of business of FOWC is the next question. We would like to start our discussion on a crucial parameter viz. the manner in which commercial rights, which are held by FOWC and its affiliates, have been exploited in the instant case. For this purpose entire arrangement between FOWC and its associates on the one hand and Jaypee on the other hand, is to be kept in mind. Various agreements cannot be looked into by isolating them from each other. Their wholesome reading would bring out the real transaction between the parties. Such an approach is essentially required to find out as to who is having real and dominant control over the Event, thereby providing an answer to the question as to whether Buddh International Circuit was at the disposal of FOWC and whether it carried out any business therefrom or not. There is an inalienable relevance of witnessing the wholesome arrangement in order to have complete picture of the relationship between FOWC and Jaypee. That would enable us to capture the real essence of FOWC's role.

The aforesaid arrangement clearly demonstrates that the entire event is taken over and controlled by FOWC and its affiliates. There cannot be any race without participating/ competing teams, a circuit and a paddock. All these are controlled by FOWC and its affiliates. Event has taken place by conduct of race physically in India. Entire income is generated from the conduct of this event in India. Thus, commercial rights are with FOWC which are exploited with actual conduct of race in India.

Even the physical control of the circuit was with FOWC and its affiliates from the inception, i.e. inclusion of event in a circuit till the conclusion of the event. Omnipresence of FOWC and its stamp over the event is loud, clear and firm. The undisputed facts were that race was physically conducted in India and from this race income was generated in India. Therefore, a common sense and plain thinking of the entire situation would lead to the conclusion that FOWC had made their earning in India through the said track over which they had complete control during the period of race. The appellants are trying to trivialize the issue by harping on the fact that duration of the event was three days and, therefore, control, if at all, would

be for that period only. His reply was that the duration of the agreement was five years, which was extendable to another five years. The question of the PE has to be examined keeping in mind that the aforesaid race was to be conducted only for three days in a year and for the entire period of race the control was with FOWC.

We are also of the opinion that the High Court has rightly concluded that having regard to the duration of the event, which was for limited days, and for the entire duration FOWC had full access through its personnel, number of days for which the access was there would not make any difference. Coming to the second aspect of the issue, namely, whether FOWC carried on any business and commercial activity in India or not, substantial part of this aspect has already been discussed and taken care of above. Without being repetitive and pleonastic or tautologous, we may only add that FOWC is the Commercial Right Holder (CRH). These rights can be exploited with the conduct of F-1 Championship, which is organised in various countries. It was decided to have this championship in India as well. In order to undertake conducting of such races, the first requirement is to have a track for this purpose. Then, teams are needed who would participate in the competition. Another requirement is to have the public/viewers who would be interested in witnessing such races from the places built around the track. Again, for augmenting the earnings in these events, there would be advertisements, media rights, etc. as well. It is FOWC and its affiliates which have been responsible for all the aforesaid activities. The Concorde Agreement is signed between FIA, FOA and FOWC whereby not only FOWC became Commercial Rights Holder for 100 years, this agreement further enabled participation of the teams who agreed for such participation in the FIA Championship each year for every event and undertook to participate in each event with two cars. FIA undertook to ensure that events were held and FOWC, as CRH, undertook to enter into contracts with event promoters and host such events. All possible commercial rights, including advertisement, media rights, etc. and even right to sell paddock seats, were assumed by FOWC and its associates. Thus, as a part of its business, FOWC (as well as its affiliates) undertook the aforesaid commercial activities in India.

In view of the above, it is difficult to accept the arguments of the appellants that it is Jaypee who was responsible for conducting races and had complete control over the Event in question. Mere construction of the track by Jaypee at its expense will be of no consequence. Its ownership or organising other events by Jaypee is also immaterial. Our examination is limited to the conduct of the F-1 Championship and control over the track during that period. Specific arrangement between the parties relating to the aforesaid, which is elaborated above and which FOWC and Jaypee unsuccessfully endeavoured to ignore, has in fact turned the table against them. It is also difficult to accept their submission that FOWC had no role in the conduct of the Championship and its role came to an end with granting permission to host the Event as a round of the championship. We also reject the argument of the appellants that the Buddh International Circuit was not under the control and at the disposal of FOWC.

In view of the foregoing, the appeals preferred by the FOWC and Jaypee are dismissed.



## Competition Law

LW 47:06:2017

BIOCON LTD & ORS v. F. HOFFMANN-LA ROCHE AG & ORS [CCI]

Case No. 68 of 2016

D.K. Sikri, S.L. Bunker, Sudhir Mital, Augustine Peter, U.C. Nahta, & Justice G.P. Mittal. [Decided on 21/04/2017]

Competition Act, 2002- Section 4- pharma products- biosimilars- abuse of dominance- denial of market access- CCI finds Roche involved in denial of market access to competitors – investigation ordered.

### Brief facts:

The Informants are primarily aggrieved by the Roche Group's conduct whereby, it has allegedly denied market access to its competitors in contravention of Section 4(2) (c) of the Act. Besides, the Informants have also alleged violation of Section 4(2)(a)(ii) for imposition of unfair prices, Section 4(2)(a)(i) for imposition of unfair conditions, Section 4(2)(e) of the Act for leveraging and Section 4(2)(b)(i) for limiting or restricting the market.

**Decision:** Investigation ordered as to the allegation of denial of market access.

### Reason:

The Commission is cognizant that the Informants' drugs have received approvals from DCGI, despite the attempts made by Roche Group and they were able to enter the market. The same, however, does not rule out the possibility of Roche's actions amounting to denial of market access. The denial of market access within the meaning of Section 4(2)(c) of the Act, need not be complete and absolute in nature. Even a partial denial of market access that takes away the freedom of a substitute to compete effectively and on merits in the relevant market, may amount to a contravention of Section 4(2)(c) of the Act. With regard to the Informants' market shares, which Roche Group has claimed is substantial, the Commission observes that, at this stage, it is very difficult to ascertain the impact of Roche Group's strategies on the market shares of the Informants. It is a subject matter of investigation as to whether their market shares could have been higher absent the alleged anti-competitive strategies adopted by Roche Group.

We are dealing with a case which involves a highly sensitive sector, where the safety of the patient is of paramount importance.

Thus, creating any iota of doubt in the minds of doctors can adversely affect the market for biosimilars, which is prescription induced, beyond repair. Such disparagement may also have ripple effects within the medical community. In this scenario, those biosimilar manufacturers who do not have strong marketing channels amongst doctors may be forced out of the market because of abusive denigration by a dominant player.

The Commission further notes that a dominant enterprise is endowed with a special responsibility not to allow its conduct to impair undistorted competition in the relevant market. The Act places special responsibility on such enterprise not to conduct its business in a manner which is prohibited under Section 4(2) of the Act. Prima facie, it appears to the Commission that Roche Group has shirked such responsibility and indulged in abusive conduct.

With regard to the Informants' allegation on unfair pricing under Section 4(2) (a) (ii) of the Act, the Commission is prima facie not convinced that a case is made out against the Roche Group. Being the innovator, it might have invested huge sums on research and development of Trastuzumab. Thus, initial high prices can be attributable to being the reward for innovation. Further, it subsequently introduced cheaper versions in the market viz. BICELTIS/HERCLON. The Informants have also alleged leveraging on the part of Roche Group. In this regard, the Commission notes that it has taken the prima facie view that the relevant market in the instant case is 'market for biological drugs based on Trastuzumab, including its biosimilars in India' and the impugned conduct of Roche Group therein amounts to contravention of Section 4(2) (c) of the Act. Thus, at this stage, the Commission does not find it relevant to deal with the alleged contravention of Section 4(2)(e) of the Act, which would arise only in case of delineation of narrower relevant markets as defined in the information i.e. 'market of sale for biological drugs (including biosimilars) used in the targeted therapy of HER-2 positive metastatic breast cancer within the territory of India', 'market of sale for biological drugs (including biosimilars) used in the targeted therapy of HER-2 positive early breast cancer within the territory of India' and 'market of sale for biological drugs (including biosimilars) used in the targeted therapy of HER-2 positive metastatic gastric cancer within the territory of India'. However, the prima facie determination of the Commission in this order regarding the relevant market and abuse therein shall not preclude the DG from delineating narrower relevant markets on the basis of investigation into relevant facts and also examine whether the impugned conduct of Roche Group constitutes a contravention of Section 4(2) (e) of the Act. With regard to the Informants' allegation under Section 4(2) (a) (i) of the Act, Roche Group has claimed that it is its prudent business strategy not to import 150 mg vials of BICELTIS / HERCLON. The Commission agrees with the assertion made by Roche Group and hence, prima facie, does not find any imposition of unfair condition in that and accordingly, does not find any contravention under Section 4(2)(a)(i) of the Act.

Based on the foregoing analysis, the Commission is of the considered view that prima facie, the contravention with regard to Section 4(2) (c) of the Act is made out against Roche Group, which warrants detailed investigation into the matter. The DG is, thus, directed to carry out a detailed investigation into the matter, in terms of Section 26(1) of the Act, and submit a report to the Commission, within 60 days.



# 4

## FROM THE GOVERNMENT



- CLARIFICATION REGARDING APPLICABILITY OF SECTION 16 (1)(A) OF THE COMPANIES ACT, 2013 WITH REFERENCE TO CASES UNDER CORRESPONDING PROVISIONS OF COMPANIES ACT, 1956 – REG.
- TRANSFER OF SHARES TO IEPF AUTHORITY
- COMPANIES (ACCEPTANCE OF DEPOSITS) AMENDMENT RULES, 2017
- TRANSFER OF SHARES TO IEPF AUTHORITY
- LISTING OF NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES (NCRPS) / NON-CONVERTIBLE DEBENTURES (NCDS) THROUGH A SCHEME OF ARRANGEMENT
- SECURITIES AND EXCHANGE BOARD OF INDIA (INTERNATIONAL FINANCIAL SERVICES CENTRES) GUIDELINES, 2015 - PERMISSIBLE INVESTMENTS BY PORTFOLIO MANAGERS, ALTERNATE INVESTMENT FUNDS AND MUTUAL FUNDS OPERATING IN IFSC
- POSITION LIMITS FOR CROSS-CURRENCY FUTURES AND OPTIONS CONTRACTS (NOT INVOLVING INDIAN RUPEE) ON EXCHANGES IN INTERNATIONAL FINANCIAL SERVICES CENTRES (IFSC)
- DIGITAL MODE OF PAYMENT
- INSTANT ACCESS FACILITY AND USE OF E-WALLET FOR INVESTMENT IN MUTUAL FUNDS
- ONLINE REGISTRATION MECHANISM FOR SECURITIES MARKET INTERMEDIARIES
- CIRCULAR ON MUTUAL FUNDS
- SECURITIES AND EXCHANGE BOARD OF INDIA (INTERNATIONAL FINANCIAL SERVICES CENTRES) GUIDELINES, 2015 - IFSC BANKING UNITS (IBUS) ACTING AS TRADING MEMBER OR PROFESSIONAL CLEARING MEMBER ON STOCK EXCHANGES/CLEARING CORPORATIONS IN IFSC
- ACCEPTANCE OF CENTRAL GOVERNMENT SECURITIES BY CLEARING CORPORATIONS TOWARDS CORE SETTLEMENT GUARANTEE FUND (SGF) CONTRIBUTION BY CLEARING MEMBERS
- REVIEW OF THE FRAMEWORK OF POSITION LIMITS FOR INTEREST RATE FUTURES CONTRACTS
- INCLUSION OF "DERIVATIVES ON EQUITY SHARES" - IFSC
- INVESTMENTS BY FPIS IN GOVERNMENT SECURITIES
- CAPACITY PLANNING FRAMEWORK FOR THE DEPOSITORIES



## Corporate Laws

### 01 Clarification regarding applicability of Section 16 (1)(a) of the Companies Act, 2013 with reference to cases under corresponding provisions of Companies Act, 1956 – reg.

[Issued by the Ministry of Corporate Affairs vide General Circular No. 04/2017 dated 16.5.2017]

1. A representation was received from Regional Director, Mumbai seeking clarification as to whether Regional Directors can entertain, fresh applications u/s 16 of the Companies Act, 2013 in respect of applications which were earlier rejected by them under Companies Act, 1956 on the ground of being time-barred as the prescribed period of twelve months had been completed (under Section 22 (1) (ii) (b) of the Companies Act, 1956). It was expressed that Section 16 of the Companies Act, 2013 does not specify any time limitation.
2. The matter has been examined in consultation with D/o legal Affairs and it is clarified that applications that were rejected by Regional Directors under Section 22(1) (ii) (b) of the Companies Act, 1956, on the ground that such applications were made after the requisite period of twelve months specified therein, cannot apply afresh under Section 16 (1) (a) of the Companies Act, 2013, as the extinguished limitation cannot be considered to be revived even if no limitation period has been prescribed/laid down in the said section.
3. This issues with approval of the Secretary, MCA.  
KMS NARAYANAN  
Assistant Director

### 02 Transfer of Shares to IEPF Authority

[Issued by the Ministry of Corporate Affairs vide General Circular No. 05/2017 dated 16.05.2017]

1. Please refer to General Circular No. 03/2017 dated 27.04.2017 regarding "Transfer of shares to IEPF Authority" issued by this office.
2. The subject matter of the said circular is being reviewed by

the Ministry and hence the said circular stands withdrawn with immediate effect. Fresh instructions on the matter will be issued in due course of time.

3. This issues with the approval of the Competent Authority  
MONIKA GUPTA  
Deputy Director

### 03 Companies (Acceptance of Deposits) Amendment Rules, 2017

[Issued by the Ministry of Corporate Affairs vide [F. No 1/8/2013-CL-V] dated 11.05.2017. To be published in Gazette of India, Extraordinary, Part-II, Section(3) Sub-section(i)]

In exercise of the powers conferred by sections 73 and 76 read with sub-section (1) and sub-section (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Acceptance of Deposits) Rules, 2014, namely:—

1. (1) These rules may be called the Companies (Acceptance of Deposits) Amendment Rules, 2017.  
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Acceptance of Deposits) Rules, 2014 (hereinafter referred to as the principal rules),—  
(a) in rule 2, in sub-rule (1), in clause (c), in sub-clause (xviii), after the words "Domestic Venture Capital Funds" the words "Infrastructure Investment Trusts" shall be inserted.  
(b) in rule 5, in sub-rule (1), for the proviso, the following proviso shall be substituted, namely:—

"Provided that the companies may accept deposits without deposit insurance contract till the 31st March, 2018 or till the availability of deposit insurance product, whichever is earlier."

AMARDEEP SINGH BHATIA  
Joint Secretary

### 04 Transfer of Shares to IEPF Authority

[Issued by the Ministry of Corporate Affairs vide General Circular No. 03/2017-IEPF] dated 27.04.2017.]

1. Pursuant to second proviso to Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 notified on February 28, 2017, where the seven year period provided under sub-section (5) of section 124 is completed during September 7, 2016 to May 31, 2017, the due date for transfer of such shares by companies is May 31, 20 17.
2. The IEPF Authority has decided to open a special demat account with National Securities Depository Limited (NSDL) through a Depository Participant of NSDL.
3. The special demat account will have features and functionality to support IEPF operations using paperless,

digital processes and facilitate record keeping of shares transferred to the IEPF Authority to meet the requirements of the Rules. The details of the DEMAT account will be issued in due course.

4. All companies required to transfer shares to IEPF Authority under the aforesaid Rules shall transfer such shares, whether held in dematerialised form or physical form, to the demat account of IEPF Authority by way of corporate action. Information related to the shareholders whose shares are being transferred to IEPF's demat account shall be provided to NSDL in prescribed format.
5. NSDL will prescribe the file formats and operational procedures for transfer of shares to special demat account of the IEPF Authority by April 30 2017 and May 15th 2017 respectively.
6. The charges to be levied by NSDL to the companies towards upload and maintenance of records pertaining to shares transferred to the special demat account of the IEPF Authority are as under:
  - i. Transaction Fees at the time of effecting transfer of shares to Demat Account of IEPF Authority: Rs. 10/- per record subject to minimum of Rs. 500/-.
  - ii. Annual Maintenance Fees: Rs. 11/- per record subject to minimum based on paid-up capital of the company as mentioned below:

Nominal Value of Securities (Rs.)	Admitted	Annual Custody Fee payable by Company (Rs.)
Upto Rs. 5 crore		2,700
Above Rs.5 crore and upto Rs.10 crore		6,750
Above Rs.10 crore and upto Rs.20 crore		13,500
Above Rs.20 crore		22,500

These charges are in addition to the fees that Depositories levy on the companies for corporate actions.

MONIKA GUPTA  
Deputy Director

## 05 Listing of Non-Convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) through a Scheme of Arrangement

[Issued by the Securities And Exchange Board of India vide Circular CIR/IMD/DF/50/2017] dated 26.05.2017.]

- (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "listing regulations") place obligations with respect to Scheme of Arrangement on Listed Entities and Stock Exchange(s) in Regulation 11, 37 and 94.
- (2) Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 (hereinafter referred to as "the SCRR") gives power to Securities and Exchange Board of

India (SEBI) to relax provision of Rule 19 at its discretion and accordingly SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 laid down the detailed requirement to be complied with by listed entities while undertaking schemes of arrangement for listing of Equity or Warrants pursuant to the Scheme.

- (3) Such corporate restructuring may result in issuance of NCRPS or NCDs, in lieu of specified securities (specified securities as defined in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009). However it is observed that the abovementioned SEBI Circular does not cover guidance for listing of such NCRPS/NCDs. The same is being addressed in this circular.
- (4) In cases where NCRPS/NCDs are issued, in lieu of specified securities, vide a scheme of arrangement; and where such NCRPS/NCDs are proposed to be listed on recognized Stock Exchanges, the listed entity shall additionally comply with the requirements stated at Paragraph 5 below, in addition to compliance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time.
- (5) The additional compliances for the cases referred to at Paragraph 4 above are as under:

**(A) Additional conditions to be complied before the Scheme of arrangement is submitted for sanction by the National Company Law Tribunal (NCLT)**

A listed entity, which has listed its specified securities, may seek listing of NCRPS/NCDs issued pursuant to a scheme of arrangement provided that it has complied with the following provisions :-

**(i) Eligibility for seeking listing of NCRPS/ NCDs**

A listed entity which has listed its specified securities may seek listing of NCRPS/NCDs issued pursuant to a scheme of arrangement only in case where the listed entity is a part of such scheme of arrangement and such NCRPS/NCDs are issued to the holders of specified securities of such listed entity. Such scenarios may broadly include the following:

- (a) A listed entity, which has listed its specified securities, (demerged entity) demerges a unit and transfers the same to another entity (resultant entity), and the resultant entity issues NCRPS/ NCDs to the holders of the specified securities of listed entity (i.e. demerged entity) as a consideration under the scheme of arrangement.
- (b) A listed entity, which has listed its specified securities, (amalgamating entity) is merged with another entity (amalgamated entity), and the amalgamated entity issues NCRPS/NCDs to the holders of the specified securities of listed entity (i.e. amalgamating entity) as a consideration under the scheme of arrangement.

It is clarified that only the NCRPS/NCDs issued to the holders of listed specified securities, vide the scheme of arrangement, would be eligible for seeking listing. However, if the same series/class of NCRPS/NCDs are also allotted to other investors, other than the allotment done to the holders of listed specified securities as per

the scheme of arrangement, then such NCRPS/NCDs would not be eligible for seeking listing.

**(ii) Tenure/ Maturity:**

The minimum tenure of the NCRPS/NCDs shall be one year.

**(iii) Credit Rating:**

The NCRPS/NCDs have been assigned minimum such credit rating, if any, specified for public issue of NCRPS under SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 or for public issue of NCDs in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as the case may be by a credit rating agency registered with the Board.

**(iv) Valuation Report:**

The Valuation Report, referred in Para (I)(A)(4) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, shall also include valuation of the underlying NCRPS/ NCDs to be issued pursuant to the scheme of arrangement.

**(v) Disclosures in the Scheme of Arrangement:**

The following should be clearly disclosed in Draft Scheme of Arrangement:-

- (a) Face Value & Price
- (b) Dividend/Coupon: The terms of payment of dividends/Coupon including frequency etc
- (c) Credit Rating
- (d) Tenure/ Maturity
- (e) Redemption: The terms of redemption, amount, date, redemption premium/discount, and early redemption scenarios, if any
- (f) Other embedded features (put option, call option, dates, notification times, etc)
- (g) Other terms of instruments (i.e. term sheet)
- (h) Any other information/details pertinent for the investors

**(vi) Other Conditions which would be required to be followed are as under:**

The listed entity shall further ensure compliance with the following:

- (a) The captioned issue of NCRPS/NCDs shall be in compliance with all the applicable provisions of the Companies Act, 2013 including the provisions related to creation and maintenance of Capital Redemption Reserve/Debt Redemption Reserve.
- (b) All such NCRPS/NCDs shall be issued in dematerialised form only.
- (c) In case of NCDs, the issuer has appointed/ shall appoint Debenture Trustee in compliance with SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and Companies Act, 2013.
- (d) In case of NCDs, the issuer has created/ shall create an appropriate charge or security, wherever applicable, in compliance with SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and Companies Act, 2013.

- (e) All the provisions of SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 and SEBI (Issue and Listing of Debt Securities) Regulations, 2008 have been/ shall be complied with except the provisions related to making a public issue, or making a private placement, or filing of offer document, etc.

**(B) Additional conditions to be complied after the Scheme is sanctioned by the Hon'ble High Court / NCLT and at the time of making application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957**

The application for relaxation under Sub-rule (7) of rule 19 of SCRR for listing of NCRPS/ NCDs shall include a detailed Compliance Report as per the format specified in Annexure I, duly certified by the Company Secretary and the Managing Director, confirming compliance of the Scheme of Arrangement with the provisions of this Circular, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time and with various regulatory requirements specified for schemes of arrangement.

- (6) **Applicability:** The captioned circular shall be applicable for all the draft schemes filed with the Stock Exchanges after the date of this circular.
- (7) The Schemes shall be governed by the requirements specified in Listing Regulations and any other Regulation/ Law connected therewith and as revised from time to time. The Board may, while granting relaxation, if any, under sub-rule (7) of rule 19 of SCRR, stipulate any other conditions as may be deemed necessary in the interest of investors and securities market, under the facts and circumstances of the specific case.
- (8) The Stock Exchanges are advised to bring the provisions of this circular to the notice of Listed Entities and also to disseminate the same on its website.
- (9) This circular is issued under Regulations 11, 37 & 94 read with Regulation 101(2) of listing regulations and Rule 19(7) of SCRR, 1957.

NAVEEN SHARMA  
Deputy General Manager

**06** Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - Permissible investments by Portfolio Managers, Alternate Investment Funds and Mutual Funds operating in IFSC

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/MRD/ DSA/CIR/P/2017/ 45] dated 23.05.2017.]

