

**JANUARY
2023
01**

STUDENT COMPANY SECRETARY

[e-Journal for Executive & Professional Students]

Happy
2023
New Year



Role of Stewardship and Proxy Firms in Corporate Governance



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



STUDENT COMPANY SECRETARY

[e-Journal for Executive & Professional Students]

January 2023

President

CS Devendra V. Deshpande

Prepared by

Directorate of Academics

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“Leadership and learning are indispensable to each other.”

—John F. Kennedy

Dear Students,

New beginnings have always, the world over and since times immemorial been considered to be harbingers of hope and happiness – bringing with them opportunities – to grow, to excel and even to find our true callings.

Accompanied with my own best wishes and that of the entire Institute for the New Year, I truly hope that the onset of 2023 shall not only bring to you success in your academic endeavours but a deeper understanding of the expectations of the Institute, the corporate sector and the Regulatory Authorities along with various other stakeholders from the next league of torchbearers of good governance, the future Company Secretaries.

And words would not suffice to share the happiness and delight of meeting you in a formal yet informal setting of Yuvotsava-2023. Witnessing the performances of students from across the nation together on one stage, watching them share their talents with us, ones which go beyond the pages of study materials and course books but elate us and fill our hearts with satisfaction; was indeed gratifying.

While the winning certificates may have been taken home by a few, but to me each one of you is a winner and my heartiest congratulations to all of you. As you pursue your professional goals with great zeal, I hope that you never lose touch with your creative side.

Friends, the New Year has brought with it the task of penning down resolutions which would be our commitment to ourselves – be it of physical transformation, educational growth or professional achievements. My suggestions this year to each one of you would be to put in great deal of thought before picking up a goal. A practical approach and

realism in thought are definitely bound to lead you to the achievement of the intended goal howsoever big or small. Adding to that thought a little more perspective, I believe achieving a few small goals is better than setting a big goal and losing hope midway.

Although the entire last year, the pages of this Newsletter have accorded me the perfect opportunity to connect with each one of you, and sharing each and everything under the sun – be it my personal experiences, anecdotes and lighter notes, words of advice as and when solicited by the ongoing situations and even my own anticipations; yet a lot seems to have been left unsaid.

This month as I sit to pen this first amongst the last of my messages as the President, the feeling of nostalgia persists. On a personal level, I have always placed immense faith and trust in your abilities and capabilities but your individual success as well as that of the profession and this Institute all lie in the strength of our combined commitment and action.

It goes without saying that my commitment towards the Institute and my fondness & affection for each one of you goes beyond this designation and Chair of the President. Your concerns shall always be my topmost priority just as I am sure that upholding the brand and living up to the 5 decade strong legacy of this profession shall be yours.

With my greetings and compliments wishes of the New Year, I wish all of you all the best for all your future endeavours.

May we all take the Institute to new and greater heights !!!

Warm regards,

(CS Devendra V. Deshpande)

President

The Institute of Company Secretaries of India

Date : January 18, 2023

Place : New Delhi

RECENT INITIATIVES FOR STUDENTS

- The **Student Company Secretary e-journal** for Executive / Professional programme students of ICSI has been released for the month of **December, 2022**. The same is available on the Institute's website at the weblink: <https://www.icsi.edu/e-journals/>
- The **Student Company Secretary journal** for Executive / Professional programme students of ICSI containing the academic inputs i.e. Articles, Practice Mentor, Regulatory Updates, Case Snippets etc. has been released for the month of **December, 2022**
- The **CSEET Communique (e-bulletin)** for the month of **December, 2022** containing the latest updates / concepts through articles / write-ups and sample questions in respect of Papers of the CSEET has been placed on the ICSI website. The same is also available at the CSEET Portal at the Institute's website at the weblink: <https://www.icsi.edu/students/cseet-e-bulletin/>
- The **CSEET Guide I and II** comprising the Multiple Choice Questions on Business Communication, Legal Aptitude and Logical Reasoning, Economic and Business Environment and Current Affairs has been updated and released.
- The **CS Foundation course e-bulletin** for Foundation programme students of ICSI has been released for the month of **December, 2022**. The same is available on the Institute's website at the weblink: <https://www.icsi.edu/e-journals/>
- **Info Capsule** is being issued as an update on daily basis for members and students, covering latest amendments on various laws for the benefit of our members and students. The same is available on the ICSI website at the weblink: <https://www.icsi.edu/infocapsule/>
- **Yuvotsav-2023 was organised on 11th-12th January 2023 in Noida**
 Watch Yuvotsav-2023 at social media handles of ICSI
 YouTube ICSI : <https://youtu.be/pZq1Gd8jV30>
 Facebook ICSI: <https://fb.watch/i4GZeuuYQI/>
 Twitter ICSI:
https://twitter.com/icsi_cs/status/1613408201743159300?s=20&t=3s43P7RdF6Ef8IqcWKY9tg
- **CSEET May 2023 session will be held on 6th May 2023**
 CSEET **May 2023** session will be held on **6th May 2023**. The details are available at the website of the Institute at the following link. The link to register is:
https://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

- **ICSI is organizing free Half Day Programme for the students of ICSI (Every month) through its Regional and Chapter offices**

For details, please click here

https://www.icsi.edu/media/webmodules/06092022_halfdayprogramme.pdf

- **The Paper bound CSEET reading material will be provided mandatorily to all the students at the time of CSEET registration**

The Institute has decided that the printed copy of **Paper bound CSEET reading material** will be sent to all the students registering for CSEET by post, for which Rs.500/- will be taken at the time of registration from the students registering for CSEET in addition to Rs. 1000/- (CSEET Registration fee).

The same is mandatory for all the students registering for appearing in CSEET from April 16, 2022 onwards.

- **CSEET Referencer will be provided on optional basis to all students at the time of CSEET registration**

CSEET Referencer will be provided optionally to all the students at the time of CSEET registration. The same is applicable for the students registering in CSEET w.e.f 16th June 2022. The Students are required to remit Rs. 1000/- in addition to Rs. 1500/-.

- **CSEET students can now register for CSEET Classes by Regional/Chapter Offices at the time of CSEET Registration.**

In its endeavour to provide prompt services to the students, Institute has taken a new initiative and has facilitated CSEET students to register directly for the CSEET classes at the time of CSEET registration. CSEET students can now register directly for the CSEET classes conducted by the Regional/Chapter Offices at the time of CSEET registration. This will help the students to join classes hassle free at their nearest location.

Link to register is

https://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

- **Executive Programme students can now register for Classes by Regional/Chapter Offices at the time of Executive Programme Registration.**

Institute has facilitated Executive Programme students to register directly for the Executive Programme classes at the time of Executive registration. Executive Programme students can now register directly for the Executive Programme classes conducted by the Regional/Chapter Offices at the time of Executive Programme registration. This will help the students to join classes at their nearest Regional/Chapter Office.