1. Kindly refer to SEBI (IFSC) Guidelines, 2015 which were notified by SEBI on March 27, 2015.
2. Clause 9 (4) and Clause 22 (3) of SEBI (IFSC) Guidelines,

2015 specify the securities in which portfolio managers and alternative investment fund or mutual fund respectively, operating in IFSC are permitted to invest in. Based on the consultations held with the stakeholders, it has been decided to amend Clauses 9 (4) and 22 (3) of the Guidelines. The amended Clauses shall read as follows:

- A. Clause 9 (4) of SEBI (IFSC) Guidelines, 2015 is amended to read as follows:  
 "A portfolio manager operating in IFSC shall be permitted to invest in the following:
    - a) Securities which are listed in IFSC;
    - b) Securities issued by companies incorporated in IFSC;
    - c) Securities issued by companies incorporated in India or companies belonging to foreign jurisdiction. subject to such conditions or guidelines that may be stipulated or issued by the Reserve Bank of India and Government of India from time to time "
  - B. Clause 22 (3) of SEBI (IFSC) Guidelines, 2015 is amended to read as follows:  
 "Any alternative investment fund or mutual fund operating in IFSC shall be permitted to invest in the following:
    - a) Securities which are listed in IFSC;
    - b) Securities issued by companies incorporated in IFSC;
    - c) Securities issued by companies incorporated in India or companies belonging to foreign jurisdiction. subject to such conditions or guidelines that may be stipulated or issued by the Reserve Bank of India and Government of India from time to time"
3. Further, it is clarified that such portfolio manager, alternative investment fund or mutual fund shall invest in India through the foreign portfolio investor route.
  4. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

BITHIN MAHANTA  
Deputy General Manager

## 07 Position limits for cross-currency futures and options contracts (not involving Indian Rupee) on exchanges in International Financial Services Centres (IFSC)

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/MRD/DRMNP/CIR/P/2017/43] dated 17.05.2017.]

1. Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 were notified on March 27, 2015, which came into force on April 01, 2015 wherein currency derivatives were specified as permissible

securities in which dealing may be permitted by stock exchanges in IFSC.

2. It has been decided that for cross-currency futures and options contracts (not involving Indian Rupee), the position limits for eligible market participants, per currency pair per stock exchange, shall be as follows:
  - a) **Trading Members (positions on proprietary basis as well as clients' position)** - Gross open position across all contracts not to exceed 15% of the total open interest or USD 1 billion equivalent, whichever is higher
  - b) **Institutional Investors** - Gross open position across all contracts not to exceed 15% of the total open interest or USD 1 billion equivalent, whichever is higher
  - c) **Eligible Foreign Investors (as referred to in SEBI Circular IMD/HO/FPIC/CIR/P/2017/003 dated January 04, 2017)** – Gross open position across all contracts not to exceed 15% of the total open interest or USD 1 billion equivalent, whichever is higher
  - d) **Other Clients** – Gross open position across all contracts not to exceed 6% of the total open interest or USD 100 million equivalent, whichever is higher.
3. Stock exchanges shall impose appropriate penalties for violation of position limits by eligible market participants.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

SANJAY PURAO  
Deputy General Manager

## 08 Digital mode of payment

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/GSD/T&A/CIR/P/2017/42] dated 16.05.2017.]

1. SEBI has notified the SEBI (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 on March 06, 2017 to enable digital mode of payment (RTGS/NEFT/IMPS etc.) of fees/penalties/remittance/other payments etc.
2. Pursuant to above, SEBI has been receiving direct credit of amounts from various intermediaries / other entities.
3. In order to identify and account such direct credit in the SEBI account, it has been decided that the various intermediaries/ other entities shall provide the information as mentioned in Annexure-I to SEBI once the payment is made.
4. The above information should be emailed to the respective department(s) as well as to Treasury & Accounts division at [tad@sebi.gov.in](mailto:tad@sebi.gov.in).
5. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the

securities markets.

6. This Circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the categories "Circulars".

DEEPAK TRIVEDI  
Chief Financial Officer

## 09 Instant Access Facility and Use of e-wallet for investment in Mutual Funds

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/IMD/DF2/CIR/P/2017/39] dated 08.05.2017.]

### A. Instant Access Facility (IAF)

1. IAF facilitates credit of redemption proceeds in the bank account of the investor on the same day of redemption request. In order to further enhance the reach of Mutual Funds (MFs) towards the retail investors, it has been decided to issue guidelines for extending IAF. MFs/AMCs may offer IAF subject to the following conditions:

- a. **Eligibility** - IAF shall be allowed through online mechanism and only for resident individual investors.

b. **Applicability**

- i. **NAV:** While observing the extant cut-off timings with respect to repurchase (i.e. redemption), under IAF the following NAVs shall be applied:
- where the IAF application is received up to 3.00 pm – the lower of (i) NAV of previous calendar day and (ii) NAV of calendar day on which application is received;
  - where the IAF application is received after 3.00 pm – the lower of (i) NAV of calendar day on which such application is received, and (ii) NAV of the next calendar day.
- ii. **Scheme:** MFs/AMCs can offer IAF only in Liquid schemes of the MF.
- iii. **Monetary Limit :** The monetary limit under IAF shall be INR 50,000/- or 90% of latest value of investment in the scheme, whichever is lower. This limit shall be applicable per day per scheme per investor.

c. **Liquidity**

- i. Liquidity for IAF has to be provided out of the available funds with the scheme and MFs/AMCs should put in place a mechanism so that adequate balance is available in the bank account of the scheme to meet liquidity/redemption requirements under IAF. Such mechanism may be based on historical trends of instant access. For example, AMCs offering IAF may set aside in cash at least 3 times of – the higher of, last one month's or three month's daily average of redemptions under instant access on a rolling day basis. AMCs should also lay down robust processes for continuous monitoring and for funding the redemptions under the IAF.

- ii. MFs/AMCs cannot borrow to meet the redemption requirements under IAF.

d. **Disclosures**

- i. AMCs shall make appropriate disclosures in the scheme related documents about IAF and ensure that no mis-selling is done on the pretext of instant availability of funds to the investors.
- ii. Appropriate disclosures shall be made to the investors mentioning the scenarios under which IAF may be suspended and that IAF request would be processed as a normal redemption request in such circumstances.

e. **Approvals and Controls**

- i. MFs/AMCs shall offer IAF only after obtaining approvals from the AMC Board and the Trustees and keep in place adequate safeguards in the system to implement this facility.
- ii. IAF shall also be considered while carrying out stress testing of the schemes.

MFs/AMCs offering this facility in any of their schemes shall reduce the limit to INR 50,000/- with immediate effect and schemes other than liquid schemes having this facility shall discontinue this facility within one month from the date of this circular.

### B. Use of e-wallet for investment in MFs

2. With an objective to promote digitalization, MFs/AMCs can accept investment by an investor through e-wallets (Prepaid Payment Instruments (PPIs)) subject to the following:

- a. MFs/AMCs shall ensure that extant regulations such as cut-off timings, time stamping, etc., are complied with for investment in MFs using e-wallets.
- b. MFs/AMCs shall enter into an agreement / arrangement with issuers of PPIs for facilitating payment from e-wallets to MF schemes.
- c. Redemption proceeds should be made only to the bank account of the investor/ unit holder as required under SEBI Circular MFD/CIR/15/19133/2002 dated September 30, 2002.
- d. MFs/AMCs shall ensure that total subscription through e-wallets for an investor is restricted to INR 50,000/- per MF per financial year. Further, in partial modification to the Circular CIR/IMD/DF/10/2014 dated May 22, 2014, the limit of INR 50,000/- would be an umbrella limit for investments by an investor through both e-wallet and/ or cash, per MF per financial year.
- e. MFs/AMCs shall ensure that e-wallet issuers shall not offer any incentives such as cashback, vouchers, etc., directly or indirectly for investing in MF schemes.
- f. MFs/AMCs shall ensure that only amounts loaded into e-wallet through cash or debit card or net banking, can be used for subscription to MF schemes.
- g. MFs/AMCs shall ensure that amount loaded into e-wallet through credit card, cash back, promotional scheme etc. should not be allowed for subscription to MF schemes.
- h. MFs/AMCs shall also comply with the requirement of

no third party payment norm for investment made using e-wallets.

3. This circular shall be applicable with immediate effect.
4. This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with the provision of Regulation 77 of SEBI (Mutual Funds) Regulation, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

HARINI BALAJI  
General Manager

## 10 Online Registration Mechanism for Securities Market Intermediaries

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD1/CIR/P/2017/38] dated 02.05.2017.]

1. Hon'ble Minister of Finance, Government of India, in his speech while presenting the Budget for FY 2017-18 on February 01, 2017, announced that the process of registration of financial market intermediaries will be made fully online by SEBI.
2. As you are aware, SEBI had already started development of Enterprise SEBI Portal with various custom applications, including online registration modules for various intermediaries and in this regard, had various rounds of consultation with the market participants and received feedback.
3. It has now been decided to operationalize SEBI Intermediary Portal (<https://siportal.sebi.gov.in>) for the intermediaries to submit all the registration applications online. The SEBI Intermediary Portal shall include online application for registration, processing of application, grant of final registration, application for surrender / cancellation, submission of periodical reports, requests for change of name/address/ other details, etc., Link for SEBI Intermediary Portal is also available on SEBI website - [www.sebi.gov.in](http://www.sebi.gov.in).
4. SEBI Intermediary Portal is made operational for following intermediaries:
  - i. Stock Brokers
  - ii. Sub-brokers
  - iii. Merchant Bankers (MB)
  - iv. Underwriters (UW)
  - v. Registrar to an Issue and Share Transfer Agents (RTA)
  - vi. Debenture Trustees (DT)
  - vii. Bankers To An Issue (BTI)
  - viii. Credit Rating Agency (CRA)
5. Further, SEBI Intermediary Portal will be operational for depository participants from May 31, 2017.
6. Henceforth, all applications for registration/ surrender/ other requests shall be made through SEBI Intermediary Portal only. The applications in respect of stock brokers/ sub-broker and depository participants shall continue

to be made through the stock exchanges and depositories respectively.

7. The applicants will be separately required to submit relevant documents viz. declarations/ undertakings required as a part of application forms prescribed in relevant regulations, in physical form, only for records without impacting the online processing of applications for registration.
8. Where applications are made through the stock exchanges / depositories, the hard copy of the applications made by their members shall be preserved by them and shall be made available to SEBI, as and when called for.
9. In case of any queries and clarifications with regard to the SEBI Intermediary Portal, intermediaries may contact on 022-26449364 or may write at [portalhelp@sebi.gov.in](mailto:portalhelp@sebi.gov.in).
10. Stock exchanges / clearing corporations and Depositories are directed to:
  - a. take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations;
  - b. bring the provisions of this circular to the notice of their members and also disseminate the same on their websites;
11. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of and to regulate the securities market.

D RAJESH KUMAR  
Deputy General Manager

## 11 Circular on Mutual Funds

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/IMD/DF2/CIR/P/2017/35] dated 28.04.2017.]

1. Please refer to SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated 18 March 2016.
2. In partial modification of the above mentioned circular, para C of the circular pertaining to disclosure of executive remuneration shall read as under:
 

*"With the underlying objective to promote transparency in remuneration policies so that executive remuneration is aligned with the interest of investors, MFs/AMCs shall make the following disclosures pertaining to a financial year on the MF/AMC website under a separate head – 'Remuneration':*

  1. Name, designation and remuneration of Chief Executive Officer (CEO), Chief Investment Officer (CIO) and Chief Operations Officer (COO) or their corresponding equivalent by whatever name called.
  2. Name, designation and remuneration received by top

ten employees in terms of remuneration drawn for that financial year.

3. Name, designation and remuneration of every employee of MF/AMC whose:
  - a. Annual remuneration was equal to or above one crore and two lakh rupees for that financial year.
  - b. Monthly remuneration in the aggregate was not less than eight lakh and fifty thousand rupees per month, if the employee is employed for a part of that financial year.
4. The ratio of CEO's remuneration to median remuneration of MF/AMC employees.
5. MF's total AAUM, debt AAUM and equity AAUM and rate of growth over last three years.

*For this purpose, remuneration shall mean remuneration as defined in clause (78) of section 2 of the Companies Act, 2013. The AMCs/MFs shall disclose this information within one month from the end of the respective financial year (effective from FY 2016-17)."*

3. This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with the provision of regulation 77 of SEBI (Mutual Funds) Regulations, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

HARINI BALAJI  
General Manager

## 12 Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - IFSC Banking Units (IBUs) acting as Trading Member or Professional Clearing Member on stock exchanges/clearing corporations in IFSC

[Issued by the Securities And Exchange Board of India vide Circular SEBI/HO/MRD/DSA/CIR/P/2017/ 34] dated 27.04.2017.]

1. Please refer to SEBI (International Financial Services Centres) Guidelines, 2015 which were notified by SEBI on March 27, 2015.
2. Clause 8 of SEBI (IFSC) Guidelines, 2015 provides that "Any recognised entity or entities desirous of operating in IFSC as an intermediary, may form a company to provide such financial services relating to securities market, as permitted by the Board".
3. Based on the representations received from the market participants and Reserve Bank of India (RBI) circular dated April 10, 2017, it is clarified that an IFSC Banking

Unit (IBU) set up in IFSC shall be permitted to act as a Trading Member of an exchange or a Professional Clearing Member of a clearing corporation in IFSC, without forming a separate company, subject to the conditions mentioned in the aforesaid RBI circular.

4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

BITHIN MAHANTA  
Deputy General Manager

## 13 Acceptance of Central Government Securities by Clearing Corporations towards Core Settlement Guarantee Fund (SGF) Contribution by Clearing Members

[Issued by the Securities And Exchange Board of India vide Circular[F. No. CIR/MRD/DRMNP/ 33 /2017] dated 26.04.2017.]

- 1) SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014, specified the guidelines for Core Settlement Guarantee Fund, Default Waterfall and Stress Test for Clearing Corporations.
- 2) Based on the feedback received from the market participants and the recommendation of the Risk Management Review Committee of SEBI, it has been decided that the clearing members shall be permitted to bring their contribution towards Core Settlement Guarantee Fund, in the form of Central Government Securities, in addition to Cash and Bank Fixed Deposits in terms of point 11 of the above mentioned SEBI circular dated August 27, 2014.
- 3) Clearing Corporations are directed to:
  - a) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations;
  - b) bring the provisions of this circular to the notice of their members and also disseminate the same on its website; and
  - c) communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Report.
- 4) This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate, the securities market.
- 5) This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in), under the category "Circulars".

SANJAY PURAO  
Deputy General Manager



# 14

## Review of the framework of position limits for Interest Rate Futures contracts

[Issued by the Securities And Exchange Board of India vide Circular [F. No. SEBI/HO/MRD/DRMNP/CIR/P/2017/32] dated 18.04.2017.]

1. With a view to ease trading requirements in the Interest Rate Futures contracts, it is clarified that the position limit linked to open interest shall be applicable at the time of opening a position. Such positions shall not be required to be unwound immediately by the market participants in the event of a drop of total open interest in Interest Rate Futures contracts within the respective maturity bucket.
2. However, in the aforementioned scenario, such market participants shall not be allowed to increase their existing positions or create new positions in the Interest Rate Futures contracts of the respective maturity bucket till they comply with the applicable position limits.
3. Notwithstanding the above, in view of risk management or surveillance concerns with regard to the positions of such market participants, stock exchanges may direct them to bring down their positions to comply with the applicable position limits within the time period prescribed by the stock exchanges.
4. Stock exchanges and clearing corporations are directed to:
  - a) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations;
  - b) bring the provisions of this circular to the notice of their members and also disseminate the same on their websites; and
  - c) communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Report.
5. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate, the securities market.

SANJAY PURAO  
Deputy General Manager

# 15

## Inclusion of "Derivatives on Equity shares" - IFSC

[Issued by the Securities And Exchange Board of India vide Circular [F. No. SEBI/HO/MRD/DRMNP/CIR/P/2017/31] dated 13.04.2017.]

1. Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 were notified

by SEBI on March 27, 2015, which came into force on April 01, 2015.

2. Clause 7 of SEBI (IFSC) Guidelines, 2015 specifies the types of securities in which dealing may be permitted by stock exchanges operating in IFSC. Based on the recommendations of the Risk Management Review Committee of SEBI, it has been decided to specify "Derivatives on equity shares of a company incorporated in India" (hereinafter referred to as 'Derivatives on equity shares') as permissible security under sub-clause (vi) of Clause 7 of SEBI (IFSC) Guidelines, 2015. Accordingly, the recognized stock exchanges operating in IFSC may permit dealing in 'Derivatives on equity shares', subject to prior approval of SEBI.
3. SEBI registered Foreign Portfolio Investors (FPIs), operating in IFSC, in terms of SEBI Circular IMD/HO/FPIC/CIR/P/2017/003 dated January 04, 2017, and eligible entities which are incorporated and operating in IFSC shall be eligible to trade in 'derivatives on equity shares'.
4. The applicable position limits for eligible participants shall be as stipulated vide SEBI circulars SMDRP/DC/CIR-10/01 dated November 02, 2001, DNPDP/Cir-30-2006 dated January 20, 2006 and SEBI/HO/MRD/DP/CIR/P/2016/143 dated December 27, 2016.
5. The Market Wide Position Limit (MWPL) for 'derivatives on equity shares' shall be equal to ten percent of the number of shares held by non-promoters in the relevant underlying security (i.e. free-float holding). Further, the MWPL for 'derivatives on equity shares' in recognized stock exchanges in IFSC shall be reckoned separately from that in recognized stock exchanges in domestic market and the MWPL (in value terms), in no circumstances, shall exceed the fifty percent of the MWPL (in value terms) in recognized stock exchanges in domestic market.
6. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

SANJAY PURAO  
Deputy General Manager

# 16

## Investments by FPIs in Government Securities

[Issued by the Securities And Exchange Board of India vide Circular [F. No. IMD/FPIC/CIR/P/2017/30] dated 03.04.2017.]

1. RBI in its Fourth Bi-monthly Policy Statement for the year 2015-16, dated September 29, 2015 had announced a Medium Term Framework (MTF) for FPI limits in Government securities in consultation with the Government of India. Accordingly, SEBI had issued circulars CIR/IMD/FPIC/8/2015 dated October 06, 2015, IMD/FPIC/CIR/P/2016/45 dated March 29, 2016 and IMD/FPIC/CIR/P/2016/107 dated October 03, 2016 regarding the allocation and monitoring of FPI debt investment limits in

Government securities.

2. As indicated in the A.P.(DIR Series) Circular No. 43 dated March 31, 2017 of RBI, it has been decided to revise the limit for investment by FPIs in Government Securities, for the April – June 2017 quarter, as follows:
  - a. Limit for FPIs in Central Government securities shall be enhanced to INR 184,901 cr.
  - b. Limit for Long Term FPIs (Sovereign Wealth Funds (SWFs), Multilateral Agencies, Endowment Funds, Insurance Funds, Pension Funds and Foreign Central Banks) in Central Government securities shall be revised to INR 46,099 cr.
  - c. The limit for investment by all FPIs in State Development Loans (SDL) shall be enhanced to INR 27,000 cr.
3. Accordingly, the revised FPI debt limits would be as follows:

Type of Instrument	Upper Cap as on March 31, 2017 (INR cr)	Revised Upper Cap with effect from April 03, 2017 (INR cr)
Government Debt	152,000	184,901
Government Debt – Long Term	68,000	46,099
State Development Loans	21,000	27,000
<b>Total</b>	<b>241,000</b>	<b>258,000</b>

4. All other existing terms and conditions, including the security-wise limits, investment of coupons being permitted outside the limits and investments being restricted to securities with a minimum residual maturity of three years, shall continue to apply.

This circular shall come into effect immediately. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992.

A copy of this circular is available at the web page “Circulars” on our website [www.sebi.gov.in](http://www.sebi.gov.in). Custodians are requested to bring the contents of this circular to the notice of their FPI clients.

YOGITA JADHAV  
Deputy General Manager

## 17 Capacity Planning Framework for the Depositories

[Issued by the Securities And Exchange Board of India vide Circular [F. No. SEBI/HO/MRD/DP/CIR/P/2017/29] dated 03.04.2017.]

1. The capacity planning framework of the Stock Exchanges and Clearing Corporations was reviewed by Technical Advisory Committee (TAC) of SEBI. Based on recommendations of the committee, circular no. CIR/MRD/DP/17/2015 dated October 08, 2015 was issued to the Stock Exchanges and Clearing Corporations with regard to their capacity planning.
2. Depositories have been identified as financial Market Infrastructure Institutions which facilitate and perform systemically critical functions in the securities market. In

view of their importance in the smooth functioning of the securities market, the framework for capacity planning of the Depositories was also discussed in TAC. Based on recommendations of the committee, it has been decided to put in place following requirements for Depositories while planning capacities for their operations:

- 2.1. The installed capacity shall be at least 1.5 times (1.5x) of the projected peak load.
- 2.2. The projected peak load shall be calculated for the next 60 days based on the per hour peak load trend of the past 180 days.
- 2.3. The Depositories shall ensure that the utilisation of resources in such a manner so as to achieve work completion in 70% of the allocated time.
- 2.4. All systems pertaining to Depository operations shall be considered in this process including all technical components such as network, hardware, software, etc., and shall be adequately sized to meet the capacity requirements.
- 2.5. In case the actual capacity utilisation exceeds 75% of the installed capacity for a period of 15 days on a rolling basis, immediate action shall be taken to enhance the capacity.
- 2.6. The actual capacity utilisation shall be monitored especially during the period of the day in which pay-in and pay-out of securities takes place for meeting settlement obligations.
3. Depositories shall implement suitable mechanisms, including generation of appropriate alerts, to monitor capacity utilisation on a real-time basis and shall proactively address issues pertaining to their capacity needs.
4. Depositories are directed to:
  - 4.1. take necessary steps and put in place necessary systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations, within three months from the date of this circular.
  - 4.2. bring the provisions of this circular to the notice of the depository participants and also disseminate the same on its website; and
  - 4.3. communicate to SEBI the status of implementation of the provisions of this circular.
5. This circular is being issued in exercise of the powers conferred by Section 11 (1) of Securities and Exchange Board of India Act, 1992 and Section 19 of the Depositories Act, 1996 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.

MANOJ KUMAR  
Chief General Manager

# 5

## NEWS FROM THE INSTITUTE



- MEMBERS ADMITTED/RESTORED
- CERTIFICATE OF PRACTICE ISSUED/CANCELLED
- LICENTIATE ICSI ADMITTED
- 1ICSI-III MOU
- 18TH NATIONAL CONFERENCE OF PRACTISING COMPANY SECRETARIES
- ICSI INITIATIVES ON GOODS AND SERVICES TAX (GST)
- BOOK REVIEW



## Members Admitted

### FELLOWS\*

SI. NO.	NAME	MEMB NO.	REGN.
1	SH. JIGNESH DHANSUKHLAL SONI	FCS - 9173	WIRC
2	MS. NISHI SINGH	FCS - 9174	NIRC
3	MR. ANKIT BHATIA	FCS - 9175	NIRC
4	SH. N ASOKAN	FCS - 9176	SIRC
5	MR. GAJANAN DINANATH ATHAVALA	FCS - 9177	WIRC
6	SH. AKHILESH SINGH	FCS - 9178	NIRC
7	MR. AASHISH GOLCHA	FCS - 9179	SIRC
8	MS. SHIKHA MANISH PUROHIT	FCS - 9180	WIRC
9	MS. SONIA MITTAL	FCS - 9181	NIRC
10	SH. RAJESH KUMAR K PILLAI	FCS - 9182	SIRC
11	SH. SUDEEP JAIN	FCS - 9183	WIRC
12	MR. MOHD ZAFAR	FCS - 9184	NIRC
13	SH. VIVEK GAUTAM	FCS - 9185	NIRC
14	SH. CHANDRA AGARWAL	FCS - 9186	EIRC
15	SH. ANURAG GANGRADE	FCS - 9187	WIRC
16	SH. CHANDAN SAND	FCS - 9188	NIRC
17	MS. MEENAKSHI GARG	FCS - 9189	NIRC
18	MR. SAURABH PODDAR	FCS - 9190	SIRC
19	SH. DINESH KUMAR GUPTA	FCS - 9191	NIRC
20	MR. VIKAS KUMAR VERMA	FCS - 9192	NIRC
21	SH. HARDIK JIGNESHKUMAR MODI	FCS - 9193	WIRC
22	MR. SUMIT JAITELY	FCS - 9194	WIRC
23	MS. PRATHYUSHA ASUNDI	FCS - 9195	SIRC
24	MRS. AMI THAKKAR	FCS - 9196	WIRC
25	MS. R AMURTHAVALLI	FCS - 9197	SIRC
26	MR. VIKASH GUPTA	FCS - 9198	NIRC
27	MRS. SUMAN KALRA	FCS - 9199	NIRC
28	MS. ANURADHA	FCS - 9200	NIRC
29	MS KAJAL RAI	FCS - 9201	NIRC
30	SH. AMACHAVADI SRINIVASAMURTHY KESHAVAMURTHY	FCS - 9202	SIRC
31	MR. MAYANK DUBEY	FCS - 9203	NIRC
32	MS. JELPHINE ANGEL IRUDAYARAJ NADAR	FCS - 9204	WIRC
33	SH. AMIT RAJENDRA BHATIA	FCS - 9205	WIRC
34	SH. O P JAGATI	FCS - 9206	SIRC
35	SH. DHIRAJ KATARIA	FCS - 9207	WIRC
36	MS. SUMAN GAMBHIR	FCS - 9208	NIRC
37	MS. ANITA KAUDINYA	FCS - 9209	NIRC
38	MRS. RUCHITA AMIT KUMAR	FCS - 9210	NIRC
39	SH. SANJAY KUMAR	FCS - 9211	NIRC
40	SH. PRATIK KAMLESHKUMAR SHAH	FCS - 9212	WIRC
41	DR. RAJESH V	FCS - 9213	SIRC
42	SH. PRAKASH CHANDRA THAKUR	FCS - 9214	NIRC
43	MS SUNITA KHANDELWAL	FCS - 9215	NIRC
44	MS. ATIMA KHANNA	FCS - 9216	NIRC
45	MRS. SHIPRA KHITHA	FCS - 9217	NIRC

### ASSOCIATES\*

S. NO.	NAME	MEMB NO.	REGN.
1	MR. NABIN AGARWAL	ACS - 50817	EIRC
2	MR. ANKIT PATHAK	ACS - 50818	NIRC
3	MS. NIKITA SINHA	ACS - 50819	NIRC
4	MS. SRISHTI SINGH	ACS - 50820	NIRC
5	MS. RASHMI RAHUL DESHMUKH	ACS - 50821	WIRC
6	MR. PEEYUSH KUMAR JAIN	ACS - 50822	WIRC
7	MR. ANUP KUMAR BISWAL	ACS - 50823	SIRC
8	MR. H KUTHALA SANKARAN	ACS - 50824	SIRC
9	MR. SOUMYAJEET MISHRA	ACS - 50825	EIRC
10	MR. PRAKASH RANJAN PATI	ACS - 50826	SIRC
11	MS. NEHA KUMARI	ACS - 50827	WIRC
12	MR. GAURAV SRIVASTAVA	ACS - 50828	NIRC
13	MR. CHANDRAKANT GUPTA	ACS - 50829	NIRC
14	MR. APAR GUPTA	ACS - 50830	NIRC
15	MR. TUSHAR MEHRISHI	ACS - 50831	NIRC
16	MR. RAHUL SHARMA	ACS - 50832	NIRC
17	MS. NIKITA JAIN	ACS - 50833	NIRC
18	MS. DEEPALI	ACS - 50834	NIRC
19	MR. KASHISH	ACS - 50835	NIRC
20	MS. DIMPLE LOHIYA	ACS - 50836	NIRC
21	MS. RASHMI RASTOGI	ACS - 50837	NIRC
22	MS. PAYAL HOTWANI	ACS - 50838	NIRC
23	MS. POORTI TRIPATHI	ACS - 50839	NIRC
24	MS. KIRAN JOSHI	ACS - 50840	NIRC
25	MR. ANURAG SAXENA	ACS - 50841	NIRC
26	MR. ROHIT NAWAL	ACS - 50842	NIRC
27	MR. CHIRAG GUPTA	ACS - 50843	NIRC
28	MR. ANIL DABAS	ACS - 50844	NIRC
29	MS. SWATI VERMA	ACS - 50845	NIRC
30	MS. RITU YADAV	ACS - 50846	NIRC
31	MS. SHALINI AGGARWAL	ACS - 50847	NIRC
32	MR. SUMIT KUMAR GUPTA	ACS - 50848	NIRC
33	MS. SAKSHI	ACS - 50849	NIRC
34	MS. EKTA PERIWAL	ACS - 50850	NIRC
35	MS. BHARATI CHANDRA	ACS - 50851	EIRC
36	MS. DEEPANTI VERMA	ACS - 50852	NIRC
37	MR. AAKASH KUMAR GARG	ACS - 50853	NIRC
38	MS. NANDINI TIWARI	ACS - 50854	NIRC
39	MS. ANKITA KHANDELWAL	ACS - 50855	NIRC
40	MS. FALGUNI AGARWAL	ACS - 50856	NIRC
41	MR. JITENDRA SHARMA	ACS - 50857	NIRC
42	MS. KIRTI GUPTA	ACS - 50858	NIRC
43	MS. SONAL NEVATIA	ACS - 50859	NIRC
44	MR. ROHIT GUPTA	ACS - 50860	NIRC
45	MS. NUPUR GUPTA	ACS - 50861	NIRC
46	MS. ROSHNI SHARMA	ACS - 50862	NIRC
47	MR. NEERAJ KUMAR JAIN	ACS - 50863	NIRC
48	MS. NIKITA JAWAR	ACS - 50864	NIRC
49	MS. HIMANSHI CHAUDHARY	ACS - 50865	NIRC
50	MR. VENKATRAMAN SWAMINATHAN	ACS - 50866	SIRC
51	MR. VENKATRAMAN MOHAN	ACS - 50867	SIRC
52	MR. AKSHAY PRAKASH SURYAVANSHI	ACS - 50868	SIRC
53	MR. SUBHASH SADASHIV NAYIK	ACS - 50869	SIRC
54	MR. PRASHANTH BALIGA B	ACS - 50870	SIRC
55	MR. KAKUTURU BHARGHAV TEJA	ACS - 50871	SIRC

\*ADMITTED DURING THE PERIOD FROM 20.04.2017 TO 19.05.2017.

\*ADMITTED DURING THE PERIOD FROM 20.04.2017 TO 19.05.2017.

56	MR. MAHADEVA	ACS - 50872	SIRC	115	MR. CHIRAG	ACS - 50931	NIRC
57	MR. GOPAL BHARADIA	ACS - 50873	SIRC	116	MS. VAISHALI C	ACS - 50932	SIRC
58	MR. SATHYA RAJA G	ACS - 50874	SIRC	117	MS. PRANALI YOGESHKUMAR DHOLABHAI	ACS - 50933	WIRC
59	MR. VIJAYESH R	ACS - 50875	SIRC	118	MS. MANSI SHASHIKANT JHATAKIA	ACS - 50934	WIRC
60	MS. NEERU M SOLANKI	ACS - 50876	SIRC	119	MR. ARUN KUMAR RATHOUR	ACS - 50935	WIRC
61	MS. ALLAM BALA NIHARIKA REDDY	ACS - 50877	SIRC	120	MR. MAHENDRA PRAHELADBHAI RAJPUT	ACS - 50936	WIRC
62	MS. AKSHATA RAO	ACS - 50878	SIRC	121	MS. NIKITABAHEN KANUBHAI PATEL	ACS - 50937	WIRC
63	MR. ARJUN UPADHYAY	ACS - 50879	SIRC	122	MS. VIRANGI PUSHPENDRA SHAH	ACS - 50938	WIRC
64	MS. POOJA SANJAY KULKARNI	ACS - 50880	WIRC	123	MR. SHAH KINNAR MANISHKUMAR	ACS - 50939	WIRC
65	MS. ASHA ANIL KADAM	ACS - 50881	WIRC	124	MR. PRERAK PIYUSHKUMAR THAKKAR	ACS - 50940	WIRC
66	MR. PURUSHOTTAM RAMESH JAGTAP	ACS - 50882	WIRC	125	MS. KOSHANI DEEPAKSHAI SHAH	ACS - 50941	WIRC
67	MS. NISHI SHASHIKANT DEKHANE	ACS - 50883	WIRC	126	MS. LALITHA KUMARI	ACS - 50942	SIRC
68	MS. PRIYA ABHISHEK TAPARIA	ACS - 50884	WIRC	127	MS. SHOBHANA JAIN	ACS - 50943	WIRC
69	MR. ANKUR PAREEK	ACS - 50885	WIRC	128	MR. UTKARSH MAYANKBHAI MANKAD	ACS - 50944	WIRC
70	MS. MEENAKSHI SHANKAR	ACS - 50886	WIRC	129	MS. PRIYA CHHABRA	ACS - 50945	WIRC
71	MS. DIVYA B IYER	ACS - 50887	WIRC	130	MS. NICKY KUMARY	ACS - 50946	EIRC
72	MS. NEHA SHREE HARIKISHAN RATHI	ACS - 50888	WIRC	131	MR. DIVAY MIGLANI	ACS - 50947	NIRC
73	MS. CHANDNI CHANDRAKANT THAKKAR	ACS - 50889	WIRC	132	MS. SNEHA AGARWAL	ACS - 50948	NIRC
74	MR. ABHINAV GHOSH	ACS - 50890	WIRC	133	MS. RAKSHA B R	ACS - 50949	SIRC
75	MS. MAYURI SURESH ASAWA	ACS - 50891	WIRC	134	MR. HARISH GOBINDBHAI PUNAWANI	ACS - 50950	WIRC
76	MR. ANIRUDDHA SHRIDHAR BADKATTE	ACS - 50892	WIRC	135	MR. JAY ATUL JAJU	ACS - 50951	WIRC
77	MR. LALIT KRISHAN KHURANA	ACS - 50893	WIRC	136	MR. CHANCHAL KUMAR	ACS - 50952	SIRC
78	MS. NIKISHA SURESH JAIN	ACS - 50894	WIRC	137	MS. SUDHA SRINIVASAN	ACS - 50953	SIRC
79	MS. MITASHRI RAMESHCHANDRA BHANUSHALI	ACS - 50895	WIRC	138	MS. BHAGYASHREE RATHI	ACS - 50954	NIRC
80	MR. PRIYANK KISHOR SANGOI	ACS - 50896	WIRC	139	MS. ASHA SINGH	ACS - 50955	NIRC
81	MS. AMITA BHARGAVA	ACS - 50897	WIRC	140	MS. NIKITA CHAMARIA	ACS - 50956	EIRC
82	MR. HARSHIT KRISHANGOPAL CHOUDHARY	ACS - 50898	WIRC	141	MS. ANJALI JAIN	ACS - 50957	EIRC
83	MS. PRIYA GANPAT NAGULPILLAY	ACS - 50899	EIRC	142	MS. JYOTI DHANUKA	ACS - 50958	EIRC
84	MR. RITIN SHANTILAL MAWANI	ACS - 50900	WIRC	143	MS. VIDHI SHAH	ACS - 50959	EIRC
85	MS. KAMNA LADDHA	ACS - 50901	WIRC	144	MR. KANISHK KHETAN	ACS - 50960	EIRC
86	MR. MAYANK SHRIVAS	ACS - 50902	WIRC	145	MR. SAURABH JAIN	ACS - 50961	EIRC
87	MR. PRATIK SHRICHAND GHUNDIYAL	ACS - 50903	WIRC	146	MS. SWITI AGRAWAL	ACS - 50962	EIRC
88	MR. SHASHANK SANJAY VIBHUTE	ACS - 50904	WIRC	147	MS. PUJA SETH	ACS - 50963	EIRC
89	MS. PRIYANKA NANDLAL BANG	ACS - 50905	WIRC	148	MS. MONIKA PAREEK	ACS - 50964	NIRC
90	MR. PINTUKUMAR KUBERBHAI CHAUDHARI	ACS - 50906	WIRC	149	MR. SANDEEP YADAV	ACS - 50965	NIRC
91	MR. JUNAID IQBAL SHEIKH	ACS - 50907	WIRC	150	MS. SWETA	ACS - 50966	NIRC
92	MR. VINODKUMAR RAMESHKUMAR MALI	ACS - 50908	WIRC	151	MR. RASBIHARI SHARMA	ACS - 50967	NIRC
93	MR. SANJAY SANDEEP SHAH	ACS - 50909	WIRC	152	MS. KANIKA SHARMA	ACS - 50968	NIRC
94	MS. NIMISHA KISHORE JAIN	ACS - 50910	WIRC	153	MR. MANISH KUMAR SINGH	ACS - 50969	NIRC
95	MS. FLOMI JAGDISHBHAI KOTAK	ACS - 50911	WIRC	154	MS. ANKITA JAIN	ACS - 50970	NIRC
96	DR. SURESH CHANDRA MOHANTY	ACS - 50912	EIRC	155	MS. TANVI MARU	ACS - 50971	NIRC
97	MR. A RAJESH	ACS - 50913	SIRC	156	MR. PRADEEP KUMAR	ACS - 50972	NIRC
98	MR. DILIP SINGH RATHORE	ACS - 50914	NIRC	157	MS. JASSICA MEHNDIRATTA	ACS - 50973	NIRC
99	MS. SEEMA SHRI B K	ACS - 50915	SIRC	158	MS. SHIWANI SHARMA	ACS - 50974	NIRC
100	MR. VIMHALESH V G	ACS - 50916	SIRC	159	MS. RITU KUMARI ALWANI	ACS - 50975	NIRC
101	MS. MONIKA DASH	ACS - 50917	EIRC	160	MS. SANGINI	ACS - 50976	NIRC
102	MS. SWARNALATA BEHERA	ACS - 50918	EIRC	161	MS. KHUSHBOO BAPNA	ACS - 50977	NIRC
103	MS. BHAGYASHRI	ACS - 50919	NIRC	162	MR. KAMIT JAIN	ACS - 50978	NIRC
104	MS. ASTHA PANDEY	ACS - 50920	NIRC	163	MS. HEENA ARORA	ACS - 50979	NIRC
105	MS. POOJA SHARMA	ACS - 50921	NIRC	164	MS. DEEPA TYAGI	ACS - 50980	NIRC
106	MS. POOJA PANJWANI	ACS - 50922	NIRC	165	MS. MEENAKSHI SACHDEVA	ACS - 50981	NIRC
107	MR. MANISH KUMAR KUMAWAT	ACS - 50923	NIRC	166	MR. B HARE RAM	ACS - 50982	NIRC
108	MS. SHRUTI AGGARWAL	ACS - 50924	NIRC	167	MS. VATSLA ALAGH	ACS - 50983	NIRC
109	MS. APOORVA JAIN	ACS - 50925	NIRC	168	MS. RENU MEHRA	ACS - 50984	NIRC
110	MS. PRIYANKA GARG	ACS - 50926	NIRC	169	MR. PIYUSH SHARMA	ACS - 50985	NIRC
111	MS. ANKITA TANDON	ACS - 50927	NIRC	170	MS. KRITI AGRAWAL	ACS - 50986	NIRC
112	MS. POOJA BHATI	ACS - 50928	NIRC	171	MR. PUNEET KASHYAP	ACS - 50987	NIRC
113	MR. HARSHIT RASTOGI	ACS - 50929	NIRC	172	MS. VIDHI JAIN	ACS - 50988	NIRC
114	MS. PRIYANKA KHURANA	ACS - 50930	NIRC				

173	MS. SONAM MINOCHA	ACS - 50989	NIRC	231	MS. TEJASWINI MANCHALA	ACS - 51047	SIRC
174	MS. ISHA SAMDANI	ACS - 50990	NIRC	232	MR. PARTH PRADEEP JOSHI	ACS - 51048	WIRC
175	MS. PRIYA SATIJA	ACS - 50991	NIRC	233	MS. ASMITA ASHOKKUMAR KOYARI	ACS - 51049	WIRC
176	MS. EKTA JAIN	ACS - 50992	NIRC	234	MS. RIDDHI KALYANJI SHAH	ACS - 51050	WIRC
177	MS. KOMAL JAIN	ACS - 50993	NIRC	235	MR. VAIBHAV SHISHIR TAMBE	ACS - 51051	WIRC
178	MR. BHUPENDRA YADAV	ACS - 50994	NIRC	236	MS. AMRITA MITTAL	ACS - 51052	EIRC
179	MR. GAURAV KUMAR YADAV	ACS - 50995	NIRC	237	MR. SAIKAT BANERJEE	ACS - 51053	EIRC
180	MS. POOJA DUA	ACS - 50996	NIRC	238	MR. KRISHNA KUMAR SHARMA	ACS - 51054	EIRC
181	MS. DIVYA GANAPATI BHAT	ACS - 50997	SIRC	239	MS. SHRUTI MISHRA	ACS - 51055	EIRC
182	MS. ISWARIYA S	ACS - 50998	SIRC	240	MR. AAKASH SARAF	ACS - 51056	EIRC
183	MS. AMUDHA M	ACS - 50999	SIRC	241	MS. YOGITA DADHICH	ACS - 51057	EIRC
184	MS. PRIYA ANIL CHAUBEY	ACS - 51000	WIRC	242	MR. MUKUND KUMAR	ACS - 51058	NIRC
185	MS. AANAL FOSTER PATEL	ACS - 51001	WIRC	243	MS. NIDHI JHUNJHUNWALA	ACS - 51059	EIRC
186	MR. HARESH NARAYANDAS MAKWANA	ACS - 51002	WIRC	244	MR. DINESH KUMAR CHOUDHARY	ACS - 51060	EIRC
187	MR. ANKUR PRADUMANBHAI MAKWANA	ACS - 51003	WIRC	245	MR. SASWATA SEN SARMA	ACS - 51061	EIRC
188	MR. AMOL RUPNAR	ACS - 51004	WIRC	246	MS. SEEMA BHANSALI	ACS - 51062	EIRC
189	MR. NISHANT PANDYA	ACS - 51005	WIRC	247	MS. SHINKY SAKHUJA	ACS - 51063	EIRC
190	MR. SUSHILKUMAR RAMCHANDRA PATIL	ACS - 51006	WIRC	248	MS. MANDEEP KAUR	ACS - 51064	EIRC
191	MR. SAVALIYA NILESHKUMAR SHANTIBHAI	ACS - 51007	WIRC	249	MR. JEEVAN KUMAR JHA	ACS - 51065	EIRC
192	MS. ANKITA OMPRAKASH KYAL	ACS - 51008	WIRC	250	MS. MD SHAHNAWAZ ALAM	ACS - 51066	EIRC
193	MR. NILESH SUBHASH AWALE	ACS - 51009	WIRC	251	MS. DEWANSHI B ARYA	ACS - 51067	EIRC
194	MS. KINJAL MAHESH MRUG	ACS - 51010	WIRC	252	MS. DEEPIKA BHUTRA	ACS - 51068	EIRC
195	MS. KHUSHI RAJENDRA BHATT	ACS - 51011	WIRC	253	MR. AMIT LADIA	ACS - 51069	EIRC
196	MR. MANISH PURUSHOTTAM HEDA	ACS - 51012	WIRC	254	MR. PRATEEK KABRA	ACS - 51070	EIRC
197	MS. LADDHA SALONI PRAMOD	ACS - 51013	WIRC	255	MS. SAFNA M A	ACS - 51071	SIRC
198	MS. ASMITA NIRAV KATHROTIA	ACS - 51014	WIRC	256	MR. RASHMI RANJAN PARHI	ACS - 51072	SIRC
199	MS. ASHA SURENDRA BHACHAWAT	ACS - 51015	WIRC	257	MR. UDIT JALAN	ACS - 51073	SIRC
200	MS. DURGA PRAKASH WALIMBE	ACS - 51016	WIRC	258	MS. ADITI GHOSH	ACS - 51074	EIRC
201	MR. VAGHELA RAVIRAJ SINH PRAVINSINH	ACS - 51017	WIRC	259	MS. NAMRATA JAIN	ACS - 51075	EIRC
202	MS. CHAITALI GHANSHYAM SURAIYA	ACS - 51018	WIRC	260	MS. RAYA PATHAK	ACS - 51076	EIRC
203	MS. SUMATI SHARMA	ACS - 51019	WIRC	261	MR. ASHISH GOENKA	ACS - 51077	EIRC
204	MS. NEHA TRIPATHI	ACS - 51020	WIRC	262	MS. KOMAL JAIN	ACS - 51078	EIRC
205	MS. NIDHI SANJAY AGRAWAL	ACS - 51021	WIRC	263	MS. NAGMA MOBIN	ACS - 51079	EIRC
206	MS. RIDDHI KAMLESH THAKKAR	ACS - 51022	WIRC	264	MR. SHRAWAN KUMAR JHA	ACS - 51080	EIRC
207	MR. CHETAN KUMAR SOLANKI	ACS - 51023	WIRC	265	MS. MAMTA KUMARI	ACS - 51081	NIRC
208	MS. PRIYANKA SHIVAJI KAMERIKAR	ACS - 51024	WIRC	266	MS. NEHA PURI	ACS - 51082	NIRC
209	MS. NIKITA MITTAL	ACS - 51025	WIRC	267	MR. KARTIK CHOUDHARY	ACS - 51083	NIRC
210	MS. MANALI SANJEEV PEDNEKAR	ACS - 51026	WIRC	268	MR. PRATYUSH KHANDELWAL	ACS - 51084	NIRC
211	MS. KHYATI SATISH GALA	ACS - 51027	WIRC	269	MS. POOJA PAREEK	ACS - 51085	WIRC
212	MR. THUMMAR JAYESH VINUBHAI	ACS - 51028	WIRC	270	MR. NAHUSH JAIN	ACS - 51086	NIRC
213	MS. SAMPADA VIJAY SAKHARE	ACS - 51029	WIRC	271	MS. SRISHTY CHADHA	ACS - 51087	NIRC
214	MS. NAFISA ZAINUDDIN	ACS - 51030	WIRC	272	MS. SHALINI GUPTA	ACS - 51088	NIRC
215	MS. SHIKHA JAGDISH BAJAJ	ACS - 51031	WIRC	273	MS. MEENU GARG	ACS - 51089	NIRC
216	MS. POORVEE RAMANBHAI PATEL	ACS - 51032	WIRC	274	MS. VISHAKHA	ACS - 51090	NIRC
217	MR. SACHIN GURUCHARAN DHODI	ACS - 51033	WIRC	275	MS. ANURAG KHANDAL	ACS - 51091	NIRC
218	MS. TWINKLE MAHENDRA NANDWANI	ACS - 51034	WIRC	276	MR. DINESH KUMAR	ACS - 51092	NIRC
219	MS. PRAJAKTA ASHISH LAPALIKAR	ACS - 51035	WIRC	277	MR. MUNISH KUMAR	ACS - 51093	NIRC
220	MS. PAYAL ASHOK PALESHA	ACS - 51036	WIRC	278	MS. PRIYA CHHABRA	ACS - 51094	NIRC
221	MS. POOJA GARG	ACS - 51037	NIRC	279	MR. NAVPREET SINGH BHATIA	ACS - 51095	NIRC
222	MR. UTTAM KUMAR DUBEY	ACS - 51038	EIRC	280	MR. ARUN GOYAL	ACS - 51096	NIRC
223	MR. ABHINAV BHARGAVA	ACS - 51039	NIRC	281	MS. SHRUTI MITTAL	ACS - 51097	NIRC
224	MR. AMEY ASHOK SURVE	ACS - 51040	WIRC	282	MS. MANALI SHAH	ACS - 51098	NIRC
225	MR. GANESH DATTATRAYA JOSHI	ACS - 51041	WIRC	283	MS. SHWETA SHARMA	ACS - 51099	NIRC
226	MS. HARMEET KAUR	ACS - 51042	WIRC	284	MS. VARSHA AGRAWAL	ACS - 51100	NIRC
227	MS. ANKITA ARORA	ACS - 51043	NIRC	285	MS. HIMANSHI BILLAHATIA	ACS - 51101	NIRC
228	MS. NAMRITA	ACS - 51044	NIRC	286	MR. AKBAR MEHTAB	ACS - 51102	NIRC
229	MR. JATIN TALWAR	ACS - 51045	NIRC	287	MR. ABHISHEK JAIN	ACS - 51103	NIRC
230	MS. POOJA ASTHANA	ACS - 51046	NIRC	288	MR. HIMANSHU AGRAWAL	ACS - 51104	NIRC
				289	MR. AJAY AGRAWAL	ACS - 51105	NIRC