- **ICSI classes at Regional/ Chapter offices for CSEET May 2023 examination**

Details of Regional/Chapter offices conducting classes are available at the following link.

<https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>

- **ICSI Classes at Regional/ Chapter offices for June 23 session of Examination**

Classes are being conducted by Regional/Chapter Offices for the students appearing in June 23 Examination.

Details of Regional/Chapter offices conducting classes are available at the following link.

<https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>

- **Recorded video lectures for students of the Institute**

ICSI is recording video lectures of eminent faculties for the students of ICSI which help them to prepare for the examination. Students of the Institute can access recorded videos available on the E-learning platform as per details given below.

URL to login: <https://elearning.icsi.in>

Login credentials are sent to all registered students at email.

After successful login, go to “My courses” or “My Communities” section, where you will find the recorded videos and other contents

- **Launch of 24 Hours e-PDP on Institute LMS Portal**

The Institute has launched 24 Hours Professional Development programme (e-PDP) as applicable under earlier training structure is now available at the Institute’s LMS portal at anywhere and anytime mode. The Link of the same is as given below:-
https://www.icsi.edu/media/webmodules/e-PDP_on_LMS.pdf

- **Organising Samadhan Diwas**

The 24th Samadhan Diwas of the Institute was organised on 16th January, 2023 at 3:00 PM. The queries of all the students who participated in the Samadhan Diwas, were resolved on the spot.



Academics



- **Role of Stewardship and Proxy Firms in Corporate Governance**
- **Climate Finance - A Catalyst in Conserving Climate**

Role of Stewardship and Proxy Firms in Corporate Governance*

Introduction

Indian stock markets has grown manifold from its inception and have witnessed sea-changes in both financial and corporate governance and with the passage of time as number of corporate houses, volume and value of stock market transactions and various forms of companies participation in stock market soared, it created a need to have a robust financial advisory services to avert investors from investing their surplus funds in such investment avenues that may result into erosion of their wealth. In view of this, the concept of Steward gained steam that is the asset managers who on behalf of their clients act as stewards for the companies in which they invest, to foster better governance and improve their financial, environmental and social performance. Moreover, with the rising number of investors, investor stewardship, i.e., responsible allocation of capital and its optimum utilization is the quintessence of best investment practices.

In light of the aforesaid facts, stewardship has become the global mantra and yardstick of long-term value. It is heartening to note that by 2020 a total of 35 stewardship codes have witnessed the light of the day across 20 jurisdictions in six continents. In 2022, three more stewardship codes took birth, i.e., stewardship codes of Brazil, Russia and Taiwan. There is an onset of stewardship initiatives in Germany too. It is to be noted that stewardship principles have been developed both at international and regional levels, thereby giving it a global flavor.

Having discussed about stewardship codes, it is imperative to comprehend its meaning. Stewardship Code involves public description of the approach espoused by institutional investors¹ in formulating decisions with the aim of encouraging best corporate governance practices in their investee companies to ensure optimal returns on investments to the investors.

¹ Institutional investors are companies, business units, or legal entities that take funds from their clients, create a pool and use this pool of funds to invest in a variety of financial instruments like pension funds, mutual funds, stocks, bonds, etc. These entities have high creditworthiness and solvency in comparison to retail investors. Institutional investors include commercial banks, mutual fund companies, insurance companies, endowment funds, hedge funds, etc. Institutional investors may act independently or be part of a larger company group or conglomerate. This is, for example, the case for mutual funds who are often subsidiaries of banks and insurance companies.

* *Dr. Akinchan Buddhodev Sinha, Deputy Director & CS Bharati Yadav, Executive Academics, The ICSI*
Views expressed in the Article are the sole expression of the Author(s) and may not express the views of the Institute.

At this juncture, it is of paramount academic and research interests to explore the stewardship initiatives in India (please refer Table 1).

Table 1
Stewardship initiatives in India

Year	Development Trajectory
2010	SEBI mandated Mutual Funds to publish their voting policies
2012	Mutual Funds were directed to publish their votes on shareholder resolutions
2014	SEBI brought e-voting shareholder's resolution weighed by number of shares held along with voting rationale
2016	PFRDA compelled pension funds to vote on shareholder resolutions
2017	IRDAI recommended insurers to draft Stewardship Code, insurers were required not only voting but also to engage with investee company
2018	PFRDA asked pension funds to adopt Stewardship Code
2019	SEBI asked Mutual Funds/AIF to adopt Stewardship Code
2022	SEBI insisted Mutual Funds are required to vote on all resolutions

As per Regulation 2(p) of SEBI (Research Analysts) Regulation 2014:

"Proxy Advisory" means any person who provide advice, through any means, to Institutional investor or shareholder of a company, in relation to exercise of their rights in the company including recommendations on public offer or voting recommendation on agenda items.

Proxy Advisory in corporate world is a recent addition commenting on recommendatory basis on workings of public or listed companies and sometimes sharing research based opinions to investors generally to institutional investors, foreign investors and small shareholders, on how to vote in general meetings. Proxy Advisors normally formulate a set of publically disclosed standards which an ideal organization should follow and benchmarks for evaluation, even often exceeding the benchmarks set down by laws of land for chasing good governance practices.

The law provides voting powers in the hands of shareholders which may affect the corporate governance practice of a company. Usually institutional investors collectively hold large chunk in the shareholding of a corporate. Although they may not be having research based

information for decision making, therefore the proxy advisory penetrates agenda items through their experience and research techniques and evaluates the agenda by synchronizing the intentions of promoters or the management of a company, with statistical data or factual data.

Introduction of Proxy Advisory firms in India

In the present global scenario, the need of proxy advisory is gaining traction both in India and worldwide. Investor's education and awareness platforms have increased the demand of proxy advisory firms for providing the research based information to shareholders. This has resulted for utilizing their voting rights efficiently and shareholder not to only depend on the information passed by management of a company. The proxy advisory firms undertake intense research and study for the best corporate governance practices being adopted by the companies globally, they prepare the policies to set standardized benchmarks for best governance practices.

The Indian industry of proxy advisory services is backed by registered proxy advisory firms- Institutional Investor Advisory Services India Limited (IIAS), Stakeholder Empowerment Services (SES), Institutional Shareholder Services India Private Limited (ISSIPL) and Ingovern Research Services Private Ltd (IRSPL).

In the past few years, many companies including leading companies like Eicher Motors, JSW Energy, Lupin Ltd and Mindtree etc. have seen their proposals being defeated when put to vote by shareholders. This shareholder activism has made corporate India more conscious of shareholders' interest to ensure functioning of the company in a well governed manner.