290	MS. MAANSI CHAWLA	ACS - 51106	NIRC	349	MS. UMA TALREJA	ACS - 51165	WIRC
291	MS. DIVYA KUMARI GARG	ACS - 51107	NIRC	350	MR. RITESH MISHRA	ACS - 51166	NIRC
292	MR. PRAGATI DALMIA	ACS - 51108	NIRC	351	MS. JUMANA SHABBIR AGA	ACS - 51167	WIRC
293	MS. KHUSHBU AGARWAL	ACS - 51109	NIRC	352	MS. MITI SANDEEPBHAI PATEL	ACS - 51168	WIRC
294	MS. RAJLAXMI SAINI	ACS - 51110	NIRC	353	MS. MRUNMAYEE MANDAR SATHAYE	ACS - 51169	WIRC
295	MS. HIMANI DHAWAN	ACS - 51111	NIRC	354	MS. GUPTA ANJALI RAJKUMAR	ACS - 51170	WIRC
296	MS. NEHA LAKHWARA	ACS - 51112	NIRC	355	MR. SUJAN KUMAR GHOSH	ACS - 51171	EIRC
297	MS. PAYAL JINDAL	ACS - 51113	NIRC	356	MS. AMEE CHINTAN YAGNIK	ACS - 51172	WIRC
298	MS. PRIYA GUPTA	ACS - 51114	NIRC	357	MS. KIRTI PATHAK	ACS - 51173	NIRC
299	MS. ANUBHUTI MATHUR	ACS - 51115	NIRC	358	MR. ANKIT GUPTA	ACS - 51174	NIRC
300	MS. SONIYA AGRAWAL	ACS - 51116	NIRC	359	MS. VRUSHALI SURESHBHAI DARJI	ACS - 51175	WIRC
301	MS. SHAIPHALI AGARWAL	ACS - 51117	NIRC	360	MR. VIKASH KUMAR SINGH	ACS - 51176	EIRC
302	MR. S ABHINAV	ACS - 51118	SIRC	361	MR. PRIYAM GUPTA	ACS - 51177	NIRC
303	MR. THABRAZ HUSHAIN W	ACS - 51119	SIRC	362	MR. NILESH BHARDWAJ	ACS - 51178	WIRC
304	MS. GOMATHI KRISHNA SANKARAN	ACS - 51120	SIRC	363	MS. PATEL NEELAM NAVIN	ACS - 51179	WIRC
305	MR. RAVEESH KUMAR	ACS - 51121	SIRC	364	MS. YASHI BAJPAI	ACS - 51180	NIRC
306	MS. RAMYA DEVI N	ACS - 51122	SIRC	365	MS. MITALI ASHOK SANCHETI	ACS - 51181	WIRC
307	MS. NIRMA CHANDRASEEKHARAN NAIR	ACS - 51123	SIRC	366	MR. NITINKUMAR NANJIBHAI MANIYA	ACS - 51182	WIRC
308	MR. KIRAN KRISHNA CHOUGULE	ACS - 51124	SIRC	367	MR. KUNAL DATTATREY NAWALE	ACS - 51183	WIRC
309	MS. POOJYA KARANI SATHYANARAYANAN	ACS - 51125	SIRC	368	MS. RINKEE KUMARI	ACS - 51184	EIRC
310	MS. MAITRI BHAT	ACS - 51126	SIRC	369	MR. VARUN SEPANY	ACS - 51185	EIRC
311	MS. GAYATRI PRAKASH BALEKUNDRIKAR	ACS - 51127	SIRC	370	MS. ANANYA ROY CHOWDHURY	ACS - 51186	EIRC
312	MR. KULDEEP SINGH RATHORE S	ACS - 51128	SIRC	371	MR. KUMAR PUSHKAR	ACS - 51187	EIRC
313	MR. PRASHANT ANANT DALVI	ACS - 51129	WIRC	372	MS. ANITA MISHRA	ACS - 51188	EIRC
314	MR. NEHIL GAUTAMCHAND DUGAR	ACS - 51130	WIRC	373	MS. ROSHNI KUMARI GUPTA	ACS - 51189	EIRC
315	MS. ARCHANA ARJUN TALANDE	ACS - 51131	WIRC	374	MR. MANASH KUMAR SAHOO	ACS - 51190	EIRC
316	MR. MISTRY JIGNESHKUMAR DHANSUKHBHAI	ACS - 51132	WIRC	375	MR. NAUSHAD ALAM	ACS - 51191	NIRC
317	MR. PRAVIN BABURAO KAMBLE	ACS - 51133	WIRC	376	MS. BIJAY LAXMI SINGH	ACS - 51192	WIRC
318	MS. FEEBA SURESH JAIN	ACS - 51134	WIRC	377	MS. KOMAL MOUR	ACS - 51193	EIRC
319	MS. GEETA MAHADEV DHOKARE	ACS - 51135	WIRC	378	MS. POONAM KACHOLIA	ACS - 51194	EIRC
320	MR. NIRAV MUKESH DHOLAKIA	ACS - 51136	WIRC	379	MS. NEHA SINGHAL	ACS - 51195	EIRC
321	MR. TREVOR ANTHONY FERNANDES	ACS - 51137	WIRC	380	MR. GAURAV GOEL	ACS - 51196	NIRC
322	MR. NIRAJ NARESH BHAI THAKKAR	ACS - 51138	WIRC	381	MR. SUMIT KUMAR	ACS - 51197	NIRC
323	MR. ASHISH SANJEEV JOSHI	ACS - 51139	WIRC	382	MS. REKHA	ACS - 51198	NIRC
324	MR. ARJUN PANDURANG KUMBHAR	ACS - 51140	WIRC	383	MR. KAILASH	ACS - 51199	NIRC
325	MR. RIKENKUMAR BHUPENDRABHAI DALWADI	ACS - 51141	WIRC	384	MS. REKHA MUNDHRA	ACS - 51200	NIRC
326	MS. RAGINI UMBARKAR	ACS - 51142	WIRC	385	MR. MANOJ MADAN	ACS - 51201	NIRC
327	MR. HITESH SURESH MOTIRAMANI	ACS - 51143	WIRC	386	MS. RENAM AHUJA	ACS - 51202	NIRC
328	MS. POOJA BIPIN SANGHAVI	ACS - 51144	WIRC	387	MS. DAVINDER KAUR VERMA	ACS - 51203	NIRC
329	MS. NEHA SHARMA	ACS - 51145	WIRC	388	MR. VISHAL GUPTA	ACS - 51204	NIRC
330	MR. INDRAJIT VILAS KANASE	ACS - 51146	WIRC	389	MS. SHRUTI TIWARI	ACS - 51205	NIRC
331	MS. PRIYANKA KISHOR KUMAR GOLA	ACS - 51147	WIRC	390	MS. SHWETA	ACS - 51206	NIRC
332	MR. JOEL CHETTIAR	ACS - 51148	WIRC	391	MR. AYUSH SINHA	ACS - 51207	NIRC
333	MS. PALLAVI MAHESHWARI	ACS - 51149	WIRC	392	MR. ADITYA KESHARWANI	ACS - 51208	NIRC
334	MR. AMOL DILIP DHAKORKAR	ACS - 51150	WIRC	393	MR. BHARAT BHUSHAN PORWAL	ACS - 51209	NIRC
335	MR. HRUTVIK ASHVIN BHAI SHAH	ACS - 51151	WIRC	394	MS. SHIPRA JAIN	ACS - 51210	NIRC
336	MS. NAMRATA TATIYA	ACS - 51152	WIRC	395	MS. BHUMIKA TIWARI	ACS - 51211	EIRC
337	MR. SARVESH SANJAY NANDGAONKAR	ACS - 51153	WIRC	396	MS. LEKSHMI M S	ACS - 51212	SIRC
338	MS. PRIYANKA MAHAVIR AGARWAL	ACS - 51154	WIRC	397	MS. PREETI BATRA	ACS - 51213	NIRC
339	MR. DEVASHISH PRANAM SARAF	ACS - 51155	WIRC	398	MS. KANIKA CHHABRA	ACS - 51214	NIRC
340	MR. AMIT SUKANRAJ JAIN	ACS - 51156	WIRC	399	MR. SURAJ BHARDWAJ	ACS - 51215	NIRC
341	MS. JIGNASHA NARENDRA GOHIL	ACS - 51157	WIRC	400	MR. MAGHISUDDIN	ACS - 51216	NIRC
342	MR. PARIN BHARATBHAI GORI	ACS - 51158	WIRC	401	MS. SHAMBHAVI MISHRA	ACS - 51217	NIRC
343	MR. HARSHAD SUBHASH BABADE	ACS - 51159	WIRC	402	MS. NAYAN DEEP KAUR DHANJAL	ACS - 51218	NIRC
344	MS. PUJAL PADAMCHAND LALWANI	ACS - 51160	WIRC	403	MS. VARSHA MODI	ACS - 51219	NIRC
345	MR. KARAN HARESHLAL LUND	ACS - 51161	WIRC	404	MR. NAVEEN KUMAR	ACS - 51220	SIRC
346	MS. BHAVINI SHAILESHBHAI RAJANI	ACS - 51162	WIRC	405	MS. OSHIN SOLANKI	ACS - 51221	NIRC
347	MR. MOMIN MOHAMMAD IBRAHIM	ACS - 51163	WIRC	406	MR. KAPIL MEHENDIRATTA	ACS - 51222	NIRC
348	MS. KRUTI NITINKUMAR SHAH	ACS - 51164	WIRC	407	MS. ANJALI GOEL	ACS - 51223	NIRC

408	MS. ANUPREET KAUR	ACS - 51224	NIRC	467	MS. SAVITA LOHIT KARKERA	ACS - 51283	WIRC
409	MR. CHARU KEDIA	ACS - 51225	NIRC	468	MR. PARAG KISHOREBHAI BODHA	ACS - 51284	WIRC
410	MS. SHILPI AGARWAL	ACS - 51226	NIRC	469	MR. PARAG ASHOK BHANDARI	ACS - 51285	WIRC
411	MS. CHARU AGGARWAL	ACS - 51227	NIRC	470	MS. KAVITA AMRITLAL SAHU	ACS - 51286	WIRC
412	MS. SANIA ANSARI	ACS - 51228	NIRC	471	MS. KHUSHBOO VASUDEV	ACS - 51287	WIRC
413	MS. DHARNA BHATIA	ACS - 51229	NIRC	472	MS. ASHWINI PRASAD NAVARE	ACS - 51288	WIRC
414	MR. VANSHUL ASNANI	ACS - 51230	NIRC	473	MS. SHELAT JANKI YAGNESHKUMAR	ACS - 51289	WIRC
415	MS. DEEPIKA RANI	ACS - 51231	NIRC	474	MS. KIRAN GUPTA	ACS - 51290	WIRC
416	MR. FAKHAR UL ISLAM	ACS - 51232	NIRC	475	MR. JANGID RAVI POONARAM	ACS - 51291	WIRC
417	MR. AAKASH KUMAR SAHU	ACS - 51233	WIRC	476	MS. AKSHATA KRISHNA KUMAR MOKTALI	ACS - 51292	WIRC
418	MR. KULDEEP TIWARI	ACS - 51234	NIRC	477	MS. MADHURA NARENDRA DEO	ACS - 51293	WIRC
419	MS. NIKITA SINGH	ACS - 51235	NIRC	478	MS. SHILPA JAIN	ACS - 51294	WIRC
420	MR. SUMIT KUMAR	ACS - 51236	NIRC	479	MR. AAKASH SHARAD LANDGE	ACS - 51295	WIRC
421	MS. PALLVI SHARMA	ACS - 51237	NIRC	480	MS. MILEE CHANDRESH KAMDAR	ACS - 51296	WIRC
422	MS. SWATI PADALIA	ACS - 51238	NIRC	481	MR. VISHAL AMBADAS DHOMBLE	ACS - 51297	WIRC
423	MS. NISHA WADHAWAN	ACS - 51239	NIRC	482	MS. PUJA GURUNATH BHATMURGI	ACS - 51298	WIRC
424	MR. ABHISHEK TYAGI	ACS - 51240	NIRC	483	MS. JUHI DUSHYANTBHAI MEHTA	ACS - 51299	WIRC
425	MS. HARITA SHARMA	ACS - 51241	NIRC	484	MS. SUCHITA UDAY SINGH SURVE	ACS - 51300	WIRC
426	MS. SANGEETA BISHT	ACS - 51242	NIRC	485	MS. SURABHI MODI	ACS - 51301	WIRC
427	MS. MEGHA SAINI	ACS - 51243	NIRC	486	MS. KOMAL HARDIKKUMAR PATEL	ACS - 51302	WIRC
428	MR. RAJAT ARORA	ACS - 51244	NIRC	487	MS. PRIYA BHANDARI	ACS - 51303	WIRC
429	MS. MEGHA AGGARWAL	ACS - 51245	NIRC	488	MS. SHILPA CHOUDHARY	ACS - 51304	WIRC
430	MS. KHUSHBOO ARORA	ACS - 51246	NIRC	489	MR. SANCHAY DUBEY	ACS - 51305	WIRC
431	MR. MAYANK AGRAWAL	ACS - 51247	NIRC	490	MS. SHRUTI JAIN	ACS - 51306	WIRC
432	MS. RAKHI CHAUHAN	ACS - 51248	NIRC	491	MS. SANTUSHTI GUPTA	ACS - 51307	WIRC
433	MS. YAMINI TOMAR	ACS - 51249	NIRC	492	MS. KHUSHBOO MAHESH PANCHAL	ACS - 51308	WIRC
434	MS. SHIVANI GOEL	ACS - 51250	NIRC	493	MS. KINJAL JALDIP SHAH	ACS - 51309	WIRC
435	MR. SANCHIT ARORA	ACS - 51251	NIRC	494	MS. VIJETA DILIP SHAH	ACS - 51310	WIRC
436	MS. TITIKSHA JAIN	ACS - 51252	NIRC	495	MS. DEVANGI JIGNESH KARIYA	ACS - 51311	WIRC
437	MR. SOURABH TANDON	ACS - 51253	NIRC	496	MR. SANJAY KUMAR ROHIT	ACS - 51312	WIRC
438	MR. PULKIT AGARWAL	ACS - 51254	NIRC	497	MR. MOHIT DUA	ACS - 51313	NIRC
439	MR. CHAHAT MAHAJAN	ACS - 51255	NIRC	498	MR. PANKAJ KUMAR	ACS - 51314	NIRC
440	MS. VISHAKHA ARORA	ACS - 51256	NIRC	499	MS. SWANANDI NIHAR PARUNDEKAR	ACS - 51315	WIRC
441	MS. PRIYANKA	ACS - 51257	NIRC	500	MS. NAVITA GUPTA	ACS - 51316	NIRC
442	MS. NEHA GUPTA	ACS - 51258	NIRC				
443	MR. MUKESH SANT	ACS - 51259	NIRC				
444	MR. GAGAN DEEP SALUJA	ACS - 51260	NIRC				
445	MS. SAMEET KAUR BHATIA	ACS - 51261	NIRC				
446	MS. GUNEET SALUJA	ACS - 51262	NIRC				
447	MR. SHUBHAM PASSI	ACS - 51263	NIRC				
448	MS. SUBIA SIDDIQUE	ACS - 51264	NIRC				
449	MS. MANISHA MARTOLIA	ACS - 51265	NIRC				
450	MS. PRIYANKA AGARWAL	ACS - 51266	NIRC				
451	MR. GAURAV BATRA	ACS - 51267	NIRC				
452	MR. AAGAT SINGH	ACS - 51268	NIRC				
453	MR. CHIRAG PARTANI	ACS - 51269	SIRC				
454	MS. YASHASWINI N	ACS - 51270	SIRC				
455	MS. POORNIMA HEGDE	ACS - 51271	SIRC				
456	MR. DEEPAK MOHAN	ACS - 51272	SIRC				
457	MR. PRADYUMNA Y R	ACS - 51273	SIRC				
458	MR. KARTHIK NARAYANAN THIYAGARAJAN	ACS - 51274	SIRC				
459	MS. SUSHMA BARLA	ACS - 51275	SIRC				
460	MS. VIJAYALAKSHMI K	ACS - 51276	SIRC				
461	MS. PAYAL NIRMAL JAIN	ACS - 51277	SIRC				
462	MS. SHRUTHI L	ACS - 51278	SIRC				
463	MS. SNEHA V	ACS - 51279	SIRC				
464	MS. FARIDA YUNUS ATTARI	ACS - 51280	WIRC				
465	MS. UJWALA ANANT JUWATKAR	ACS - 51281	WIRC				
466	MR. ROHIT ANANT BARASKAR	ACS - 51282	WIRC				

**RESTORED**

S. NO.	A/F	MEM. NO.	MEM. NAME	PLACE
1	A	2980	ASHOK P KAPADIA	WIRC
2	A	22352	SUPRIYA ASHISH BALDI	WIRC
3	F	1186	KEDAR KUMAR R. AGRAWAL	WIRC
4	A	11580	BAJRANG PRASAD MAHESHWARI	WIRC
5	A	27984	MUGDHA SANJAY DAFLAPURKAR	WIRC
6	A	27297	CHETANA KANDPAL	NIRC
7	A	24771	KETKI JAYANT GANDHAM	WIRC
8	A	39778	CHIVUKULA MAHALAKSHMI	SIRC
9	A	15013	VARSHA AGARWAL	NIRC
10	A	32191	MEENU BHATIA	NIRC
11	A	13432	NAMIT RUSTAGI	F/NIRC
12	A	8466	RAJNEESH KUMAR SHARMA	NIRC
13	A	43887	MISHRA POOJA HARISHCHANDRA	WIRC
14	A	26440	MANISH KUMAR PAL	NIRC
15	F	7660	SHAHINA PYAR ALI LALANI	WIRC
16	A	39778	CHIVUKULA MAHALAKSHMI	SIRC
17	A	15013	VARSHA AGARWAL	NIRC
18	A	34626	TABASSUM RUWABALI KHAN	WIRC