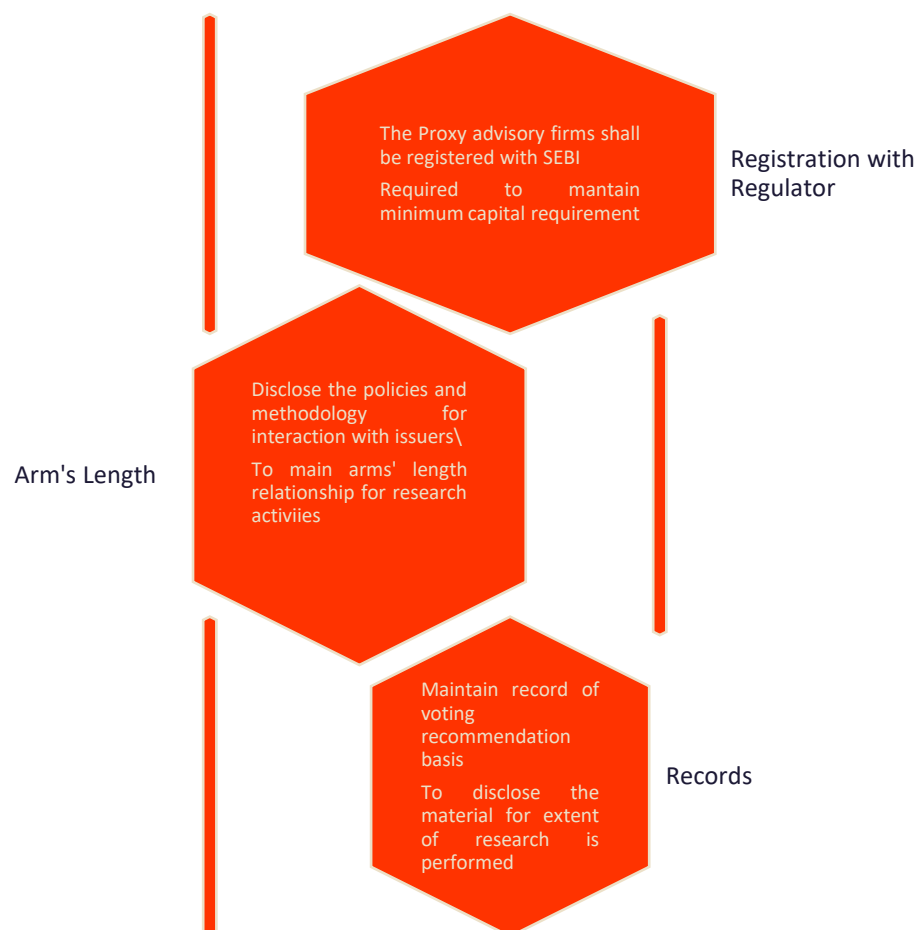
Advisory Firms-Functions

Proxy advisory firms calculate the growth aspects of the company by doing ESG analysis. ESG analysis means the study of Environmental, Social and Governance related factors of the company for a rationale decision making; and to provide basis of understating with logics and reasons for making significant decisions by shareholders for voting. The firms follow the report card like contents in its reports, mentioning resolution to which "for" and "against" with reasons. Firms' mention various parameters for each of the resolution proposed by the entity for motion with recommendatory concerns viz, governance concern, disclosure & transparency concern, fairness concern, legally compliant/non-compliant concern etc. These firms are doing work of torch bearer to the minority shareholders who might not be knowing the intricacies of any motion resolved to be passed by the management. Major contribution of proxy advisory is evaluation of risks and monitoring.

SEBI regulates the activities of proxy advisors under SEBI (Research Analyst) Regulations, 2014 by requiring registration and provide a regulatory conduct framework for research analysts.

Subsequently, SEBI vide circular dated 03rd August, 2020, issued Procedural Guidelines for Proxy Advisors laying down additional guidelines to be adhered to by Proxy Advisors & Grievance Resolution between listed entities and proxy advisers dated August 04, 2020.

Following are some of the requirements of proxy advisory under the said regulations:



- Qualifications requirements related to research analysts
- Capital adequacy requirement of research analysts
- Management of conflicts of interest and disclosure requirements
- Limitation on trading done by research analysts
- Limitations on publication of research report, public appearance and conduct of business, etc.
- Disclosures in research reports
- Contents of research report
- Regulation on general responsibility etc.

Proxy Advisory-Impact Analysis

Historically, the shareholders activism was affected by certain Indian market un-covered aspects. Firstly, there was lesser separation of ownership and management. Various Indian quoted companies were controlled by 'promoters' (i.e., their original organization founding people) and the interests of the institutional or public shareholders were given less priority by those promoters. Secondly, very less hostile takeovers were reported, and promoters were working with a very little amount of fear of non-consensual change of control. Third, the institutional investors in India were not united as in the United States or the United Kingdom.

To overcome the market challenges in India faced during past decades, various legislative and regulatory changes took place to form a strong economic base and therefore the corporate governance benchmarks, increased minority shareholder rights, created new shareholder remedies, and encouraged greater institutional shareholder engagement. Also, registered proxy firms are active in India and based on their research based data, investors have become more equipped with informed decision making data. Shareholders activism in India, is however at the initial stage of evolution in comparison with the United States, but with significant change, promoters are considering that the investors and their interests cannot be taken for granted. Some of the instances are quoted below:

a) Role in appointment and removal of directors

As per provisions of the Companies Act, 2013, the directors are appointed, re-appointment and removed by way of shareholders' approval; the shareholders are reportedly voting on the basis of informed decision making.

b) Check on remuneration

Reportedly, institutional shareholders have shown their powers and shattered the approval on executive director's remuneration by analyzing the factual. Also they have sometimes opposed for imbalanced commissions and incentives proposals.

c) Qualified Financial Statements

Adoption of financial statements has been objected by the shareholders due to statutory auditors have given qualified opinion on weak internal financial controls.

d) Role in oppression and miss-representation

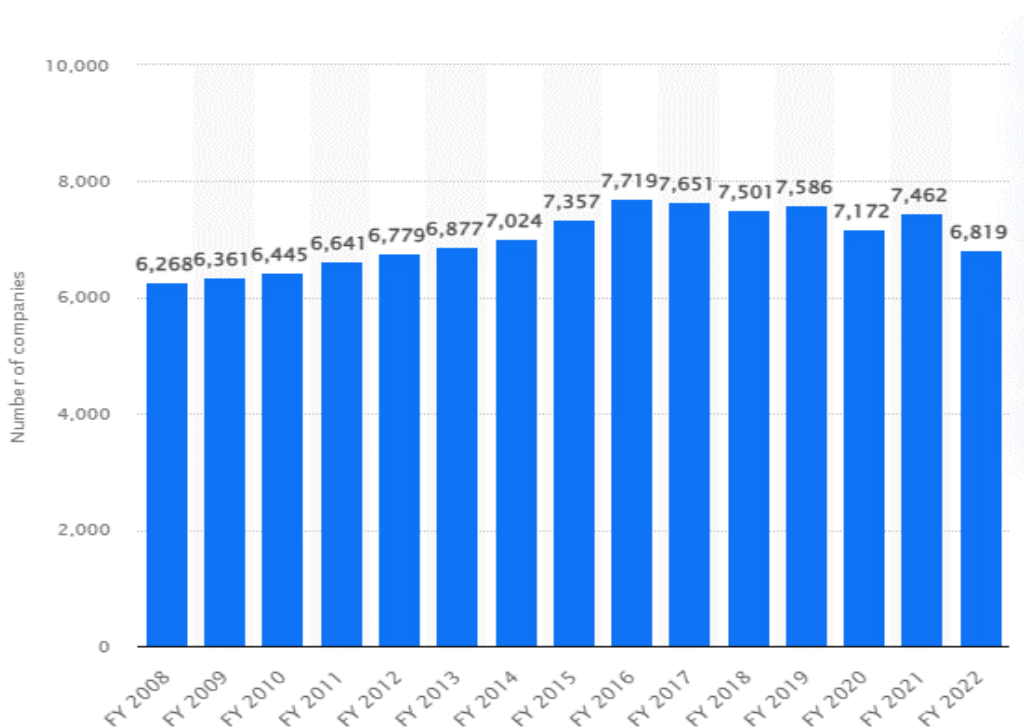
The Companies Act, 2013 caters legal remedies to shareholders with the provisions of oppression and mismanagement, minority shareholders can claim relief under the oppression and mismanagement.

e) Non-disclosure of ESOPs related information

Many times the institutional investors have voted against the resolution pertaining to consideration of Employee Stock Option Plan and grant of stock options to the eligible employees, the reason to dissent was non-disclosure of informations as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and its circulars.

The scope for proxy advisory firms may be estimated from the glimpses of the companies listed in BSE and NSE during the period 2008 to 2022 in exhibit 1. As more the number of companies get listed in the aforesaid stock exchanges, it provides plethora of opportunities to the proxy advisory firms to guide the investors.

Exhibit 1
Companies listed in BSE and NSE



Source: Statista.com

Global Scenario-Stewardship

As mentioned, stewardship codes have been launched in many nations, however, in this article the stewardship codes of two nations have been discussed, i.e., United Kingdom (UK) and Japan.

i) UK Stewardship Code, 2020 – Broad over view

Financial Reporting Council (FRC) sets:

- i. UK Corporate Governance Code through good corporate governance principles to be followed by listed companies and
- ii. UK Stewardship Code, 2020 does not directly deal with listed companies, but encourages engagement by investors including fund managers and service providers such as proxy advisory firms etc, to report specific stewardship activities. The Code comprises a set of ‘apply and explain’ Principles for asset managers and asset owners, and a separate set of Principles for service providers.

The UK Stewardship Code, 2020, which is operational with effect from January 01, 2020 also recognises that asset owners and asset managers play an important role as guardians of market integrity and in working to minimise systemic risks as well as being stewards of the investments in their portfolios. The Code expects investors to explain how they have exercised stewardship across asset classes such as listed equity, private equity, infrastructure investments, and in investments outside the UK etc.

There are 12 principles aimed at asset managers/asset owners and 6 principles aimed at service providers. These are supported by reporting expectations which indicate the information that should be publicly reported in order to become a signatory.

ii) **Japan's Stewardship Code**

In this Code, “stewardship responsibilities” refers to the responsibilities of institutional investors to enhance the medium- to long-term investment return for their clients and beneficiaries (including ultimate beneficiaries; the same shall apply hereafter) by improving and fostering the investee companies’ corporate value and sustainable growth through constructive engagement, or purposeful dialogue, based on in-depth knowledge of the companies and their business environment and consideration of sustainability (medium- to long-term sustainability including ESG factors) consistent with their investment management strategies.

This Code defines principles considered to be helpful for institutional investors who behave as responsible institutional investors in fulfilling their stewardship responsibilities with due regard both to their clients and beneficiaries and to investee companies. By fulfilling their stewardship responsibilities properly in line with this Code, institutional investors will also be able to contribute to the growth of the economy as a whole.

In the Code, two categories of institutional investors are identified: “institutional investors as asset managers” (hereafter, “asset managers”), which are entrusted to manage funds and invest in companies; and “institutional investors as asset owners” (hereafter, “asset owners”), including providers of funds.

The asset managers are expected to contribute to the enhancement of the corporate value of investee companies through day-to-day constructive dialogue with them.

The asset owners are expected to disclose their policies on fulfilling their stewardship responsibilities and contribute to the enhancement of the corporate value of investee companies through their own actions and/or the actions of the asset managers, to which they outsource their asset management activities.

The asset managers should aim to know the intention of the asset owners so that they can provide services as expected, and the asset owners should aim to assess the asset managers in line with the Code, not placing undue emphasis on short-term performance.

Parties such as proxy advisors and investment consultants for pensions which provide services at the request of institutional investors, etc. to contribute to the institutional investors’ effective execution of stewardship activities (hereafter “service providers for institutional investors”) are expected to play important roles in enhancing the functions of the entire investment chain running from their clients and beneficiaries to the investee companies. Principle 8 of the Code specifically applies to service providers for institutional investors.

Proxy Advisory – Indian Scenario

The concept of Proxy Advisory is quite new to India, as it is largely driven by shareholder activism which itself is in nascent stage in India. No doubt, the capital market regulator SEBI

have taken a giant leap in this direction through SEBI (Research Analysts) Regulations, 2014 that focused on the vital dimensions of eligibility norms, capital adequacy registrations, management of conflict of interest, disclosure requirements and other facts but still miles to go. First, the shareholders or investors needs to be sensitized about proxy advisory concept and its significance in preserving the value of investments, second more firms needs to be appear on the landscape of proxy advisory business for ensuring better financial and corporate governance.

The silver lining is that through its regulatory structure, India has already started marching in this direction. Thus, it may be stated without an iota of doubt that Indian proxy advisory firms have immense potential for growth.

Conclusion

Due to the tremendous efforts by market regulator and the Ministry of Corporate Affairs in past decade, the shareholders have become more aware about their rights and power of voting. Shareholders are no more dependent on the decisions made by the Board and management only, rather they seek third party consultancy in the form of proxy advisory to make sure that the investments decisions made by the company board is not detrimental to their interests.

References:

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- https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul-2019/1564397820336.pdf#page=20&zoom=80,-82,845
- <https://corpgov.law.harvard.edu/2019/06/25/proxy-advisory-firms-governance-failure-and-regulation/>
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Climate Finance - A Catalyst in Conserving Climate*

Prologue

The adverse effects of climate are being experienced across the globe. Referring to the excerpts from the findings on climate science of the Intergovernmental Panel on Climate Change (IPCC), it states that around 1.6 billion people live in vulnerability hotspots, a number projected to double by 2050. Climate-driven hazard mortality is 15 times higher in hotspot countries than in the least-vulnerable countries, communities residing in “regions at risk”, are increasingly susceptible to climate change and climate-related hazards, where resilience (physical, ecological and socioeconomic) decreases with worsening levels of inequality, state fragility and poverty etc. The regions clustered under regions at risk are- parts of Central America, Asia and the Middle East, and in Africa across the Sahel, Central and East Africa.