\*RESTORED FROM 01.04.2017 TO 30.04.2017



19	A	29655	DEEPAK WALIA	NIRC	11	SH. AMOD KUMAR JHA	FCS - 6617	NIRC	18295
20	A	24478	ANURAG PURI GOSWAMI	NIRC	12	SH. A ARJUNAN	FCS - 8665	SIRC	18296
21	A	42262	SHALINI SINGH	EIRC	13	SH. SAROJANAND MISHRA	ACS - 24283	NIRC	18297
22	A	28871	RUHI BHASIN	NIRC	14	MS. SHRUTI BANSAL	ACS - 36169	NIRC	18298
23	A	30973	RASHMI KURL	NIRC	15	MR. MAYUR DINESH PARMAR	ACS - 44894	WIRC	18299
24	A	18709	NEERAJ AGGARWAL	NIRC	16	MS. KHUSHBOO JAISWAL	ACS - 48167	EIRC	18300
25	A	17784	ASHMA MARWAH	NIRC	17	MR. RAHUL KUMAR	ACS - 50360	NIRC	18301
26	A	30710	MAYANKA SRIVASTAVA	NIRC	18	MS. UMANG TAYAL	ACS - 38095	NIRC	18302
27	A	12967	AMIT ARYA	F/NIRC	19	MR. MANISH PREMNATH MISHRA	ACS - 41066	WIRC	18303
28	A	25463	SAI KEDAR KATKAR	WIRC	20	MR. RAVI NARAYAN BHAT	ACS - 38598	SIRC	18304
29	A	41469	ABHIMANYU BHADDO	NIRC	21	MR. HAMZA ABBAS BOXWALA	ACS - 50604	WIRC	18306
30	A	34232	MANSI SHARMA	NIRC	22	SH. M SUBRAHMANYAM	FCS - 4556	SIRC	18307
31	A	11849	T NATARAJAN	SIRC	23	SH. KULANDAPAYYAN DURAISAMI	FCS - 6792	SIRC	18308
32	A	22785	KAJAL GUPTA	NIRC	24	SH. HARIRAM R	ACS - 24507	SIRC	18309
33	A	28743	TULSI SHARMA	NIRC	25	MS. GAUTAMI JOSHI	ACS - 28429	WIRC	18310
34	A	11702	SHARDA BALAJI	SIRC	26	MS. PAYAL MANOJ CHAUHAN	ACS - 29888	WIRC	18311
35	F	7681	MD JAMSHED ALAM	EIRC	27	MS. PRIYANKA JAIN	ACS - 30898	NIRC	18312
36	A	29472	PRASANNA NAGANUR	SIRC	28	MR. UMESH KUMAR ARVIND BHAI VYAS	ACS - 32603	WIRC	18313
37	F	1855	VINOD KUMAR KHANNA	EIRC	29	MR. SOURAV MALHOTRA	ACS - 34184	NIRC	18314
38	A	29878	NEHA SUREKA	EIRC	30	MS. RACHURI CHANDANA	ACS - 39472	SIRC	18315
39	A	11629	ANOJ KUMAR AGARWAL	EIRC	31	MRS. RITU DUNGARWAL	ACS - 41476	SIRC	18316
40	A	30994	HIMANSHU PANCHAL	NIRC	32	MS. POOJA SONI	ACS - 42453	NIRC	18317
41	A	11714	HARISH KUMAR KANDOI	EIRC	33	MR. AVINASH KUMAR	ACS - 43422	NIRC	18318
42	A	11764	AJAY KUMAR LAHOTI	EIRC	34	MR. SONU PRIYA RANJAN	ACS - 44711	NIRC	18319
43	A	6493	PANKAJ D PATEL	WIRC	35	MS. HEENA	ACS - 45373	NIRC	18320
44	A	16913	RAKHI VERMA	NIRC	36	MR. NEERAJ PURI	ACS - 45591	NIRC	18321
45	A	32482	DIVESH SHARMA	NIRC	37	MR. VINEET GUPTA	ACS - 47642	NIRC	18322
46	A	13260	RANI SRIKANTH	SIRC	38	MS. ADITI MEHTA	ACS - 47535	NIRC	18323
47	A	19675	ASHISH LAKHOTIA	NIRC	39	MS. SHREYA RAJENDRABHAI THAKKAR	ACS - 48126	WIRC	18324
48	A	7848	A L SRINIVASAN	SIRC	40	MS. MANSI JAIN	ACS - 48491	NIRC	18325
49	A	30261	VISHANI KHEMKA	SIRC	41	MR. SHREE RAM PRASSAD	ACS - 48972	SIRC	18326
50	A	43411	SAAHIL VIPUL KINKHABWALA	WIRC	42	MS. KOMAL SHARMA	ACS - 49097	NIRC	18327
51	A	18576	SOMINA JAIN	NIRC	43	MR. NIKHIL VASANTBHAI GAJJAR	ACS - 49424	WIRC	18328
52	A	3396	MAHIPAT R SHAH	WIRC	44	MR. BHAWANI SHANKAR SHARMA	ACS - 49673	NIRC	18329
53	A	5834	JALINI S MEHTA	WIRC	45	MS. PRERNA SINGH	ACS - 50371	NIRC	18330
54	F	2802	YOGEN JAIKUMAR VYAS	SIRC	46	MS. VIJETA RATHI	ACS - 50529	EIRC	18331
					47	MR. PRAJAPATI PIYUSH BABUBHAI	ACS - 50574	WIRC	18332
					48	MS. MAUREEN W A L	ACS - 19147	SIRC	18334
					49	MR. AJAY RAGHAVRAM GUPTA	ACS - 50503	WIRC	18335
					50	MS. MEGHA MAHESHWARI	ACS - 24162	WIRC	18336
					51	MR. YATINDRA BANSAL	ACS - 50538	NIRC	18337
					52	MS. PRERNA JAIN	ACS - 27203	NIRC	18338
					53	MS. NAYANA BHAVIN THAKKAR	ACS - 31380	WIRC	18339
					54	MR. NITUL BORUAH	ACS - 45582	NIRC	18340
					55	MS. PUJA KIRIT SHAH	ACS - 46987	WIRC	18341
					56	MS. TAKKELLA SASIKALA	ACS - 44875	SIRC	18342
					57	SH. SWATANTRA KUMAR SETHI	FCS - 7836	NIRC	18343
					58	SH. KANWAL ARORA	FCS - 3712	NIRC	18344
					59	SH. NITIN KUMAR	ACS - 16377	NIRC	18345
					60	MS. SOMINA JAIN	ACS - 18576	NIRC	18346
					61	MR. KALYANI RAGHAVENDRACHAR MADHAVA MURTHY	ACS - 29308	SIRC	18347

## CERTIFICATE OF PRACTICE

ISSUED\*

SI. NO.	NAME	MEMB NO.	REGN	COP NO.
1	MS. EKTA JAGDISH DHRUVA	ACS - 33008	WIRC	18285
2	MR. ABHINAV SABHARWAL	ACS - 40055	NIRC	18286
3	MS. DISHA MAHESHWARI	ACS - 43525	NIRC	18287
4	MR. RAJ KUMAR SHARMA	ACS - 43734	NIRC	18288
5	MR. MAULIK JAYENDRAKUMAR MODI	ACS - 46703	WIRC	18289
6	MR. ROHIT KESWANI	ACS - 49770	WIRC	18290
7	MR. ADITYA JAISWAL	ACS - 50165	NIRC	18291
8	MR. V SATHIYAMOORTHY	ACS - 50283	SIRC	18292
9	MR. MIHIR MUKESH PUROHIT	ACS - 50418	WIRC	18293
10	MS. SHAHINA PYAR ALI LALANI	FCS - 7660	WIRC	18294

\*ISSUED DURING THE MONTH OF APRIL, 2017

62	MR. AAKASH KUMAR SURANA	ACS - 30346	EIRC	18348	113	SH. ORUGANTI VENKATA RAVI	ACS - 14614	SIRC	18399
63	MS. APEXA NIVID SHAH	ACS - 35251	WIRC	18349	114	MS. PRAJAKTA PRAKASH THAKURDESAI	ACS - 35588	WIRC	18400
64	MR. RONAK VALLABHBHAI KALATHIYA	ACS - 37007	WIRC	18350	115	MS. SHERIN JAMES	ACS - 37573	SIRC	18401
65	MS. MONA MANKU	ACS - 41125	NIRC	18351	116	MR. SAGAR SHYAM GABA	ACS - 44193	WIRC	18402
66	MR. MANOJ RAWNIAR	ACS - 48042	EIRC	18352	117	MS. SMITA HARISH BANG	ACS - 45081	SIRC	18403
67	MR. AMIT CHAKRABORTY	ACS - 48216	EIRC	18353	118	MS. SHRUTI MITTAL	ACS - 45391	NIRC	18404
68	MR. VINAY AMRUTLAL MAHETA	ACS - 49002	WIRC	18354	119	MS. SHUCHI KHANNA	ACS - 47216	NIRC	18405
69	MS. SURABHI GUPTA	ACS - 49242	NIRC	18355	120	MS. SOMALI TIWARI	ACS - 47631	NIRC	18406
70	MR. A R ISAC	ACS - 49390	SIRC	18356	121	MR. SONU LOHAR	ACS - 48063	NIRC	18407
71	MS. SHIPRA MANDOWARA	ACS - 50073	WIRC	18357	122	MS. KALYANI RAMESH RASANE	ACS - 48202	WIRC	18408
72	MS. RACHNA GUPTA	ACS - 50244	NIRC	18358	123	MR. RAVIKANT	ACS - 48526	NIRC	18409
73	MS. SAKSHI JAIN	ACS - 50259	NIRC	18359	124	MR. KAKUTURU BHARGHAV TEJA	ACS - 50871	SIRC	18410
74	MR. HANUMANTASA KATIGAR	ACS - 50688	SIRC	18360	125	MR. JITENDRA SINGH PARIHAR	ACS - 40734	WIRC	18411
75	MS. NAMITA VIRAL SHAH	ACS - 50731	WIRC	18361	126	MS. RADHA SHARMA	ACS - 47855	NIRC	18412
76	MS. KHUSHBOO SIDDHARTH SHAH	ACS - 46793	WIRC	18362	127	SH. GOVINDARADDI KURTAKOTI	FCS - 9157	SIRC	18413
77	SH. SATYA KAM BATHWAL	ACS - 1846	EIRC	18363	128	MS. SHIVANGI AGARWAL	ACS - 31560	NIRC	18414
78	SH. SANJAY KUMAR SACHDEV	FCS - 3119	NIRC	18364	129	MR. MALIREDDY RAMANAREDDY	ACS - 37864	SIRC	18415
79	MR. JINESHWAR KUMAR SANKHALA	ACS - 21697	SIRC	18365	130	MR. KAPIL KUMAR	ACS - 40929	NIRC	18416
80	MS. SHOBHANA VASANT SINKAR	ACS - 23725	WIRC	18366	131	MR. SACHIN MAVI	ACS - 46773	NIRC	18417
81	MS. SWATI VIJAY GAWDE	ACS - 26339	WIRC	18367	132	MS. YOGITA JOSHI	ACS - 49393	NIRC	18418
82	MR. TUSHAR BAWEJA	ACS - 43871	NIRC	18368	133	MS. VIBHA RANI	ACS - 50220	NIRC	18419
83	MS. PAYAL SURESHKUMAR JEERAWALA	ACS - 44991	WIRC	18369	134	MR. SUDARSHAN KUMAR	ACS - 50470	NIRC	18420
84	MR. ANSHUL JAIN	ACS - 46205	WIRC	18370	135	MR. JAYKUMAR DEEPAK KHATNANI	ACS - 50727	WIRC	18421
85	MR. PARAS KOUSHIK	ACS - 47105	NIRC	18371	136	MS. DRASHTI KAUSHAL SAVLA	ACS - 50805	EIRC	18422
86	MS. DEVIKA SINGH	ACS - 47995	WIRC	18372	137	MR. RAJAT GUPTA	ACS - 35414	WIRC	18423
87	MS. SONIA GUPTA	ACS - 48660	NIRC	18373	138	MS. MEENA MENGHANI	ACS - 44920	NIRC	18424
88	MS. MANMEETKAUR HARSHDEEPSINGH BHATIA	ACS - 49747	WIRC	18374	139	MS. PRATIMA KUMARI SINGH	ACS - 46634	NIRC	18425
89	MR. HARISH KUMAR S	ACS - 50028	SIRC	18375	140	MS. VAISHALI PRATIK RUPARELIA	ACS - 50289	WIRC	18426
90	MS. PARUL JAIN	ACS - 50066	NIRC	18376	141	SH. JAGDISH JANARDAN RANA	FCS - 513	WIRC	18427
91	MS. PRERNA JAIN	ACS - 50122	WIRC	18377	142	SH. RAJ KUMAR BANTHIA	ACS - 17190	EIRC	18428
92	MS. AASTHA	ACS - 50328	NIRC	18378	143	MR. SANJEEV	ACS - 35268	NIRC	18429
93	MR. LOKESH SHARMA	ACS - 50553	NIRC	18379	144	MS. KANCHAN BHATIA	ACS - 40838	NIRC	18430
94	MR. NIKHIL RASTOGI	ACS - 50642	NIRC	18380	145	MS. BEENA HIRA LAL THUTHGAR	ACS - 47296	WIRC	18431
95	MR. AMIT KUMAR	ACS - 50774	NIRC	18381	146	MR. VIKAS AGRAWAL	ACS - 47821	NIRC	18432
96	MR. DEEPAK SHARMA	ACS - 50779	NIRC	18382	147	MR. AMIT SHARMA	ACS - 48293	NIRC	18433
97	MS. PALAK AGARWAL	ACS - 50540	NIRC	18383	148	MR. AMOL MANIK BHAGAT	ACS - 48542	SIRC	18434
98	MR. SHARATH H P	ACS - 50560	SIRC	18384	149	MR. HIREN KUMAR DHIRAJLAL RAIYANI	ACS - 50709	WIRC	18435
99	SH. SURENDRA KUMAR SAHOO	ACS - 19368	SIRC	18385	150	SH. B D NARIMAN	FCS - 1878	WIRC	18436
100	MS. ROY SWETA RAMKISHORE	ACS - 28097	WIRC	18386	151	MS. DEEPIKA K	ACS - 40527	SIRC	18437
101	MS. GARIMA	ACS - 32320	NIRC	18387	152	MS. RICHA KANODIA	ACS - 48492	NIRC	18438
102	MR. DIVESH SHARMA	ACS - 32482	NIRC	18388	153	MS. NANDINI VADHAN	ACS - 49068	NIRC	18439
103	MS. P SIVASAKTHI	ACS - 38557	SIRC	18389	154	MR. RAHUL SHARMA	ACS - 27846	NIRC	18440
104	MR. CHETAN RAMNIKBHAI PUMBHADIYA	ACS - 47944	WIRC	18390	155	MS. RUPALI ARORA	ACS - 50163	NIRC	18441
105	MS. MEETU BATRA	ACS - 48305	NIRC	18391	<b>CANCELLED*</b>				
106	MR. JATIN CHOPRA	ACS - 49958	NIRC	18392	<b>SL. No</b>	<b>NAME</b>	<b>MEMB NO</b>	<b>COP NO</b>	<b>REGN</b>
107	MR. SACHIN TUKARAM KHANDEKAR	ACS - 50577	WIRC	18393	1	MS. VIBHAVARI VIJAY DALVI	ACS-29957	11105	WIRC
108	MR. CHANDAN KUMAR JHA	ACS - 50633	NIRC	18394	2	MS BHAWNA	ACS-42796	17895	NIRC
109	MS. SHEETAL KHANDELWAL	ACS - 50706	NIRC	18395	3	MS. HETAL RAJENDRA KUDECHA	ACS-14989	9278	WIRC
110	MS. ISHANI MANAN JOSHI	ACS - 50720	WIRC	18396	4	MS. SONI SHEETAL	ACS-21748	7915	NIRC
111	MS. NIKITA MUTHA	ACS - 50789	SIRC	18397					
112	MS. VISHANI KHEMKA	ACS - 30261	SIRC	18398					

← \* CANCELLED DURING THE MONTH OF APRIL, 2017

5	MS. DEVIKA SHARMA	ACS-34867	14368	NIRC
6	MS. PALLAVI SHARMA	ACS-32072	12213	NIRC
7	MS. NIHARIKA GUPTA	ACS-46414	17198	NIRC
8	MR. DAVENDRA SINGH	FCS-4798	15274	NIRC
9	MRS. JAYA TOTLANI	ACS-26210	18259	NIRC
10	MR. SACHIN BHARDWAJ	ACS-23232	15419	NIRC
11	MR. RAHUL SINGH	ACS-47839	17901	NIRC
12	MR. ANURAG PANDEY	ACS-41838	16164	NIRC
13	MS. SIMRAN KHOSA	ACS-43139	16515	NIRC
14	MS. PRIYA MALHOTRA	ACS-47811	17507	NIRC
15	MR. GUNTUR VAMSHESWAR RAO	FCS-7885	17452	SIRC
16	MS. NIDHI MISHRA	ACS-39430	15051	NIRC
17	MR. BASKAR SANKAR	ACS-41077	18085	WIRC
18	MS. SHWETA CHOUDHURY	ACS-25882	12572	EIRC
19	MS. KSHIRSAGAR SRUSHTI PRAMOD	ACS-46194	18262	WIRC
20	MS. RADHIKA GUPTA	ACS-40106	15307	NIRC
21	MS. ANKITA DAMANI	ACS-35190	13148	EIRC
22	MR. MAHESH MAHESHWARI	ACS-26313	15105	NIRC
23	MR. YATISH SHARMA	ACS-45907	18333	NIRC
24	MS. POOJA GUPTA	ACS-32905	15700	NIRC
25	MR. PRASHANT BHARATKUMAR PATEL	FCS-7365	8031	WIRC
26	MS. VARSHA DANGAYACH	ACS-37692	17280	NIRC
27	MRS. VANDANA ARUN BALODI	ACS-37081	13895	WIRC
28	MS. PRABHDEEP KOUR	ACS-36341	13744	NIRC
29	MS. MADHULATA	ACS-38391	14309	NIRC
30	MS. VISHAKHA SINGH	ACS-41474	15567	NIRC
31	MS. NEHA	ACS-29272	12555	NIRC
32	MR. RONAK SHANKARLAL SHAH	FCS-8176	9171	WIRC
33	MS. USHA SHARMA	ACS-28669	13631	SIRC
34	MS. SOHINI SHUKLA	ACS-48409	17699	EIRC
35	MR. RUSHABH SHAH	ACS-49197	17970	EIRC
36	MS. NEEMA JAIN	ACS-29370	16108	NIRC
37	MS. SOUNDARYA K	ACS-27570	14280	SIRC
38	MS. NEHA AGARWAL	ACS-26020	9635	SIRC
39	MR. BIJU KUZHIVELIPURATH ELIAS	FCS-4353	16998	SIRC
40	MR. MANISH KUMAR	ACS-45049	16644	NIRC
41	MS. SUMITRA PRADHAN	ACS-44667	18048	EIRC

## LICENTIATE ICSI

ADMITTED\*\*

S. NO.	LICENTIATE NO.	NAME	REGN
1	6931	MS NITHYA J B	SIRC
2	6932	MS YATRI VIKRAM THACKER	WIRC
3	6933	MS APURVA MAHENDRA BHANGDIA	WIRC
4	6934	MR BALACHANDIRAN NK	SIRC
5	6935	MR CHALLA MADHUKAR	SIRC
6	6936	MS RAMYA V	SIRC
7	6937	MR AMIT ASHOKLAL KHIYANI	WIRC
8	6938	MS C. SRILAKSHME	SIRC

\* ADMITTED DURING THE MONTH OF APRIL, 2017

## PAYMENT OF ANNUAL MEMBERSHIP AND CERTIFICATE OF PRACTICE FEE FOR THE YEAR 2017-2018

The annual membership fee and certificate of practice fee for the year 2017-2018 has become due for payment w.e.f. 1<sup>st</sup> April, 2017. The last date for the payment of fee is 30<sup>th</sup> June, 2017.

The membership and certificate of practice fee payable is as follows:

Particulars	Associate (admitted till 31.03.2015)	Associate (admitted on or after 01.04.2015)	Fellow
Annual Membership fee	Rs. 2500	Rs. 1500	Rs. 3000
Entrance fee	Rs. 2000	Rs. 2000	Rs. 2000
Restoration fee	Rs. 250	Rs. 250	Rs. 250
Certificate of Practice fee	Rs. 2000	Rs. 1500	Rs. 2000

A member who is of the age of sixty years or above and is not in any gainful employment or practice can claim 50% concession in the payment of Associate/Fellow Annual Membership fee and a member who is of the age of seventy years or above and is not in any gainful employment or practice can claim 75% concession in the payment of Associate/Fellow Annual Membership fee subject to the furnishing of declaration to that effect.

The certificate of practice fee must be accompanied by a declaration in form D duly completed in all respects and signed. The requisite form 'D' is available on the website of Institute [www.icsi.edu](http://www.icsi.edu)

### MODE OF REMITTANCE OF FEE

The fee can be remitted by way of:

- Online (through payment gateway of the Institute's website ([www.icsi.edu](http://www.icsi.edu)))
- Cash/Cheque at par/Demand draft/Pay order payable at New Delhi (indicating on the reverse name and membership number) drawn in favour of 'The Institute of Company Secretaries of India' at the Institute's Headquarter or Regional/Chapter offices.

For queries, if any, the members may please write to Mr. Jitendra Kumar, Executive Assistant at email id [jitendra.kumar@icsi.edu](mailto:jitendra.kumar@icsi.edu)

## PAYMENT OF ANNUAL LICENTIATE SUBSCRIPTION FOR THE YEAR 2017-2018

The annual Licentiate subscription for the year 2017-2018 has become due for payment w.e.f 1<sup>st</sup> April, 2017. The last date for the payment of same is 30<sup>th</sup> June, 2017. The Licentiate subscription payable is Rs.1000/- per year.

You are requested to remit at the Institute's Headquarters or Regional/ Chapter offices a sum of Rs.1000/- (Rupees One thousand only) by way of Demand Draft payable at New Delhi or Cheque at par drawn in favour of "The Institute of Company Secretaries of India" indicating your name and Licentiate number on the reverse of the Demand Draft/ Cheque. The details of remittance may please be intimated at email id [licentiate@icsi.edu](mailto:licentiate@icsi.edu)



PD, PP&S/BM-2017/13

## ICSI-III MoU

We are pleased to share that the MoU with Insurance Institute of India has been extended for a further period of three (3) more years. The MoU was signed by Mr. P. Venugopal, Secretary General, Insurance Institute of India and CS (Dr.) Shyam Agrawal, President, ICSI at the ICSI House, New Delhi on 24th May, 2017.

Among a host of other proposed joint activities, ICSI and III jointly offer a Certificate Course, Compliance, Governance and Risk Management in Insurance. The objective of the Course is to create a cadre of professionals in the Insurance industry well versed in risk management, governance and regulatory compliances as they apply to the insurance industry. This Course seeks to empower

- ✓ Associate/ Fellow Members of Institute of Company Secretaries of India and
- ✓ Associate/ Fellow Members of Insurance Institute of India (AIII/FIII) who are interested in working in Compliance and Governance areas.

Details of the course are available on the ICSI website [www.goo.gl/FdxrRI](http://www.goo.gl/FdxrRI) or scan the QR code



It is pertinent to mention that this course has added importance now, as with Finance Act, 2017 authorising SAT to hear appeal against the order of Insurance Regulatory and Development Authority of India (IRDA) or Pension Fund Regulatory and Development Authority (PFRDA), a Company Secretary can also appear as an authorised representative before the SAT for appeal against the order by IRDA or PFRDA.

“सत्यं वद। धर्मं चर।”  
“Speak the truth abide by the law”



**THE INSTITUTE OF  
Company Secretaries of India**  
IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament

Dear Professional Colleagues,

***Sub.: Celebration of PCS Day (June 15, 2017)***

The 15th day of June, 1988 marks the beginning of an era for the Profession of Company Secretaries when the Company Secretaries in Practice were accorded recognition for Certifying the Annual Returns under the erstwhile Companies Act, 1956.

This year in 2017 when the Institute marks the beginning of its Golden Jubilee Year, it is time for wider introspection through self assessment, discussion and seeking new areas for a Company Secretary Professional.

On Thursday, the 15th of June, 2017, let's celebrate 'PCS Day' throughout the country and participate in :

1. Interactive Meets at various Regional Councils, Chapters and Study Circles
2. Campus recruitment of Articles for PCS
3. Lectures and other learning programmes

The deliberations would cover:

- i. Awareness on the existing recognitions for PCS and emerging areas of practice
- ii. Current Developments with respect to GST
- iii. Awareness on Peer Review Mechanism and its benefits

Members attending the programmes shall be eligible for grant of programme credit hours.

Let's celebrate this day with greater zeal and vigor.

Regards

**CS (Dr.) Shyam Agrawal**  
President, ICSI

**CS Ashish C. Doshi**  
Council Member, ICSI & Chairman, PCS Committee

नाभिषेक न संस्कारः सिंहस्य क्रियते वने। विक्रमार्जितसत्त्वस्य स्वयमेव मृगेंद्रता।।

ICSI  
MOTTO

“सत्यं वद। धर्मं चर।”  
“Speak the truth and abide by the law”

# 18th

## National Conference of Practising Company Secretaries



**Theme : Enterprising India - Role of Professionals in New Age India**

**Host :**

**North Eastern (Guwahati) Chapter of Eastern India Regional Council**

**Venue :**

**State Convention Centre (Pinewood Hotel Annex), Bishop Cotton Road  
Shillong - 793 001 (Meghalaya)**

**Saturday, June 24, 2017 – 12.00 noon to 06.30 pm**

**Sunday, June 25, 2017 – 09.00 am to 01.15 pm**



**THE INSTITUTE OF  
Company Secretaries of India**

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

[www.icsi.edu](http://www.icsi.edu)



## 18th National Conference of Practising Company Secretaries

**Dear Professional Colleagues,**

In the contemporary world, where knowledge is power and information is liberation, The Institute of Company Secretaries of India is dedicated in marking the advance standards in the premise of professional progress and excellence of its practicing members by organizing an annual congregation called National Conference of Practising Company Secretaries.