The menace of climate change are likely to create impediments in sustainable development, by increasing risks to human health, inundating low-lying areas, increasing the severity and frequency of extreme weather events, altering water supplies, changing crop yields and ecosystems, and in other ways.

Mr. Kofi Annan, the erstwhile Secretary-General of the UN remarked at the Paris Climate Agreement that “The world is reaching the tipping point beyond which climate change may become irreversible. If this happens, we risk denying present and future generations the right to a healthy and sustainable planet - the whole of humanity stands to lose”.

The contribution of countries to climate change, and their capacity to prevent and cope with its consequences, varies enormously. The Convention and the Protocol therefore foresee financial assistance from Parties with more resources to those less endowed and more vulnerable. Apart from the financial assistance by developed country Parties to developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations, the United Nations Framework Convention on Climate Change (UNFCCC) popularly known as Convention established a Financial Mechanism to provide funds to developing country Parties.

Shri Narendra Modi, Hon’ble Prime Minister of India during his speech at COP 26 Summit at Glasgow in November 2021 presented the *panchamrit* (five nectar elements) *inter alia* includes the target of net zero emissions by 2070 to provide an unprecedented contribution of India to climate action. To achieve this, India requires substantial climate finance and technology transfer without barrier.

* Mahesh Airan, Assistant Director, The ICSI

Views expressed in the Article are the sole expression of the Author and may not express the views of the Institute.

Meaning and Evolution of Climate Finance

Climate finance refers to local, national or transnational financing—drawn from public, private and alternative sources of financing—that seeks to support mitigation and adaptation actions that will address climate change.

-United Nations Framework Convention on Climate Change (UNFCCC)

The Convention, the Kyoto Protocol and the Paris Agreement call for financial assistance from Parties with more financial resources to those that are less endowed and more vulnerable. This recognizes that the contribution of countries to climate change and their capacity to prevent it and cope with its consequences vary enormously. Climate finance is needed for mitigation, because large-scale investments are required to significantly reduce emissions. Climate finance is equally important for adaptation, as significant financial resources are needed to adapt to the adverse effects and reduce the impacts of a changing climate.

In accordance with the principle of “common but differentiated responsibility and respective capabilities” set out in the Convention, developed country Parties are to provide financial resources to assist developing country Parties in implementing the objectives of the UNFCCC. The Paris Agreement reaffirms the obligations of developed countries, while for the first time also encouraging voluntary contributions by other Parties. Developed country Parties should also continue to take the lead in mobilizing climate finance from a wide variety of sources, instruments and channels, noting the significant role of public funds, through a variety of actions, including supporting country-driven strategies, and taking into account the needs and priorities of developing country Parties. Such mobilization of climate finance should represent a progression beyond previous efforts.

It is important for all governments and stakeholders to understand and assess the financial needs of developing countries, as well as to understand how these financial resources can be mobilized. Provision of resources should also aim to achieve a balance between adaptation and mitigation.

Overall, efforts under the Paris Agreement are guided by its aim of making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Assessing progress in provision and mobilization of support was also part of the global stocktake under the Agreement. The Paris Agreement also places emphasis on the transparency and enhanced predictability of financial support.

Paris Agreement

The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.

To achieve this long-term temperature goal, countries aim to reach global peaking of greenhouse gas emissions as soon as possible to achieve a climate neutral world by mid-century.

The Paris Agreement is a landmark in the multilateral climate change process because, for the first time, a binding agreement brings all nations into a common cause to undertake ambitious efforts to combat climate change and adapt to its effects. The Paris Agreement provides a framework for financial, technical and capacity building support to those countries who need it.

Climate Finance in the Paris Agreement

Article 9 of the Paris Agreement stipulates that developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention. Other Parties are encouraged to provide or continue to provide such support voluntarily.

Furthermore, as part of a global effort, developed country Parties should continue to take the lead in mobilizing climate finance from a wide variety of sources, instruments and channels, noting the significant role of public funds, through a variety of actions, including supporting country-driven strategies, and taking into account the needs and priorities of developing country Parties. Such mobilization of climate finance should represent a progression beyond previous efforts.

In addition, Article 9 states that the provision of scaled-up financial resources should aim to achieve a balance between adaptation and mitigation, taking into account country-driven strategies, and the priorities and needs of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States, considering the need for public and grant-based resources for adaptation.

Establishment of Financial Mechanism/Fund by UNFCCC/COP

To facilitate the provision of climate finance, the Convention established a financial mechanism to provide financial resources to developing country Parties. The financial mechanism also serves the Kyoto Protocol and the Paris Agreement.

The Convention states that the operation of the financial mechanism can be entrusted to one or more existing international entities. The Global Environment Facility (GEF) has served as an operating entity of the financial mechanism since the Convention's entry into force in 1994. At COP 16, in 2010, Parties established the Green Climate Fund (GCF) and in 2011 also designated it as an operating entity of the financial mechanism. The financial mechanism is accountable to the COP, which decides on its policies, programme priorities and eligibility criteria for funding.

In addition to providing guidance to the GEF and the GCF, Parties have established two special funds managed by the GEF -

1. The Special Climate Change Fund (SCCF) - This fund was established to finance projects relating to adaptation; technology transfer and capacity building; energy, transport, industry, agriculture, forestry and waste management; and economic diversification. This fund should complement other funding mechanisms for the implementation of the Convention
2. The Least Developed Countries Fund (LDCF) – This fund was established to support a work programme to assist Least Developed Country Parties (LDCs) carry out, inter alia, the preparation and implementation of national adaptation programmes of action (NAPAs).

The Adaptation Fund (AF) was established in 2001 to finance concrete adaptation projects and programmes in developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change.

At the Paris Climate Change Conference in 2015, the Parties agreed that the operating entities of the financial mechanism – GCF and GEF – as well as the SCCF and the LDCF shall serve the Paris

Agreement. Regarding the Adaptation Fund serving the Paris Agreement negotiations are underway in the Adhoc Working Group on the Paris Agreement (APA).

Establishment of Standing Committee on Finance (SCF)

At COP 16 in 2010, Parties decided to establish the Standing Committee on Finance (SCF) to assist the COP in exercising its functions in relation to the financial mechanism of the Convention.

Currently, the SCF has four specific functions:

1. assisting the COP in improving coherence and coordination in the delivery of climate change financing;
2. assisting the COP in rationalization of the financial mechanism of the UNFCCC;
3. supporting the COP in the mobilization of financial resources for climate financing; and
4. supporting the COP in the measurement, reporting and verification of support provided to developing country Parties.

The Committee is also tasked to organize an annual forum on climate finance, provide the COP with draft guidance for the operating entities, provide expert input into the conduct of the periodic reviews of the financial mechanism and prepare a biennial assessment and overview of climate finance flows. Furthermore, the SCF is designed to improve the linkages and to promote the coordination with climate finance related actors and initiatives both within and outside of the Convention. At the Paris Conference in 2015, Parties decided that the SCF shall also serve the Paris Agreement.

Long-term climate finance

The long-term finance process is aimed at progressing on the mobilization and scaling up of climate finance of resources originating from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources. The COP decided on the following activities through to 2020: organization, by the secretariat, of annual in-session workshops; developed countries providing, on a biennial basis, information on strategies and approaches for scaling up climate finance; and convening of biennial high-level ministerial dialogue on climate finance.

Through the Cancun Agreements in 2010 developed country Parties committed, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries. When adopting the Paris Agreement Parties confirmed this goal, called for a concrete road map to achieve the goal by 2020, and agreed that prior to 2025 the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) shall set a new collective quantified goal from a floor of USD 100 billion per year.

With the Paris Agreement, countries established an **enhanced transparency framework (ETF)**. Under ETF, starting in 2024, countries will report transparently on actions taken and progress in climate change mitigation, adaptation measures and support provided or received. It also provides for international procedures for the review of the submitted reports.

The information gathered through the ETF will feed into the Global stocktake which will assess the collective progress towards the long-term climate goals.

This will lead to recommendations for countries to set more ambitious plans in the next round.

Climate Finance by World Bank Group

Financing by World Bank Group focuses on helping countries to reduce GHG emissions and adapt to mounting impacts of climate change. The World Bank Group delivered a record \$31.7 billion in fiscal year 2022 (FY22) to help countries address climate change. This is a 19% increase from the \$26.6 billion all-time high in financing reached in the previous fiscal year. The Bank Group continues to be the largest multilateral financier of climate action in developing countries.

Financing for climate action in FY22 - which covers July 1, 2021, to June 30, 2022 - reached 36% of total Bank Group financing. This exceeds the target set in the Group's Climate Change Action Plan for 2021-2025 to deploy an average of 35% of the institution's financing in support of climate action.

As part of ongoing effort to help countries integrate climate and development objectives, the World Bank Group recently launched a number of Country Climate and Development Reports (CCDRs). CCDRs are a new core diagnostic to help countries prioritize the most impactful actions that can reduce GHG emissions and boost adaptation.

India's Position on Climate Finance

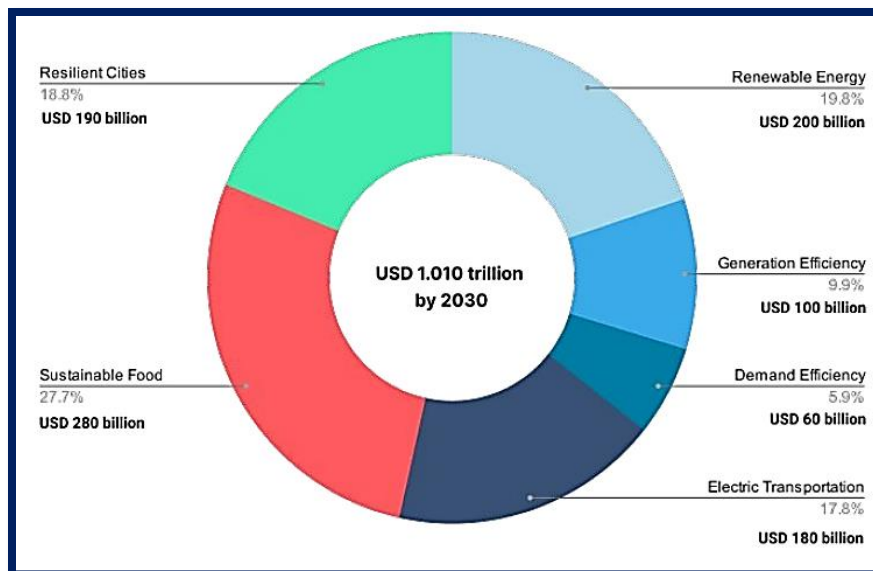
India needs sufficient, timely, and directed investments to achieve its Nationally Determined Contributions (NDCs). By 2030, India has committed to reduce the emissions intensity of its GDP by 33-35% below 2005 levels; achieve 40% of cumulative electric power installed capacity from non-fossil fuel sources; and enhance forest and tree cover to create an additional carbon sink equivalent of 2.5-3 billion tons of carbon dioxide. While India has made progress towards these targets, much more needs to be done. Given the urgency, Prime Minister Narendra Modi presented below mentioned 'five nectar elements', or Panchamrit, at the COP26 Summit in Glasgow, as India's additional contribution to climate action.

By the year 2030, India will:

1. scale up its non-fossil energy capacity to 500 GW
2. meet 50% of its energy requirements from renewable energy
3. reduce the total projected carbon emissions by one billion tons from now
4. reduce the carbon intensity of its economy by more than 45%
5. India will achieve the target of Net-Zero by 2070

India's NDCs estimate that the country will require INR 162.5 lakh crores (USD 2.5 trillion) from 2015 - 2030, or roughly INR 11 lakh crores (USD 170 billion) per year for climate action (UNFCCC, 2015). India would need cumulative investments of INR 716 lakh crores (USD 10.1 trillion) to significantly scale up the climate transition and achieve Net-Zero emissions by 2070 (CEEW, 2021).

Careful estimation of possible sources of finance is a prerequisite for India to achieve its climate targets. Measuring green finance flows plays a significant role in identifying the right providers of capital; help regulators and policymakers understand the impact of policy measures in promoting Climate mitigation and adaptation; help private investors, both domestic and international, find avenues for green investments, or fulfill their 'net-zero' targets by better understanding the trends in India's climate action.



Estimate of India's Climate Investments by 2030

Source : Report on the State of Climate Finance in India - Ideas and Trends for 2022, February 2022 by Unitus India

India needs USD 1.01 Trillion in Climate Finance by 2030

As per the research report, India's climate action investments from 2022 to 2030 will total USD 1.01 trillion, an average of USD 112 billion annually. This investment gap is consistent with the emissions target India has set for 2030. The main focus of these investments

- Renewable energy : Adding 400 GW of renewable energy capacity
- Generation Efficiency : Grid modernisation and smart metering
- Demand Efficiency : Decarbonising industries, alternative heating and cooling technologies
- Electric Transportation : Electric vehicle production and charging infrastructure
- Sustainable Food : Farm productivity, food supply chains, plant based alternatives, methane emission reduction in farming and dairy
- Resilient Cities: Waste management, water, sanitation, disaster management

Issuance of Green Bonds to fund new climate finance projects in India

Green bonds are financial instruments that generate proceeds for investment in environmentally sustainable and climate-suitable projects. By virtue of their indication towards environmental sustainability, green bonds command a relatively lower cost of capital vis-à-vis regular bonds and necessitates credibility and commitments associated with the process of raising bonds.