Captivating this tradition a way forward, this year the 18th National Conference of Practising Company Secretaries is being organized by the Institute on June 24-25, 2017 at State Convention Centre (Pinewood Hotel Annex), Bishop Cotton Road, Shillong - 793 001 (Meghalaya) on the theme "Enterprising India – Role of Professionals in New Age India".

Further, this National Conference would also witness the deliberations through various technical sessions arranged under the following sub-themes:

- Energise for Entrepreneurship: Aligning towards Vision New India
- Survival of the Fittest in New Age Reforms - Professional Opportunities for CS (a) GST (b) Insolvency (c) NCLT (d) RERA
- Perform and Prosper in India Shining, India Rising
  - Various facets of practice*
  - General Practice or Specialization
  - Collaboration or Competition
  - Local or Global
  - Organic or inorganic growth
  - Ease of Doing Business in North East: A step forward in New India Rising

The Conference will start with the Opening Plenary at 12:00 noon on Saturday - 24 June, 2017 and conclude with the Closing Plenary at 12:00 noon on Sunday - 25 June, 2017.

Deliberations at the conference would be addressed by eminent experts and professionals of the respective fields from the Government, Regulators and Academia.

Your participation would surely lead the conference towards fruitful deliberations along with an opportunity for the participants for mutual exchange of ideas and sharing of experience among the professional community PAN India.

I call upon the professional brethren to register for the conference in large numbers and make it a splendid feat of success.

A Souvenir-cum-Backgrounder containing theme articles, programme details, messages of good wishes and other thought-provoking and motivating writings will also be brought out to commemorate this mega annual event of the Institute.

Kindly use your good offices in obtaining advertisements for the proposed Souvenir-cum-Backgrounder. We also look forward to your support by way of sponsorship.

Awaiting your registration, advertisement and sponsorship support.

Looking forward to meet you at the 18th National Conference of Practising Company Secretaries at State Convention Centre, Shillong.

With regards,  
Yours sincerely,

**CS (Dr.) Shyam Agrawal**  
President, ICSI



# 18th National Conference of Practising Company Secretaries

## “Enterprising India – Role of Professionals in New Age India”

### Coverage

- Energise for Entrepreneurship: Aligning towards Vision New India
- Survival of the Fittest in New Age Reforms - Professional Opportunities for CS
  - (a) GST (b) Insolvency (c) NCLT (d) RERA
- Perform and Prosper in India Shining, India Rising
- *Various facets of practice*
  - General Practice or Specialization
  - Collaboration or Competition
  - Local or Global
  - Organic or inorganic growth
- Ease of Doing Business in North East: A step forward in New India Rising

### Key Takeaways

- Explore new opportunities in the areas of practice
- Share knowledge among the peer group
- Interact with experienced and expert faculty
- Update and sharpen technical and professional skills
- Build professional networking
- Enjoy the scenic beauty of North-east
- Rejuvenate to achieve further heights

### Speakers

Eminent speakers with comprehensive exposure to the practical aspects of the topics will address and interact with the participants.

### Participants

Company Secretaries and other Professionals in Secretarial, Legal and Management disciplines would be benefited by participating in the Conference.

#### CHAIRMAN, PCS COMMITTEE

CS Ashish Doshi  
Council Member, ICSI

#### PROGRAMME COORDINATOR

CS Siddhartha Murarka  
Chairman, EIRC of ICSI

#### PROGRAMME DIRECTOR

CS S K Agrawala  
Council Member, ICSI

#### PROGRAMME FACILITATOR

CS Amit Pareek  
Chairman, North Eastern (Guwahati) Chapter of ICSI

### Tentative Programme Schedule

#### DAY 1 – SATURDAY, JUNE 24, 2017

10:00 am onwards	Registration
12:00 noon to 1:00 pm	Opening Plenary
01:00 pm to 02:00 pm	Lunch
02:00 pm to 03:30 pm	Energise for Entrepreneurship: Aligning towards Vision New India
03:30 pm to 04:00 pm	Tea/Coffee
04:00 pm to 05:30 pm	Survival of the Fittest in New Age Reforms - Professional Opportunities for CS (a) GST (b) Insolvency (c) NCLT (d) RERA
07:00 pm onwards	Dinner

#### DAY 2 – SUNDAY, JUNE 25, 2017

09:00 am to 10:30 am	Perform and Prosper in India Shining, India Rising Various facets of practice ■ General Practice or Specialization ■ Collaboration or Competition ■ Local or Global ■ Organic or inorganic growth
10:30 am to 11:00 am	Tea / Coffee
11:00 am to 12:00 noon	Ease of Doing Business in North East: A step forward in New India Rising
12:00 noon to 01:15 pm	Closing Plenary
01:15 pm onwards	Lunch

### Souvenir-cum-Backgrounder

It is proposed to bring out a Souvenir-cum-Backgrounder containing theme articles and other relevant information. Members who wish to contribute papers for publication in the Souvenir-cum- Backgrounder or for circulation at the Conference are requested to send the same on or before June 08, 2017 through email to the Director, Professional Development, Perspective Planning & Studies, The Institute of Company Secretaries of India at [conference@icsi.edu](mailto:conference@icsi.edu). The paper / article should not normally exceed 15 typed pages. Members whose papers/articles are published in the Souvenir-cum- Backgrounder of the Conference would be awarded FOUR Programme Credit Hours. The decision of the Institute shall be final in all respects.

## DELEGATE FEE AND REGISTRATION PROCEDURE

### Delegate Registration Fee

Delegate Category	Fee
Member/ Licentiate / Student / Spouse / Children / Non-Member	Rs. 3000/- + service tax

Registration fee covers Lunch (2), Dinner (1), Morning / Evening Tea/Coffee with Cookies, Conference Kit & Backgrounder. Delegates may register online at the link: <http://goo.gl/0jH9EI>





# 18th National Conference of Practising Company Secretaries

## Accommodation

Accommodation on 'first come first served basis' has been arranged at the following hotels for outstation delegates.

Room (Double Occupancy)	Room Tariff			
	The Shillong Club	State Convention Centre (Pinewood Hotel Annex)	Blueberry Inn	Hotel Alpine Continental
Rate (inclusive of all Taxes and Breakfast)				
Standard	—	—	3600	4000
Semi Deluxe	—	4522	—	—
Deluxe	2700	—	4100	—
Super Deluxe	3400	—	—	—
Executive	4000	—	4600	4200
Boutique	—	—	4500	4700
Super Executive	4500	—	—	—
Cottage	—	—	—	—
Suite	—	—	—	5400
Suite Cottage	4800	—	—	—

## Important Instructions

- Standard Check in: 24th June, 2017 (12:00 Noon) / Standard Check out : 25th June, 2017 (12:00 Noon).
- Any extra stay will be charged separately, subject to availability of rooms and receipt of reservation charges in advance.
- Delegates with chauffer driven cars will have to pay extra charges for food arrangements for driver during the Conference. These charges have to be paid immediately on arrival.
- Any extra facilities availed by the delegate during the stay have to be paid directly to Hotel.

## How to Reach Shillong

- By Air**  
The most convenient option by air is to reach Guwahati , 115 km from Shillong. The connecting flights to Guwahati are available from major cities across India.
- By Train**  
Guwahati is the nearest railhead situated 100 km away from Shillong.
- By Road**  
Shillong is well connected to other parts of India through Guwahati by road. Shillong is around 2 hours 30 minutes drive from Guwahati.

## Pick-up & Drop at Guwahati/Shillong

Arrangements have been made for group pick up & drop of delegates and their family members from Guwahati for Shillong on June 24, 2017 from : (1) Guwahati Airport - 08:30 AM /09:30 AM/10:00 AM (2) Volvo point, near Ulubari flyover, Guwahati at 07:15 AM/08:00 AM Buses will leave from Shillong for Guwahati on June 25, 2017 at 02:00 PM Helpline Number : Mr. Vivek Sharma : 9435190284, Mr. Chiranjeeb SarmaRoy : 9435191229

## Programme Credit Hours

Members of the Institute attending the National Conference on both the days will be entitled for grant of 8 (Eight) Programme Credit Hours. Students attending the National Conference will be entitled to 16 (Sixteen) hours of Professional Development Programme.

## Advertisement in Souvenir-cum-Backgrounder

It is proposed to bring out a Souvenir-cum-Backgrounder containing important information, programmes, lists, etc. It would be widely circulated to professionals, corporate and regulatory authorities. Advertisement released in the Souvenir would receive wide publicity for Products, Services and Corporate Announcements. Members/Organisations are requested to release advertisements.

The advertisement material along with cheque/demand draft drawn in favour of 'The Institute of Company Secretaries of India' may be sent to the Director, Corporate Communication, The Institute of Company Secretaries of India, ICSI HOUSE, 22, Institutional Area, Lodi Road, New Delhi – 110 003, Tel: 011-45341022, 1076, 1077 and email : tcc@icsi.edu on or before June 18, 2017

Colour Ad	Rate (in Rs.)	Size
Back Cover	50,000	18cm x 24 cm
Inside Cover (Front/Back)	40,000	18cm x 24 cm
Special Page	25,000	18cm x 24 cm

Black & White Ad	Rate (in Rs.)	Size
Full Page	15,000	18cm x 24 cm
Half Page	10,000	18cm x 12 cm
Quarter Page	5,000	9cm x 12 cm



# 18th National Conference of Practising Company Secretaries

## Stalls

Stalls for display of products : Rs. 25,000 per stall (maximum size 6' x 6')

## Sponsorships

Principal Sponsor	: Rs. 6,00,000 (One)	High Tea Sponsor	: Rs. 1,00,000 (Three)
Gold Sponsor	: Rs. 4,00,000 (One)	Cultural Programme Sponsor	: Rs. 1,00,000 (One)
Silver Sponsor	: Rs. 3,00,000 (Two)	Sponsorship for Conference Kit	: Rs. 2,50,000 (One)
Lunch Sponsor	: Rs. 3,50,000 (Two)		
Dinner Sponsor	: Rs. 3,50,000 (One)		

\* Co-sponsors may be considered

## Sponsorship Benefits

Type of Sponsorship	Sponsorship Amount in Rs. and other Details	Type of Sponsorship	Sponsorship Amount in Rs. and other Details
<b>1. Principal Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at Conference Backdrop</li><li>- Special acknowledgement</li></ul>	<b>6,00,000</b> 10 Delegates	<b>5. Dinner Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at Conference and dinner site</li><li>- Special acknowledgement</li></ul>	<b>3,50,000</b> 5 Delegates
<b>2. Gold Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at Conference Backdrop</li><li>- Special acknowledgement</li></ul>	<b>4,00,000</b> 6 Delegates	<b>6. High Tea Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at the Site of High Tea</li><li>- Acknowledging Support</li></ul>	<b>1,00,000</b> 2 Delegates
<b>3. Silver Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at the Conference Backdrop</li><li>- Acknowledging Support</li></ul>	<b>3,00,000</b> 4 Delegate	<b>7. Cultural Programme Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at the Conference &amp; Programme Site</li><li>- Acknowledging Support</li></ul>	<b>1,00,000</b> 2 Delegates
<b>4. Lunch Sponsor</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at Conference and Lunch site</li><li>- Special acknowledgement</li></ul>	<b>3,50,000</b> 5 Delegates	<b>8. Sponsorship for Conference Kit</b> <ul style="list-style-type: none"><li>- One special full page advertisement in the Souvenir</li><li>- Delegate fee (non-residential) exemption</li><li>- Display at the Conference Site &amp; Conference Bags</li><li>- Acknowledging Support</li></ul>	<b>2,50,000</b> 3 Delegates

Service Tax Extra, if the sponsorship is from a body corporate / partnership firm, service tax would be deposited by the sponsor under the Reverse Charge Mechanism.

Logo of all organizations providing sponsorships of Rs. 1,00,000/- and more will be put on the conference backdrop.

For clarification, please write to : [conference@icsi.edu](mailto:conference@icsi.edu)

## APPOINTMENTS

A Public Limited Company, having interest in various segments of financial services with Corporate Office at Mumbai, requires Dynamic, Diligent and Result Oriented Company Secretary.

Candidate should be qualified Company Secretary with minimum 5 years of experience, preferably having worked in a similar industry. An additional qualification of LLB would be an advantage.

Candidate should have flair for writing, editing, and making interpretations of Legal Documents, Agreements, Contracts and MOUs. Candidate will also be responsible for filing of various Returns with different Govt. Agencies viz. MCA, RBI, SEBI, Exchanges etc.

Candidate shall be well versed with Financial Laws, Rules, Regulations and Guidelines of various Regulators.

Interested candidates fulfilling the above criteria can email their CVs at [hrmumbai@spagroupindia.com](mailto:hrmumbai@spagroupindia.com)

### NEELANCHAL HOLDINGS PVT. LTD.

(A Non Banking Finance Company)  
104 Harsha House, Karampura Commercial Complex, New Delhi - 110 015

Requires

### COMPANY SECRETARY

*Meritorious Candidate with 1-3 years experience*

**Capable of Compliance of Corporate Laws, RBI Directions and guidelines, Commercial Correspondences, Loan Documentation; Management Communication Skill, Knowledge of Accounts shall be an added advantage; Attractive Salary:**

**Interested candidate can email their C.V.**

**With Photograph to:  
[neelanchalpvtltd@gmail.com](mailto:neelanchalpvtltd@gmail.com)  
Mob.:09810772787**

Fischer Building Materials India Private Limited having its registered office Level IV, Unit No. 401, Prestige Garnet, Ulsoor Road, Bangalore – 560001, requires dynamic, diligent & result oriented Company Secretary.

The Candidate should be a qualified Company Secretary with 3 Years of experience preferably worked in Company or similar industry.

Candidate should be capable of liaising with various Government Authorities and shall have flair for writing, drafting and vetting of legal documents, agreements, contracts, MOU. Drafting and filing of various returns with different Government Authorities.

Interested candidates fulfilling the above criteria can email their CVs to [Sumanta.Brahmachari@fischer.in](mailto:Sumanta.Brahmachari@fischer.in)

CapitaLand India Private Limited having its registered office at Shop No. 21, A-1 Apartment, C. S. Road, off M. G. Road, Kandivali (West), Mumbai – 400067, Maharashtra, India requires dynamic, diligent and result oriented Company Secretary.

The candidate should be a qualified Company Secretary with minimum three years of corporate secretarial working experience.

The candidate should be capable of liaising with various Government Authorities and shall have flair for writing, drafting and vetting of legal documents, agreements, contracts, MOU and drafting and filing of various returns with different Government Authorities.

Interested candidates fulfilling the above criteria can email their CVs to [oh.sawching@capitaland.com](mailto:oh.sawching@capitaland.com).

# ICSI initiatives on Goods and Services Tax (GST)

Section 48(1) of the Central Goods & Services Tax Act, 2017 (CGST) provides that “The manner of approval of Goods and Services Tax Practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed.”

Pursuant to Section 48 of CGST, read with Rule 24 of the Return Rules, any person who has passed the Final Examination of The Institute of Company Secretaries of India (ICSI) is eligible for enrolment as a Goods & Services Tax Practitioner by making an application in Form GST PCT-1 to the Authorised Officer.

A Goods & Services Tax Practitioner is eligible to undertake the following tasks:

- (a) furnish details of outward and inward supplies;
- (b) furnish monthly, quarterly, annual or final return;
- (c) make deposit for credit into the electronic cash ledger;
- (d) file a claim for refund; and
- (e) file an application for amendment or cancellation of registration.

Under Section 116 of Central GST Act, 2017, a Company Secretary is entitled or required to appear before an officer appointed under this Act, or the Appellate Authority or the Appellate Tribunal in connection with any proceedings under this Act.

In the light of the above and with a view to facilitate the smooth implementation of GST regime, the ICSI has taken following initiatives -

## Goods & Services Tax Newsletter

The Institute of Company Secretaries of India (ICSI), as part of its capacity building initiative under the new indirect tax regime and upholding the “One Tax One Nation” motto of the Government of India, has brought out a monthly newsletter dedicated to the Goods & Services Tax (GST).



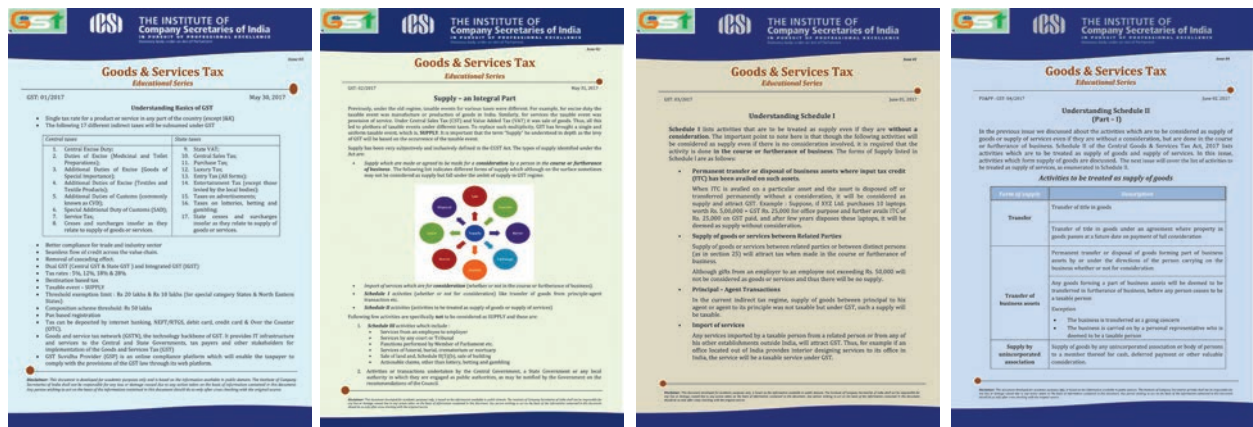
The first volume of the GST Newsletter was launched at the gracious hands of Shri Arjun Ram Meghwal, Hon'ble Minister of State for Finance and Corporate Affairs, Government of India.

The GST Newsletter broadly aims to cover recent updates and news under GST, a glimpse of events organised by ICSI on GST and a list of upcoming events along with articles, FAQs and other related material.

Members who wish to contribute write ups or articles for the GST Newsletter may send the same through email at [gst@icsi.edu](mailto:gst@icsi.edu).

## GST Educational Series

The Institute of Company Secretaries of India (ICSI), has also launched a daily Educational Series on Goods & Services Tax (GST) for the members and students to enhance knowledge of GST laws.



## Empanelment as Resource Persons in GST

At this juncture in the Indian economy, when the Goods & Services Tax (GST) regime is on the threshold of implementation, the Institute of Company Secretaries of India (ICSI) have undertaken various initiatives to apprise the stakeholders with the detailed understanding of nuances of GST.

With a view to support the smooth implementation of GST in India, ICSI is in the process of empanelling resource persons in GST who would further contribute in creating awareness and understanding about the facts, opportunities, challenges and way forward in the upcoming GST regime and promote capacity building initiatives in the varied areas of the new taxonomy.

The members of the Institute who are willing to contribute with their knowledge, experience and expertise as resource persons, faculty or speakers on Goods & Services Tax may empanel themselves on honorary basis with ICSI by sending your brief profile at [gst@icsi.edu](mailto:gst@icsi.edu).

## Launch of GST Course

The Institute is in the process of launching a Certificate course on GST very soon. The details regarding the course will be uploaded on the Institute's website shortly.



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## **GST POINT**

### ***... ICSI Initiative ensuring effective implementation of GST***

**Dear Professional Colleagues,**

We are pleased to share that with a view to assist the Government in effective implementation of GST Laws and furthering various ICSI initiatives to educate the public at large about the diverse facts and facets of Goods and Services Tax (GST), the Institute has launched **GST POINT**.

**GST POINT** is a platform to reply to the queries, difficulties and challenges faced by consumers, manufacturers, traders, MSMEs, public at large, professionals, etc. in understanding and implementation of the Goods and Services Tax Laws.

The queries will be received and replied over the phone on the issues and challenges faced by stakeholders in day to day working while implementing the GST. The help line would be open for two hours, twice a week and the queries would be addressed by subject experts. The queries may be raised at 011-45341095.

Simultaneously, the Institute is also in the process of setting up Physical **GST POINT Counters** for solving queries of the stakeholders at the respective offices of its Regional Councils and Chapters across the country on every Wednesday and Friday at the same time when the call-in session will be held at Head Office.

I invite all the stakeholders-consumers, manufacturers, traders, MSMEs, public enterprises, public at large, professionals etc. to avail this unique opportunity and also share this information with public at large.

**Regards**

**CS (Dr.) Shyam Agrawal**  
President, ICSI



Confederation of Indian Industry



**THE INSTITUTE OF  
Company Secretaries of India**

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Statutory body under an Act of Parliament

Institutional Partner

8 PCH for Members

## Series of All India Two Days Training Programmes

Goods and Services Tax (GST) is the most transformative and far reaching reform to India's taxation system. Time is of essence and as the transition to GST readiness period would be brief, therefore, it is imperative to impart training and educate the industry, including the SME / MSME to understand the nuances and prerequisites of the GST Law to enable a smooth implementation and transition to the GST regime.

To encourage industry to be proactive in managing their GST compliance, ICSI in association with CII has launched a series of two-days extensive training programmes across India during May-June 2017. The training will provide valuable insights into GST Law and the transitional provisions to understand the GST Law and its impact across industry sectors. In this series, programmes scheduled at various locations are as under:

Location	Date	Location	Date
Erode	June 1 – 2, 2017	Ahmedabad	June 8 – 9, 2017
Surat	June 1 – 2, 2017	Raipur	June 16 – 17, 2017
Rajkot	June 2 – 3, 2017	Vijayawada	June 16 – 17, 2017
Bangalore	June 7 – 8, 2017	Delhi	June 27 – 28, 2017

### Key Takeaways

- Confirmed participants will get the opportunity to post questions prior to the training which will be answered during the session.
- After the training concludes, participants can post queries which will be addressed by a panel of experts, till two weeks after the session.
- A certificate of participation will be issued to the participants on completion of the training programme.

### Who should Attend

Company Secretaries/CA/CMA/CFOs, Finance, Tax, Regulatory, Compliance & Corporate Affairs Professionals, Internal & Statutory Auditors, General Counsels, stakeholders across sectors and service lines who need to be GST compliant.

Members of ICSI participating in Annual Summit would be entitled to **Eight Programme Credit Hours (PCH)**.

Participation fee and other details are available on ICSI website: [www.icsi.edu](http://www.icsi.edu)

For any clarification, please write to [gst@icsi.edu](mailto:gst@icsi.edu)

**All are cordially invited to participate.**

# ICSI-GST

## CORE GROUP

The Institute of Company Secretaries (ICSI) has constituted a Core Advisory Group in the area of Indirect Taxes and Goods & Services Tax (GST) across different industries from various regions. The GST Core Advisory Group is a guiding force to the Institute as to how we can propagate the emerging area of practice for its members, how to enhance the capacity building exercise for the Industry as well as members of the Institute, how best the Institute can help the Industry with the issues they are facing and liaison with the Ministry to take up their issues, to guide and encourage the Institute for developing the study material on GST, which will be helpful for the members and industry participants.



## ICSI - GST CORE ADVISORY GROUP

Name	Designation	Organisation	Designation in ICSI-Core Group
S/Shri			
Girish Ahuja	Senior Partner	Mr. Girish Ahuja & Associates	Chairman
V.S. Datey	Indirect Tax Expert	Pune	Co-Chairman
A Rengarajan	Practising Company Secretary	Arub & Associates, Chennai	Member
Amit Patwardhan	Head of Tax-India	HSBC, Mumbai	Member
B. Murli	Senior Vice President and Company Secretary	Nestle India, Gurgaon	Member
D. D. Goyal	Executive Vice President	Maruti Suzuki India Limited, Gurgaon	Member
Digamber S. Mahajani	General Manager (Taxation) and Company Secretary	Transpek-Silox Industry Private Limited, Vadodara	Member
Gurinder Singh	Head (Indirect Taxes)	L & T Power, Vadodara	Member
Jasbir Singh	Managing Director	Amber Enterprises India Pvt. Ltd., Gurgaon	Member
Manoj Mishra	Director, Indirect Taxes	Oracle India, Gurgaon	Member
Mohan Krishna Nusetti	Head, Indirect Taxes	Lupin Limited, Mumbai	Member
Niranjan Kumar Mishra	Company Secretary and Finance Controller	Jost India Auto Component Pvt. Ltd., Jamshedpur	Member
P. K. Mittal	Chief Advisor	PKMG Law Chambers, Delhi	Member



# ICSI-GST CORE ADVISORY GROUP

<i>Name</i>	<i>Designation</i>	<i>Organisation</i>	<i>Designation in ICSI-Core Group</i>
P. K. Singh	Practising Company Secretary	PKS & Associates Hyderabad	Member
R. C. Gupta	Director	Glaxo Smithkline Asia Pvt. Ltd., New Delhi	Member
Ranjeet Kumar Pandey	Council Member, ICSI	Ranjeet Pandey & Associates, New Delhi	Member
Sanjay Gulati	Group Vice President, Corporate Tax-Indirect Taxes & Litigation	GMR Group, New Delhi	Member
Sanjiv Agarwal	Managing Partner	Agarwal Sanjiv & Company, Chartered Accountants, Jaipur	Member
Satwinder Singh	Council Member, ICSI	Vaish Associates, New Delhi	Member-Convenor
Shashank Gupta	Partner	Mr. Girish Ahuja & Associates	Member
Suneel Dutt Goyal	Founder and Director General	Imperial Chamber of Commerce and Industry, Jaipur	Member
Timir Baran Chatterjee	Chief Corporate Officer, Legal and Corporate Affairs	DIC India Ltd., Kolkata	Member
Vinod Jain	Chairman	INMACS, Gurgaon	Member
Upendar Gupta, IRS	Commissioner, GST	Ministry of Finance, New Delhi	Special Invitee
Ravneet Singh Khurana, IRS	Deputy Commissioner, GST	Ministry of Finance, New Delhi	Special Invitee
Vikkas Mohan	Senior Director	Confederation of Indian Industry, Delhi	Special Invitee
Representative from Commissionerate of Commercial Tax from various states			Special Invitee
CS Sidhartha Murarka, Chairman, EIRC-ICSI	Practising Company Secretary	Kolkata	Special Invitee
CS Dhananjay Shukla, Chairman, NIRC-ICSI	Practising Company Secretary	Dhananjay Shukla & Associates, Gurgaon	Special Invitee
CS Ganapathi G.M, Chairman, SIRC-ICSI	Partner	M/s Ganapathi & Mohan, Bengaluru	Special Invitee
CS Prakash Pandya, Chairman, WIRC-ICSI	Partner	P. K Pandya & Co. Partner, PN Associates LLP, Mumbai	Special Invitee



# ICSI celebrates Capital Markets Week July 2017

4 PCH for ICSI Members  
8 PDP for ICSI Students

## *Theme*

### **Capital Market of New India: The Reform Agenda for Inclusive Growth**

#### *Sub-Themes*

Primary Markets: Building Confidence

Secondary Markets: Taking Stock

Emerging Financial Products: Harnessing Opportunity  
(Municipal Bonds, REITs, InVITsetc)

Indian Debt Capital Markets: Lot More to Come

Compliance Mechanism Harbinger's for Robust Capital Markets

Emerging Alternate Capital Market-place (Start-ups, ITP, SME, etc.)

Company Secretary- Professional Catalyst in Capital Markets

*To make Capital Markets Week a grand success, Institute invites your views, feedback and suggestions on the theme, sub-themes and other related activities of Capital Markets Week, 2017. Suggestions may please be sent to the Director, Professional Development, Perspective Planning & Studies at email: [financialservices.helpdesk@icsi.edu](mailto:financialservices.helpdesk@icsi.edu) with subject line "Capital Markets Week, 2017"*



Financial Services  
e-helpdesk

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Dear Professional Colleagues,

The Institute through its Financial Services Committee is making dedicated efforts in the financial services arena. These efforts aims *inter alia* to supplement the initiatives of the regulators by formulating views/ suggestions on various financial services related matters, and simultaneously unleashing initiatives towards capacity building of members.

The Institute has recently launched a financial services interactive platform Viz., '**ICSI FinanCS - Financial opportunities .....The ICSlans Way**'

In this direction, as a step forward we take this opportunity to launch a e-helpdesk on opportunities in the financial services arena, recognitions and other related matters so that members and students of our Institute can leverage upon them and render value added services to the stakeholders. We shall be pleased to receive your views, feedback, queries and suggestions on professional opportunities in financial services sector at :

**[financialservices.helpdesk@icsi.edu](mailto:financialservices.helpdesk@icsi.edu)**

Looking forward to receiving your emails.

**CS (Dr.) Shyam Agrawal**  
President, The ICSI

**CS Mahavir Lunawat**  
Chairman, Financial Services Committee  
& Central Council Member, The ICSI

## *ICSI FinanCS - Financial opportunities .....The ICSians Way*

### **I. Reconciliation of Share Capital Audit**

Company Secretaries in Practice are authorised to issue a Quarterly Audit Report on Reconciliation of Share Capital under Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996.

#### **Engagement Perspective**

SEBI (Depositories and Participants) Regulations, 1996 were notified on May 16, 1996. The regulations specify conditions for registration, certification, rights and obligations of depositories, Participants, Issuers, manner of surrender of certificate of security and creation of pledge or hypothecation and code of conduct, records to be maintained, reconciliation of share capital, manner of conducting inspection, etc.

Listed companies are required to submit a quarterly Audit Report on Reconciliation of Share Capital to the stock exchanges which shall be audited by a Practising Company Secretary, for the purpose of reconciliation of share capital held in depositories form with the issued / listed capital. Such Report shall be submit to the Stock Exchange within 30 days from the end of the Quarter.

### **II. Internal Audit of Stock Brokers**

Company Secretaries in Practice are authorised to conduct the Internal Audit of Stock Brokers/Trading Members/Clearing Members on a half yearly basis.

#### **Engagement Perspective**

Being an imperative association between regulators, investors and issuers, market intermediaries are expected to ensure that their internal controls are so efficient that ensure effective investor service at all times and provides desired comfort to regulators. It is in this direction that SEBI has mandated to conduct internal audit of stock brokers/trading members/clearing members by Practising Company Secretaries. **[SEBI Circular MRD/DMS/CIR-29/2008 dated October 21, 2008]**

SEBI (Stock-Brokers and Sub-Brokers) Regulations, 1992 were notified on October 3rd, 1992 providing a detailed regulatory framework for registration and operations of Stock brokers/Trading Members/Clearing Members.

Currently, there are 14204 Stock Brokers registered with SEBI and the number is emergent steadily. The details can be viewed at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=30>

### **III. Legal representation before SAT**

Company Secretaries in Practice are authorised to act as a legal representative before the Securities Appellate Tribunal (SAT) under Section 15 V of SEBI Act, 1992 and Section 23C of Depositories Act, 1996.

#### **Engagement Perspective**

Securities Appellate Tribunal (SAT) is a statutory body established under the provisions of Section 15K of SEBI Act, 1992 to hear and to dispose appeals against orders passed by SEBI or by an adjudicating officer under the Act. Any person aggrieved by any decision or order of the SAT can file an appeal to the Supreme Court.

The SEBI Act, 1992 and The Depositories Act, 1996, provides that the appellant may either appear in person or authorize one or more company secretaries to present his or its case before the SAT.

### **IV. Financial Valuer**

Company Secretaries in Practice are authorised to act as financial valuer for valuation of InvITs assets under Regulation 21 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

#### **Engagement Perspective**

SEBI (Infrastructure Investment Trusts) Regulations, 2014 were notified on September 26, 2014 providing a detailed regulatory framework for establishment and operation of InvITs in India.

These regulations provides for a yearly valuation of all assets of the InvITs. The said valuation needs to be conducted inter alia by a Practising Company Secretary as a financial valuer within two months from the end of the financial year. InvITs are required to submit a half yearly valuation report on its assets issued by a Practising Company Secretary as a financial valuer for any key changes in the previous six months and such half yearly valuation report shall be prepared within one month from the date of end of such half year.

These valuation reports i.e., **“Half Yearly and Yearly Valuation Report”** shall be submitted by investment manager to the designated stock exchange within 15 days from the receipt of such valuation reports.

For feedback/queries, please write to Directorate of Professional Development, Perspective Planning & Studies @ 0120-4082137 or email : [financialservices.helpdesk@icsi.edu](mailto:financialservices.helpdesk@icsi.edu)



PD, PP&S/BM-2017/11

**Dear Member(s),**

Greetings !

**Sub: Request to give suggestions/comments on the Diligence Report for Lending under Consortium Arrangement/  
Multiple Banking Arrangements**

The Reserve Bank of India vide Circular DBOD. No. BP.BC.110/08.12.001/2008-09 dated February 10, 2009, mandated a due diligence for lending under Consortium Arrangement / Multiple Banking Arrangements. In terms of Paragraph 2(iii) of the above circular, in order to strengthen the information sharing system among banks in respect of the borrowers enjoying credit facilities from multiple banks, the banks are required to obtain regular certification by a professional, preferably a Company Secretary, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annex III to the above Circular.

With passage of time and to keep pace with developments, a need is felt to review the subject diligence mechanism. Moreover, the Companies Act, 2013, with revamped corporate law norms, has bearing on the format of Diligence Report for Banks.

For this purpose, the ICSI has constituted a specialised Task Force comprising eminent experts, viz. :

S/Shri	
<b>B. P. Vijayendra, Principal CGM, RBI (Retd.)</b>	Chairman
<b>K. Unnikrishnan, Deputy CEO-Indian Banks' Association(IBA)</b>	Member
<b>Dr. V. R. Narasimhan, Chief Regulations, NSE</b>	Member
<b>P. R. Rajagopal, General Manager (Law), Union Bank of India</b>	Member
<b>Sati Mukund (Ms.), Vice-President (Legal), Barclays Bank</b>	Member
<b>Prof. Gourav Vallabh Sharma, Prof. Finance &amp; Risk Management, XLRI</b>	Member
<b>CS Mahavir Lunawat, Chairman, Financial Services Committee &amp; Council Member, ICSI</b>	Member-Convener
<b>CS (Dr.) Shyam Agrawal, President, ICSI</b>	Special Invitee
<b>CS S N Ananthasubramanian, Past President, ICSI</b>	Special Invitee

While the Task Force is in process of review of the due diligence mechanism and reporting format, the ICSI invites your suggestions on the subject. May we request you to submit your specific suggestions/comments with rationales to enable ICSI to provide substantially qualitative inputs to the bankers.

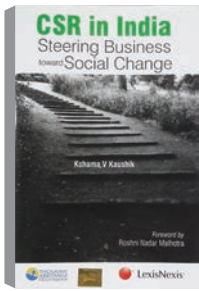
The Draft format of Diligence Report is available at the link: <https://goo.gl/4uOQ8L>

**We request the members to send their suggestions/comments at [sarika.kumari@icsi.edu](mailto:sarika.kumari@icsi.edu)** so that we can consolidate the suggestions and put up the same before Task Force for consideration.

With thanks and regards,

**CS (Dr.) Shyam Agrawal**  
President ICSI

**CS Mahavir Lunawat**  
Central Council Member, ICSI  
& Chairman, Financial Services Committee, ICSI



## CSR in India Steering Business toward Social Change

**Kshama V Kaushik**

**Published by :**  
**LexisNexis** (A Division of RELX India Pvt. Ltd.) 14th Floor, Building No. 10, Tower-B, DLF Cyber City, Phase-II, Gurgaon-122002, Haryana, India  
**Page : 268**  
**Price : 795**

**K**shama's book on CSR in India is a refreshing comprehensive presentation of the history, rationale and the arrival of the concept on the Corporate platform. The author has dealt with a wide range of issues in India and internationally. She has rightly quoted the UN document on OUR COMMON FUTURE definition of CSR as the overall contribution of business to sustainable development.

While the CSR proposition may be of recent origin in India, and got a spurt with the Companies Act 2013 according to it a statutory force, it still needs to be acknowledged that from times immemorial Indian Corporate have been in the forefront in undertaking CSR activities voluntarily. Public Sector Enterprises entered the fray by creating a separate CSR budget. Thus the entire corporate sector has now got actively involved in undertaking the CSR exercise.

While Kshama has eloquently portrayed the enlightening role played by several

Corporates in this regard, TATAs must still rank as the leading Torchbearer not only in India, but the worldover. American entrepreneurs like Henry Ford and John D Rockefeller promoted social causes particularly in areas of education but they lag far behind TATA's all pervasive effort. TATAs took a leap further when in 1973 they instructed all their Companies to amend their Articles of Association to incorporate a specific standard clause on CSR. The author has underlined the pioneering feature of the TATA WAY where 66% of the TATA Group's business is owned by the two principal Charitable Trusts and two thirds of the profits of the Group Companies go into them. The unique Jamshedpur Labour Association set up in 1920 ushering in joint consultation is the pathbreaking initiative to promote harmonious industrial relations in the giant Steel City of Jamshedpur.

The author has rightly portrayed the CSR initiatives of BIRLAs, WIPRO, UNILEVER, Godrej, GAIL, ONGC, and other corporate that are equally commendable. She has given a bird's eye view of the CSR situation prevailing in the Developed countries.

The author has provided interesting statistics on corporate spending on CSR. Out of the total CSR Fund for 2014-15 of Rs 6720 cr, only 78% was spent; more than 60% companies did not spend their entire CSR budget. 6 companies spent on CSR despite incurring losses. These are admirable figures considering that the Company Law brought in CSR only 3 year ago.

India now is on par, if not ahead, on CSR of many developed countries. The Capital Market Regulator SEBI added the BUSINESS Responsibility Report as Clause 55 to the SEBI's listing agreement.

Alfred Marshall's quote of 1910 "a score of TATA might do more for India than any Government, BRITISH or INDIGENOUS, can accomplish" is indeed very appropriate and refreshing.

The future of sustainability in the 21st century hinges in part on rethinking the definition of well-being and progress among all parties whose actions drive

change. Among the most pivotal of these is the corporation, the purpose and mission, strategies and practices, and good and services of which are indispensable to transformational change.

Corporate have an incentive to maintain a reputation for honest behaviour ex post, because it will reduce the risk premiums required by stakeholders ex ante. The phenomenon of corporate social responsibility can illustrate the issues well. The term CSR is a fashionable way of encompassing a variety of stakeholder management issues, whether they concern the treatment of employees, local communities or environmental pollution. Corporates are expected to care about the "triple bottom line" (people, planet, profit) – also sometimes characterized as "doing well by doing good".

Measurement and evaluation of CSR initiatives are still sketchy. However, a whole industry has sprung up promising to provide results measurement for social and environmental activities. One of the more punchy promises is to find ways to create a triple bottom line that allows firms to manage holistically, not just for profit but for people and the planet as well. The single bottom line is a measure of client satisfaction. When clients are voluntarily purchasing good or services, even in monopolistic industries, profit can be made only if they value their purchase more than its cost.

Change in business behaviour has been slow in coming, relative to the multiple perils confronting society in the coming decades. Moving companies from incremental to transformational change requires new forms of disclosure and performance assessment. Both must align with the core tenets of sustainability including integration across environmental, economic and social dimensions.

Kshama deserves congratulations for bringing out an innovative Treatise on CSR making it a challenging contribution to the literature on the subject.

**R Krishnan**  
*Founder President, The ICSI*

# 6

## MISCELLANEOUS CORNER



- ETHICS & SUSTAINABILITY CORNER
- GST CORNER
- CG CORNER
- ICSI MEGA PLACEMENT DRIVE 2017

# SUSTAINABILITY THROUGH SIMPLICITY

Contributed by Brahma Kumaris, Om Shanti Retreat Centre, Gurugram

**“Simplicity is the ultimate sophistication” - Leonardo da Vinci**

But when one talks about Simplicity, some may consider it to be a state of mediocrity or lack of paraphernalia, pomp and show. If we see the root of all scientific inventions and technological advancements, it is to make experiences ‘better’ by making our lives ‘simpler’; where simplicity is considered to be a state which is devoid of any complexity, burden, effort or obsolescence. But, behind the lens of all these quite different perceptions of simplicity, what is simplicity truly and why is it important to incorporate simplicity for achieving sustainability?

■ **Simplicity is a state where the inner world is stable and is able to stabilize the outer world too**

The human mind is the most amazing, powerful and complex creation of nature. With our minds, we can fathom the mysteries of the universe. But it is this mind- that we claim to be ours, yet complain to be out of our control. Such a magnificent tool, yet so unstable, subject to several modifications and afflictions. There are many factors that contribute to its instability. Unless they are neutralized, we do not experience peace. Understanding the fluctuations of the mind and normalizing them is the central feature of simplicity.

Unwinding the mind and to think simple is to refrain from complicating our original thinking pattern by introducing the externally driven feelings for the self or others. When we consider ourselves to be a name, a nationality, a religious practitioner, a professional role or a familial liability, thoughts related to all these external identities originate and cloud the mind. And when we are all of this at the same time, imagine what our mind is going through! And when these peripheral identities or our outer world changes, the whole castle of thoughts and feelings within our mind experience a roller-coaster...

Thus to be simple is to be conscious of our core, original, eternal identity, which is constant no matter how much our peripheral identities change. Understanding our permanent identity – that we are a sentient being of light- a Soul carrying out all these vivid roles, makes our job simpler by silencing our mind and giving a pause to the unnecessary thoughts related to these roles that create unrest in our mind. Just as still and clear water allows us to see what’s on the bottom of the pond; when our inner world becomes stable through the awareness of our true identity, we can explore our inner world. It helps us generate stable and powerful thoughts and we can easily stabilize our words and actions. Thus a mind which is simple and uncomplicated, can now handle these roles and responsibilities much better, actually justifying each one of them. This inside –out approach results in a state of stability and sustainability in the outer world too.

■ **With Simplicity, our mind is receptive for new ideas and we can achieve great learning in life**

**“The greatest ideas are the simplest” – William Golding**

Sometimes we are exposed to small and simple opportunities or ideas that can prove to be great solutions. But we don’t pay heed to them as we are waiting for something like a big-bang to happen in life, to give us a new learning. We don’t expect simple ideas or things to be effective and hence don’t acknowledge them.

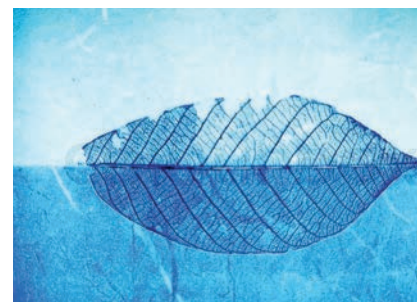
To accept simple ideas as a source of learning, our mind should be stable and not overfull of thoughts. If it is too much occupied, it can’t receive anything new; just as a bag full coins can’t hold any higher denominations of currency. Such a bag weighs more but has an amount of lesser value than a bag of higher denominations of currency. So, to get things going and new ideas coming... Keep It Simple & Sweet!



“when our inner world becomes stable through the awareness of our true identity, we can explore our inner world. It helps us generate stable and powerful thoughts and we can easily stabilize our words and actions.”



“Inside –out approach results in a state of stability and sustainability in the outer world too.”



“To accept simple ideas as a source of learning, our mind should be stable and not overfull of thoughts.”





Such simplicity reflects true beauty and elegance. Such a personality attracts everyone and such a mind influences others.



A heavy mind can't reach upto the heights of newness and explore new horizons; it gets locked up in its own cage and can't be sustained for long. Hence to ensure sustainability, it is important that our mind remains light so that it can fly high and find more ideas and learnings.

Just as we ingest food which is then chewed and later digested and absorbed as glucose in the body for further use, the information we take from the surroundings undergoes different stages of absorption. Gathering information is a process of piling up facts; learning means chewing it; while wisdom lies in their simplification. When we are surrounded by loads of information, news floating on the media - not all of which is concerned to us, thoughts about the pending and pressing to-do list, and many more, it becomes difficult for us to come out of the web of these self created thoughts, and this makes us feel miserable at times. It is like when we eat mouth-full, we can neither swallow it nor chew it properly and over-eating of heavy junk food stuff makes it further difficult to digest. As a result, much of its energy goes wasted without being useful for the body and also leads to accumulation of fats. Similarly, loads of information piled up in the mind makes us difficult to process it and get new learning. Further, the amount of knowledge and wisdom gained is even less as we are not able to digest the whole information. Thus the mind starts feeling heavy and restless.

We often come across the famous mantra by Gandhiji- "Simple Living, High Thinking". It is so true that anything which is light in weight is easy to hold and can fly up while anything heavy feels like a burden and comes down. So, a heavy mind can't reach upto the heights of newness and explore new horizons; it gets locked up in its own cage and can't be sustained for long. Hence to ensure sustainability, it is important that our mind remains light so that it can fly high and find more ideas and learnings.

#### ■ **Simplicity in life generates strength, contentment, flexibility, humility and love**

Someone asked Life: *Why are you so difficult and beyond our reach?*  
 Life smiled and replied: *Because you don't appreciate simple things and things that you have...*  
 ...appreciate small - simple things around and things you have... and I will be simple for you"

Something simple is natural while there is no limit to how far the complexity can be stretched. Stretching an elastic too much can make it brittle causing it to break, while using it within its elastic limits ensures its longevity. So being in our natural and simple state of a soul makes us less strained and stressed and ensures that our mind doesn't get tired soon. This also increases our inner resilience and strength.

People who are simple, have minimum to no expectations from others and hence no disappointments, making them feel contented. If we wait for the external situations to become favourable and simple we might have to wait for a lifetime to feel contented. However, to be simple towards life is to look at the beauty of each moment, appreciate the simple gifts of nature, rejoice small achievements, value simple ideas and help from others, acknowledge simple learning from events... this makes our life enjoyable, worthwhile and generates contentment.

Just as a rope can be bend to take any shape when it is left free. If the rope is plugged with a lot of holders on it, even though it is a rope, we can't fold it the way we like. Similarly, the original nature of the soul is simplicity. But when it holds on to several acquired beliefs, situations, expectations, chaos etc, it loses its flexibility.