Smt. Nirmala Sitharaman, Hon'ble Finance Minister announced in the Union Budget 2022-23 that Sovereign Green Bonds (SGrBs) will be issued for mobilising resources for green infrastructure. Accordingly, it was notified in the Half-yearly issuance calendar for marketable dated securities for the second half of the fiscal year 2022-23 on September 29, 2022 that SGrBs for an aggregate amount of ₹16,000 crore would be issued. Government of India has since issued the Sovereign Green Bond Framework on November 09, 2022. The aim is to strengthen India's commitment towards its Nationally Determined Contribution (NDCs) targets, adopted under the Paris Agreement, and help in attracting global and domestic investments in eligible green projects. The

proceeds generated from issuance of such bonds will be deployed in Public Sector projects which help in reducing carbon intensity of the economy.

The Government of India, in consultation with the Reserve Bank of India, has decided to notify the indicative calendar for issuance of SGrBs for the fiscal year 2022-23. The issuance calendar is as under:

S. No.	Date of Auction	Amount in (₹ Crore)	Security-wise Allocation
1.	January 25, 2023	8000	i. 05 Year SGrB for ₹4,000 crore
			ii. 10 Year SGrB for ₹4,000 crore
2.	February 09, 2023	8000	i. 05 Year SGrB for ₹4,000 crore
			ii. 10 Year SGrB for ₹4,000 crore

Listing Scenario of Green Bond in India to foster Climate Finance

The SEBI had issued a concept paper on the same in 2015. Such instruments were covered within the ambit of general debt securities and were regulated by SEBI as such, along with the related compliances for general debt securities – i.e. compliance with provisions of the Companies Act, 2013, mandatory listing as per SEBI regulations, disclosures etc.

In the 2017 circular, SEBI proposed a definition of 'green debt securities' as part of its regulations in relation to issue and listing of general debt securities. A debt security could be considered 'green' or a 'green debt security' if the funds raised through such issuance were to be utilized for projects/ assets as prescribed by SEBI.

The initial issues of such instruments in India were by Indian financial institutions (Yes Bank Ltd., Exim Bank of India) and a corporate entity (CLP Wind Farms) in 2015. Since then, there have been a slew of green bond and sustainability-linked bond issues by Indian companies. However, at present most of the green bonds issued in India have been issued by non-financial corporate entities (almost 32% of the green bonds issued in 2021), mainly those engaged in renewable energy businesses.

The RBI has also released a discussion paper on climate risk and sustainable finance in July, 2022, which may be a useful guide to a more detailed policy framework about to be introduced relating to climate disclosures and assessment of climate risks by financial institutions. Broadly, the RBI has acknowledged the need for climate-related disclosures for stakeholders of regulated financial entities, responsibilities of the boards of directors of the relevant entities to implement committees monitoring the same and clear disclosures in relation to the financial risk emanating from climate and environmental degradation.

The first sovereign-graded green bond issue is likely to come out by March 2023, in smaller tranches initially and investors looking for investment opportunities in green, social or sustainability-linked bonds in emerging markets may invest in it. Indian financial institutions may also expand priority sector lending in such sectors and allow a wider range of green projects eligible for such lending, as key financiers of the energy transition. The impending policy framework for green bonds is likely to be comprehensive, addressing what will constitute green

finance, tax credits, establishment of regular statutory 'green audits' with penalties in case of misleading claims or disclosures by issuers etc.

Way Forward

Sustainable finance markets in emerging market and developing economies, especially in Asia, have gained steam and 2021 proved to be a breakout year. Although green bonds are still the main instrument in the sustainable finance ecosystem in emerging market and developing economies (59 percent in 2022 to date), other sustainable finance debt instruments (social, sustainability, and sustainability-linked loans and bonds) have gained prominence since 2018, especially outside of China.

It is to be noted that the Asia-Pacific region has dominated emerging market and developing economy debt issuance, with 60 percent of sustainable issuance in 2021 and 72 percent in 2022 to date, in line with the region's large share of emissions i.e., 60 percent of emerging market and developing economies' total territorial emissions. While China remains a significant player, other emerging market and developing economies especially, Chile, India, Mexico, and Turkey—have seen a sharp pickup in the issuance of sustainable debt as a share of GDP since 2016.

In light of the recently concluded COP27 in Sharm-el-Sheik which gave the decisive message to the global community to move from “talking the talk” to “walking the walk” regarding climate finance is a mammoth initiative towards preservation of climate. However, the biggest hurdle is money. The climate and biodiversity crises loom large – but sadly, so does the gap in global finance. Estimates for the cost of emerging market countries' adaptation to climate change range from \$140-300 billion per year by 2030. But by embracing cohesive efforts the financial bottlenecks can be surmounted.

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Regulatory Updates

COMPANY LAW**(Ministry of Corporate Affairs important update dated December 26, 2022)**

The Ministry of Corporate Affairs is launching Second set of Company Forms covering 56 forms in two different lots on MCA21 V3 portal. 10 out of 56 forms will be launched on 09th January 2023 at 12:00 AM and the remaining 46 forms on 23rd January 2022. Following forms will be rolled-out on 09th January 2023: SPICe+ PART A, SPICe+ PART B, RUN, AGILE PRO-S, INC-33, INC-34, INC-13, INC-31, INC-9 and URC-1. Click the below link to view list of 46 forms which will be rolled-out on 23rd January 2023. To facilitate implementation of these forms in V3 MCA21 portal, stakeholders are advised to note the following points:

- (1) Company e-Filings on V2 portal will be disabled from 07th January 2023 12:00 AM to 08th January 2023 11:59 pm for 10 forms which are planned for roll-out on 09th January 2023.
- (2) Company e-Filings on V2 portal will be disabled from 07th January 2023 12:00 AM to 22nd January 2023 11:59 pm for 46 forms which are planned for roll-out on 23rd January 2023.
- (3) All stakeholders are advised to ensure that there are no SRNs in pending payment and Resubmission status.
- (4) Offline payments for the above 56 forms in V2 using Pay later option would be stopped from 28th December 2022 12:00 AM. You are requested to make payments for these forms in V2 through online mode (Credit/Debit Card and Net Banking).
- (5) In view of the upcoming launch of 56 Company forms, V3 portal will not be available from 07th January 2023 12:00 AM to 08th Jan 2023 11:59 pm due to 10 company forms roll-out and from 21st January 2023 to 22nd January 2023 for 46 company forms roll-out.
- (6) V2 Portal for company filing will remain available for all the forms excluding above mentioned 56 forms. Stakeholders may plan accordingly.

For details:

<https://www.mca.gov.in/content/mca/global/en/notifications-tender/news-updates/updates.html>

SECURITIES LAWS AND CAPITAL MARKETS

- **Extension of timeline for implementation of Standardized industry classification by CRAs**

(Circular No. SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2022/168 dated December 01, 2022)

SEBI vide Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2022/42 dated April 01, 2022 advised Credit Rating Agencies (CRAs) to implement standardized industry classification by September 30, 2022. The guidelines were subsequently revised vide Circular No. SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2022/134 dated September 30, 2022 and timeline for implementation was extended till November 30, 2022.