A simple person is easy going and humble enough to accept and accommodate everyone. He can love others and yet not be affected by the negativity of others. Just as the nature of water is easy and simple, it takes the shape of any container it is poured, can dissolve most of the substances in it but allows dirt and sand to get deposited at the bottom of the container; the people who are easy in their behaviour are adjustable and can adapt to whatever situation they are placed. They don't hold any negativity against others and are in turn loved by all.

#### ■ **Be Simple, be a sample and inspiration to others**

*"A man is but the product of his thoughts, what he thinks- he becomes." – Mahatma Gandhi*

In this ever-changing world of acquired personalities, it is very difficult for one to be oneself, especially when everyone else (sometimes including the person himself)

wants one to be someone else. As we have already seen- our original and natural state of being a soul leads to a simple state of mind. As a result, when our thought process is simple, our words and instructions are uncomplicated and our actions reflect clarity, making the overall personality appear positive, pleasant and cheerful. Such simplicity reflects true beauty and elegance. Such a personality attracts everyone and such a mind influences others.

Everyone in the present times seems to be tired of pretending to be someone else or trying to acquire a personality that makes them feel valued by others. Further in this process, they find themselves entangled in competition and negativity. Even though they want to find a way to a simple and happy- blissful life, they themselves don't have the courage to choose and implement it. In such a case, a simple and happily contended personality spreads an aura of power and bliss around and is a source of inspiration to others. One who is simple can simplify things for others.

#### ■ **To be simple is to be easy in thoughts, words and actions**

the mind need not articulate or manipulate on thoughts, making one's thinking, doing and living simple. If we have to think a lot or make a lot of effort to make others understand then we are not thinking simple. Similarly one should use simple and common words to say the most complicated and uncommon things. This is how a great or efficient teacher is recognized- he makes learning natural and easy for the students by making it simpler. And anything simple and natural is innate and goes into doing and finally living. If something is done through external simulations, it might sometimes go away from the path or vanish before reaching the destination.

If water is allowed to flow over a simple and smooth surface, the flow is continuous with minimum deposition. While if the surface is rough, water gets accumulated between pebbles and the flow is dispersed. Thus the water collected at the end will not be the same as the actual amount of water that was allowed to pass through the surface. Similarly one's simple way of life and thinking allows maximum ideas flowing through the mind to be converted into actions and brings maximum output and efficiency. On the contrary if the thinking is complicated, the mind experiences blockages leading to gaps in performance.

#### ■ **To be Simple is to be detached**

When life seems complicated and thoughts appear to be a mesh-wire entangled within itself, the most effective way to feel better is to detach the self from this pool of thoughts, make the thinking simpler and then start afresh with new energy to process or deal with these entangled thoughts.

The most common example of this is the scenario of a traffic jam. During traffic jams, it is a practise to stop the traffic from 3 sides of the crossing and allow the traffic from 1 side to pass for certain time and then regulate the traffic on the rest of the 3 sides by following this pattern. It helps maintain traffic rules and avoid a situation of chaos or traffic jam. If the traffic is jammed, the speed of the vehicle becomes slow, a lot of anarchy is created on road, there might be accidents too with people trying to push others and enter into someone else' lane and eventually the time taken for all the vehicles to move ahead is much more vis-a-vis a regulated crossing. This is what thinking simple helps us to attain when there are large pieces of information and stimulations being bombarded on the mind from all directions.

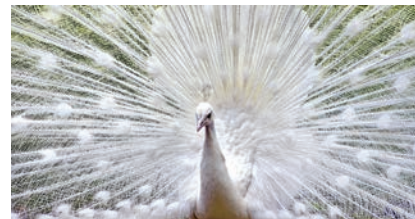
#### ■ **To be Simple, practise Silence**

'Talking is silver and Silence is gold'.

There is power in experiencing silence. Silence is the language of the soul. It is one thing to not come into sound, but what is important is learning how to become quiet inside, to become introverted. When one cultivates introversion, they prefer to be in solitude, and become detached from everything outside. One may be in an external setting, or may even be in the presence of other people, but inside they are separate and still. It's not just about sitting in silence; it's about going into the depth of the self and experiencing oneself. When in silence, one can realize one's own thinking patterns and feelings and understand the self from the core just as a still lake allows one to see what's on the bed of the lake. When one's attention is drawn within, then one will not



*People who are simple, have minimum to no expectations from others and hence no disappointments, making them feel contended.*



*A simple and happily contended personality spreads an aura of power and bliss around and is a source of inspiration to others. One who is simple can simplify things for others.*



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*Silence is the language of the soul. It is one thing to not come into sound, but what is important is learning how to become quiet inside, to become introverted.*



be dependent on the situations outside, and their nature and inner state will be good. When the mind remains silent, the thoughts become positive, peaceful and constructive. One can then create thoughts that give happiness to others also. When one is in peace and in control of ourselves, they are much less likely to react with anger or fear at any event that may take place in our lives.

#### ■ Spirituality for Simple Living, Elevated Thinking

Spirituality and its practise through Rajyoga Meditation allows us to remain detached from the complex situations and problems and hence be stable in the natural state of mind and soul. Also spirituality helps one to experience the truth, something which is constant and eternal.

When one understands that they are a sentient being of energy which only uses these external identities to manifest itself and is not really dependent on these, then one can allow the mind to be at rest and experience the natural state. Because something natural is very pure, unadulterated, obvious and comfortable, it makes one experience simplicity. This needs one to be detached from their ideas and old sanskars that arise as a reflection of the self in the various mirrors of external identities. These thoughts and ideas are not aligned to the truth as our peripheral identities which cause these thoughts to arise is not our permanent ones. Hence, thoughts arising as a result of soul consciousness are the pure and elevated ones, the implication of which is a simple and effective life.

Hence, the frequent practice of Rajyoga Meditation will allow one to develop the internal silence that will provide emotional stability. It helps us achieve the state of regulation of the mind, making us feel better. This easy, powerful and practical tool can be used at any moment to reduce tension and achieve a sense of peace and calm that will help deal with situations.

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# CORPORATE GOVERNANCE CORNER

## DEVELOPMENTS – MAY 2017

### LONDON STOCK EXCHANGE PUBLISHED NEW INTERNATIONAL SECURITIES MARKET RULEBOOK ALONGWITH REVISED ADMISSION AND DISCLOSURE STANDARDS

On 4th May 2017, the London Stock Exchange (LSE) published revised Admission and Disclosure Standards (ADS) which incorporate some minor amendments to reflect the introduction of the International Securities Market (ISM). The revised ADS came into force on 8 May 2017.

International Securities Market (ISM), a multi-lateral trading facility, has been introduced to improve the effectiveness and competitiveness of the UK's primary debt markets and will operate alongside the LSE's other fixed income markets to offer a full range of options for debt issuers.

A new ISM Form 1 has also been published, which should be used for all applications for admission to trading to ISM.

The LSE Market Notice N04/17 which announced the publication of the new ISM rulebook and the consequential amendments to the ADS are available on link provided below.

<http://www.londonstockexchange.com/traders-and-brokers/rules-regulations/change-and-updates/stock-exchange-notices/sen-home.htm>

### NEW NZX CORPORATE GOVERNANCE CODE 2017

New Zealand Exchange (NZX) on 10th May, 2017, published its final NZX Corporate Governance Code (NZX Code). This is the first substantial update to the NZX Code since 2003 and represents a significant step forward for corporate governance reporting requirements in New Zealand.

The NZX Code covers eight principles that reflect internationally accepted corporate governance practices, which are intended to protect the interests of and provide long term value to shareholders while also seeking to reduce the cost of capital for issuers. Each principle contains specific recommendations and explanatory commentary that NZX listed issuers are encouraged to adopt.

#### BACKGROUND

As part of the annual reporting requirements, issuers are currently required to state their

corporate governance policies, practices and processes either in the annual report or on the issuer's website. They are also required to comment how these differ materially from the Old Code which sets out specific principles relating to code of ethics, directors and committees.

This reporting requirement will be replaced on 1 October 2017 by new requirements in the Listing Rules, which will require an issuer to explain how, and the extent to which, it has followed recommendations set out in the New Code. If any of the recommendations have not been followed, the issuer is required to state the period for which the relevant recommendations have not been followed, its reasons for not following the relevant recommendations, and any alternative governance practice adopted.

#### THE NEW CODE - A CHANGE IN APPROACH

The New Code follows a different style from the Old Code and aligns with the tiered approach followed by ASX in its Corporate Governance Principles and Recommendations (ASX Governance Principles) and FMA's Principles for Corporate Governance (FMA Governance Principles). As explained in the 2015 NZX discussion document, in a tiered approach there are principles that outline the overarching concept for each topic and that are supplemented by recommendations outlining in more detail the particular matters that are expected of issuers in relation to the principle discussed.

It is these recommendations that effectively form the Code that must be met and reported on, on the 'comply or explain basis' referred to above. Finally, there is commentary in relation to the application of the relevant recommendations and additional best practice that is voluntary to report against.

The structure sets expected minimum standards but is flexible enough to assist compliance by listed issuers of different sizes and nature.

The reasoning behind this new regime is that investors should be able to receive an appropriate level of information on governance arrangements so that:

- (a) They and other stakeholders can have a meaningful dialogue with the Board and management on corporate governance matters;
- (b) They can use such information to help

make decisions on how to vote on particular resolutions; and

- (c) They can factor that information into their decision on whether or not to invest in the issuer.

### PURPOSE OF THE CODE

The overarching purpose of the NZX Corporate Governance Code (the NZX Code) is to promote good corporate governance, recognising that boards are in place to protect the interests of shareholders and to provide long-term value.

### STRUCTURE OF PRINCIPLES

The key principles in the New Code that closely follow the FMA Governance Principles are:

#### Principle 1 – Code of Ethical Behaviours

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

#### Principle 2 – Board Composition & Performance

To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.

#### Principle 3 – Board Committees

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

#### Principle 4 – Reporting and Disclosure

The Board should demand integrity in financial and non-financial reporting and in the timeliness and balance of corporate disclosures.

#### Principle 5 – Remuneration

The remuneration of directors and executives should be transparent, fair and reasonable.

#### Principle 6 – Risk Management

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

#### Principle 7 – Auditors

The Board should ensure the quality and independence of the external audit process.

#### Principle 8 – Shareholder Rights & Relations

The Board should respect the rights of shareholders and foster relationships with shareholders that encourage them to engage with the issuer.

The updated NZX Code will take effect from 1 October 2017 so that it must be reported against for reporting periods ending 31 December 2017 and beyond.

The final NZX Code, which includes an explanatory paper about the changes, can be found at the link below: <https://www.nzx.com/regulation/consultation>

## READERS' WRITE

The erstwhile POINTS OF VIEW column of Chartered Secretary has been re-captioned as READERS' WRITE.

Members are invited to send in their queries and views for consideration for publication in this column for soliciting views/comments from other members of the Institute.

## Congratulations

Shri Mahesh Kumar Mittal, FCS, on his being appointed as Director (Finance) in NHPC Ltd. (a Government of India Enterprise) w.e.f. 1st March, 2017

## RESULTS DECLARED: SECOND BATCH OF DIPLOMA IN INTERNAL AUDIT

The Institute recently declared results of On-line examination of Second batch of Diploma in Internal Audit held on 7th May, 2017. The Third batch of Diploma in Internal Audit is starting from June 10th, 2017.

## OBITUARIES

*Chartered Secretary deeply regrets to record the sad demise of the following Members:*

**FCS 69 CS Shyam Sundar Mishra**, (24.10.1929 – 27.03.2017), a Fellow Member of the Institute from Mumbai.

**FCS 4065 CS K A Rangaswamy**, (28.07.1932 – 05.12.2016), a Fellow Member of the Institute from Chennai.

**FCS 4363 CS Sohan Lal Seth**, (05.02.1961 – 13.12.2016), a Fellow Member of the Institute from Kolkata.

*May the almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.*

*May the Departed souls rest in peace*

## GST UPDATES

### 1. GST Council finalizes the rates for goods and services

The two-day GST Council meeting held in Srinagar on May 18-19, 2017, saw participation from states and union territories, along with Shri Arun Jaitley and senior officials from the revenue department.

An officers' panel over the last six weeks had been working towards the fitment and classification exercise – an exhaustive list specifying the tax rate of goods and services, which was presented at the Council meeting.

The Council had earlier agreed on a four broad slab structure i.e., 5, 12, 18 and 28 percent. The GST Council meet saw final conclusion on the rates of goods and services under Goods & Services Tax regime.

Few key takeaways include:

#### GOODS\*

- 81% items out of 1211 items, to be taxed at below 18% under GST
- A list of 7 per cent of the total 1,211 items have been exempted, 14 per cent of the items are in the 5 per cent tax slab, 17 per cent of total items are in 12 per cent tax slab. About 43 per cent of items will attract 18 per cent tax rate, while only 19 per cent will be in the 28 per cent tax slab
- Milk, cereals (unpackaged and unbranded), food grains, fruits, vegetables and jaggery to be exempt
- Items like "Puja Samagri" shall be subject to nil rate of GST, final composition of which is to be decided
- Normal sugar, tea, coffee and edible oil and coal have been placed in the 5% tax slab
- Medical devices, smartphones to be subject to 12%
- Soap, toothpaste, hair oil, chemicals will be taxed at 18%
- Consumer durables, packaged cement to attract 28%
- The Council is yet to decide the levy on gold, biscuits, footwear, bidis and textiles

#### SERVICES\*

- Healthcare and education services to be exempt
- 5% on car aggregators like OLA and UBER as well as advertisements
- Rail, road and air transport to be taxed at 5%
- Telecom, insurance and financial services to be taxed under 18%
- Tax on services like five star hotels, race club betting and cinema to be 28%
- Rate on lotteries is yet to be decided

GST Council also approved rules relating to Registration, Refund, Payment, Valuation, Composition, Invoice and Input Tax Credit.

#### WAY FORWARD

- GST Council to meet again on June 3, 2017 to decide pending rates on lotteries, bidis, footwear, textiles and gold jewellery and finalizing other modalities under the GST regime
- GST Network (GSTN) to make sure IT systems match

invoices and give tax credits smoothly to over 6 million taxpayers

\*Final list of rates on goods and services may be viewed at <http://www.cbec.gov.in/htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf>

<http://www.cbec.gov.in/resources//htdocscbec/gst/Schedule%20of%20GST%20rates%20for%20services.pdf>

### 2. States passing State Goods & Services Tax Bill

The following states have passed the State Goods & Services Tax Bill in their state legislatures:

- Telangana - April 9, 2017
- Bihar - April 24, 2017
- Rajasthan - April 26, 2017
- Jharkhand - April 27, 2017
- Chhattisgarh - April 28, 2017
- Uttarakhand - May 2, 2017
- Madhya Pradesh - May 3, 2017
- Haryana - May 4, 2017
- Gujarat - May 9, 2017
- Odisha - May 11, 2017
- Assam - May 11, 2017
- Arunachal Pradesh - May 12, 2017
- Andhra Pradesh – May 16, 2017
- Uttar Pradesh – May 16, 2017
- Maharashtra – May 22, 2017

### 3. Registrations under GST reopen from June 1, 2017

- The process to enrol on Goods & Services Tax Network Portal was suspended in April 30, 2017
- It will reopen for 15 days from June 1, 2017
- Around 61 lakh taxpayers out of total 84 lakh assesseees have already enrolled under the first phase of enrolment on the new payment portal of GSTN that ended on April 30, 2017
- The GSTN conducted a pilot on GST System Software from May 2-16, 2017 where 3,200 taxpayers were drawn from each State/Union Territory and Centre as participants to test the three modules of Registration, Returns and Payment
- All stakeholders involved in the GST System from taxpayer to bank to accounting authorities participated in this exercise for rehearsal for the real rollout

### 4. CPI inflation may come down by 2% by year-end: Dr. Hasmukh Adhia

- Dr. Hasmukh Adhia said the consumer price inflation rate should come down by two per cent by the end of the financial year due to improved compliance and that GST will create buoyancy in the economy

### 5. CBEC fast tracks training of officials

- The Central Board of Excise and Customs (CBEC) has brought the deadline forward for IT training of officials ahead of the expected July 1 roll-out of the Goods and Services Tax (GST)
- Ministry of Finance said only 40% of tax officials had been trained on the GST portal run by the GST Network while the remaining officials will be trained by June 15, 2017.



# भारत का राजपत्र The Gazette of India

असाधारण  
EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

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## THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI) (Constituted under the Company Secretaries Act, 1980)

### NOTIFICATION

New Delhi, the 11th May, 2017

**F. No. ICSI/5/2017.**—The following is published for general information:—

1. No. ....In exercise of the powers conferred by Sections 4(3), 5(3), 6(2) and 19(4) of the Company Secretaries Act, 1980, read with Regulations 6, 8, 13 and 14 of the Company Secretaries Regulations, 1982, the Council of the Institute hereby prescribes the following rates of fees payable by the members with effect from 1st April, 2017

Particulars	ACS		FCS	
	Fee (upto 31 <sup>st</sup> March, 2017)	Revised fee (w.e.f. 1 <sup>st</sup> April, 2017)	Fee (upto 31 <sup>st</sup> March, 2017)	Revised fee (w.e.f. 1 <sup>st</sup> April, 2017)
Annual membership fee	Rs. 1125	Rs. 2500	Rs. 1500	Rs. 3000
Entrance fee	Rs. 1500	Rs. 2000	Rs. 1000	Rs. 2000
Restoration fee	Rs. 250	Rs. 250 (no change)	Rs. 250	Rs. 250 (no change)
Certificate of Practice fee	Rs. 1000	Rs. 2000	Rs. 1000	Rs. 2000

2. The Council of the ICSI further notifies the rates of fees payable by the newly admitted Associate members of the ICSI having 0-2 years of membership (i.e. members admitted w. e. f. 1st April, 2015 and thereafter), w. e. f. 1st April, 2017, as under

Particulars	ACS	
	Fee (upto 31 <sup>st</sup> March, 2017)	Fee with effect from 1 <sup>st</sup> April, 2017 for members with 0-2 years of standing i.e. ACS admitted on or after 1 <sup>st</sup> April, 2015
Annual membership fee	Rs. 1125	Rs.1500
Entrance fee	Rs. 1500	Rs.2000
Restoration fee	Rs. 250	Rs.250 (no change)
Certificate of Practice fee	Rs. 1000	Rs.1500

3. The concessional fee structure shall be applicable to the members having membership of 0-2 years (admitted on any date, on or after 1st April, 2015 to 31st March, 2017) for two financial years only, i.e. for FY 2017-18 and 2018-19. The concessional fee rates will also be applicable to the members admitted on any date, on or after 1st April, 2017 for two financial years (i. e. the year of admission and the following year) till further determination of fee, if any, by the Council.

DINESH C. ARORA  
Secretary  
[ADVT -III/4/Exty./79/17]



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# COMPANY SECRETARIES BENEVOLENT FUND



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The Company Secretaries Benevolent Fund (CSBF) provides safety net to Company Secretaries who are members of the Fund and their family members in distress.

### CSBF

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- Recognised under Section 12A of the Income Tax Act, 1961
- Subscription/Contribution to Fund qualifies for the deduction under section 80G of the Income Tax Act, 1961
- Has a membership of over 12,000

### Eligibility

A member of the Institute of Company Secretaries of India is eligible for the membership of the CSBF.

### How to join

- By making an application in Form A (available at [www.icsi.edu/csbf](http://www.icsi.edu/csbf)) along with one time subscription of ₹10,000/-.
- One can submit Form A and also the subscription amount of ₹10,000/- ONLINE through Institute's web portal: [www.icsi.edu](http://www.icsi.edu). Alternatively, he can submit Form A, along with a Demand Draft or Cheque for ₹10,000/- drawn in favour of 'Company Secretaries Benevolent Fund', at any of the Offices of the Institute/ Regional Offices/Chapters.

### Benefits

- ₹7,50,000 in the event of death of a member under the age of 60 years
- Upto ₹3,00,000 in the event of death of a member above the age of 60 years
- Upto ₹40,000 per child (upto two children) for education of minor children of a deceased member in deserving cases
- Upto ₹60,000 for medical expenses in deserving cases
- Limited benefits for Company Secretaries who are not members of the CSBF

### Contact

For further information/clarification, please write at email id [csbf@icsi.edu](mailto:csbf@icsi.edu) or contact Mr. Saurabh Bansal, Executive on telephone no.011-45341088.

For more details please visit [www.icsi.edu/csbf](http://www.icsi.edu/csbf)

# ICSI MEGA PLACEMENT DRIVE 2017

**T**he Institute this year under the dynamic leadership of CS (Dr.) Shyam Agrawal President, ICSI and CS Rajiv Bajaj, Chairman, Placement Committee has decided to dedicate its energies towards supporting the young members by providing suitable platform to find appropriate employment opportunities. Accordingly, the ICSI organised first ever Mega Placement Drive across four regions simultaneously. Prior to the Mega Placement Drive the Institute launched a program to register senior FCS members as the mentors for ICSI Placement Drive. There was a participation of around 250 FCS members who have registered online as Mentors for such initiative.

The Mega Placement Drive was started at WIRC and SIRC on 19th May 2017 at Mumbai and Chennai respectively. Thereafter it was conducted at NIRC-Delhi on 26th and 27th May 2017 and EIRC-Kolkata on 27th May 2017. The Directorate of Training and Placement invited online applications from the members who had received the membership on or after 1st January 2015. Around one thousand members applied online to participate in ICSI- Mega Placement Drive. The companies were invited to make online registrations to participate in the ICSI- Mega Placement Drive.

The Pre-Interview Confidence Building Module was designed with the aim of sensitising the members for confidence building and preparing them to face the interview situations. The orientation program saw the highest level of commitment from the management. The Secretary-ICSI took Interactive sessions at NIRC with members on interview preparation and tips to handle tricky questions during interviews. During his presentation he also demonstrated the art of mock interview to the participants. His involvement and constant encouragement during the process was highly appreciated by members. Industry experts and trainers were also invited in other regions and addressed the members on ways of handling interview situations.

Group Discussions were conducted with each group having maximum 10 members. Members were given 5-7 minutes for discussion on the topics followed by evaluation from the expert trainers. The members participating in the GD sessions were evaluated on various parameters like Communication skills, Interpersonal skills, Persuasion ability, Leadership ability, and knowledge of the topics.

The drive saw an overwhelming response from the corporate and members in the four regions. Around Three hundred members appeared for interviews out of which over two hundred members were shortlisted during the drive by almost one Hundred Companies and Firms .

The Mega placement drive was an initiative to provide employment opportunities to the young members which received tremendous response from the members as well as the corporate since the process of scrutiny and the selection procedure for placement was followed in a scientific manner. There was huge demand from the members to organise similar placement activities at least twice in a year.



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## BoardEye

↑ A highly recommended Board Portal, which provides:

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... acquiring **BoardEye** should facilitate listed companies with busy boards to assist their directors in executing their duties to the company more effectively and efficiently.

**BoardEye fully supports the secretarial team** ... far more comfortably than before, whether its planning meetings, conducting them or implementing effects of the meeting later. ~ Dr K R Chandratre

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