In view of representation received from CRAs, SEBI has extended the date of applicability of the standardized industry classification till December 15, 2022.

For details:

https://www.sebi.gov.in/legal/circulars/dec-2022/extension-of-timeline-for-implementation-of-standardized-industry-classification-by-cras_65727.html

- **SEBI (Listing Obligations and Disclosure Requirements) (Seventh Amendment) Regulations, 2022**

(Notification No. SEBI/LAD-NRO/GN/2022/109 dated December 05, 2022)

SEBI on December 05, 2022, notified the SEBI (Listing Obligations and Disclosure Requirements) (Seventh Amendment) Regulations, 2022 which shall come into force on the date of their publication in the Official Gazette. Vide this notification a new Regulation 102(1A) has been inserted stating that SEBI may after due consideration of the interest of the investors and the securities market and for the development of the securities market, relax the strict enforcement of any of the requirements of these regulations, if an application is made by the Central Government in relation to its strategic disinvestment in a listed entity.

For details:

https://www.sebi.gov.in/legal/regulations/dec-2022/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-seventh-amendment-regulations-2022_65883.html

- **Foreign investment in Alternative Investment Funds (AIFs)**

(Circular No. SEBI/HO/AFD-1/PoD/P/CIR/2022/171 dated December 09, 2022)

In terms of Regulation 10(a) of the SEBI (Alternative Investment Funds) Regulations, 2012 ('AIF Regulations'), AIFs may raise funds from any investor whether Indian, foreign or non-resident Indians, by way of issue of units.

In this regard, SEBI has specified that at the time of on-boarding investors, the manager of an AIF shall ensure the following:

- (a) Foreign investor of the AIF is a resident of the country whose securities market regulator is a signatory to the International Organization of Securities

Commission's Multilateral Memorandum of Understanding (Appendix A Signatory) or a signatory to the bilateral Memorandum of Understanding with SEBI.

- (b) The investor, or its underlying investors contributing 25% percent or more in the corpus of the investor or identified on the basis of control, is not the person(s) mentioned in the Sanctions List notified from time to time by the United Nations Security Council and is not a resident in the country identified in the public statement of Financial Action Task Force as –
- a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or
 - a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.

In case an investor who has been on-boarded to scheme of an AIF, subsequently does not meet the conditions specified above, the manager of the AIF shall not drawdown any further capital contribution from such investor for making investment, until the investor again meets the said conditions. The same shall also apply to investors already on-boarded to existing schemes of AIFs, who do not meet conditions specified above.

For details:

https://www.sebi.gov.in/legal/circulars/dec-2022/foreign-investment-in-alternative-investment-funds-aifs_66045.html

- **Framework for Orderly Winding Down of Critical Operations and Services of a Clearing Corporation**

(Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2022/173 dated December 16, 2022)

In order to enable the Clearing Corporations (CCs) to have a framework for orderly winding down of critical operations and services, Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (SECC Regulations, 2018) have been amended vide Gazette Notification No. SEBI/LAD-NRO/GN/2022/104 dated November 15, 2022.

In this regard, SEBI, vide this circular, has provided that the CCs shall have a policy framework for orderly winding down of their critical operations and services, which shall at least contain provisions for identification of Potential Scenarios and identification of Critical Operations and Services of CCs.

Standard Operating Procedure (SOP): The policy framework of CCs shall contain a Standard Operating Procedure (SOP) duly approved by their governing board, inter alia, outlining the manner in which the critical operations and services of the CCs shall be carried out in an orderly manner so as to not cause any disruption to the financial system, upon triggering of any of the scenarios. A notice or intimation regarding winding down of critical operations and services shall be issued by the CC as and when the scenarios get triggered, with prior approval of SEBI.

The provisions of SECC Regulations, 2018 and various circulars and guidelines issued thereunder, shall continue to apply during the entire period of winding down of

critical operations and services of CCs. This shall be mentioned in the policy framework of CCs. The framework shall be (i) periodically reviewed, at least on an annual basis, and (ii) published or disclosed on the website of the CC (excluding any confidential details).

Return of Assets: The exiting CC shall be permitted to distribute its assets subject to conditions as laid down in its framework, guidelines issued by SEBI from time to time, or any other direction issued by SEBI or any other statutory authority. For the purpose of valuation of the assets of the CC, a valuation agency may be appointed by SEBI.

Financial Resources: Regulation 14(3)(b) of SECC Regulations, 2018 stipulates that every CC shall hold additional capital to cover costs required for orderly winding down or recovery of operations. Further, SEBI vide circular dated April 10, 2019 has, inter alia, stipulated that while computing the capital requirements for winding down, a CC shall consider a minimum time span of six months for ensuring an orderly winding down or restructuring of its activities and thus, hold liquid net assets equal to at least six months of gross operational expenses.

Oversight: The Regulatory Oversight Committee (ROC) of the CC shall oversee the implementation of steps or processes involved in orderly winding down of critical operations and services of the CC and shall submit a report to SEBI after approval from the governing board, in a manner as may be specified by SEBI, upon completion of necessary steps or processes.

Directions to be issued by SEBI: Appropriate directions by SEBI shall be issued to CCs for orderly winding down of their critical operations and services.

Applicability: The CCs shall have the policy framework containing the SOP duly approved by their governing boards and make it available on their websites within 90 days from the date of issuance of this circular.

For details:

https://www.sebi.gov.in/legal/circulars/dec-2022/framework-for-orderly-winding-down-of-critical-operations-and-services-of-a-clearing-corporation_66268.html

- **Clarification to SEBI circular dated August 04, 2022 on enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence**

(Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/176 dated December 19, 2022)

SEBI has clarified that in the cases where there is a change in underlying security; creation of additional security; or creation of security in case of unsecured debt securities, would not constitute a change in the structure of the non-convertible debt securities, provided there are no other changes to the terms/ nature of issue of the non-convertible debt securities like maturity date, coupon rate, face value, redemption schedule, nature of the nonconvertible debt securities (secured/unsecured) etc.

Accordingly, Depository shall not assign a new ISIN in such cases. However, where there is a change in the underlying security, the debenture trustee shall ensure

compliance with the provisions of Regulation 15(1)(i) of SEBI (Debenture Trustees) Regulations, 1993.

For details:

https://www.sebi.gov.in/legal/circulars/dec-2022/clarification-to-sebi-circular-dated-august-04-2022-on-enhanced-guidelines-for-debenture-trustees-and-listed-issuer-companies-on-security-creation-and-initial-due-diligence_66367.html

- **Consultation Paper on Strengthening the Investor Grievance Redressal Mechanism in the Indian Securities Market by harnessing Online Dispute Resolution mechanisms (December 19, 2022)**

SEBI has invited the Public comments for the proposal on strengthening the Investor Grievance Redressal Mechanism in the Indian Securities Market by harnessing Online Dispute Resolution mechanisms.

Presently, in case an investor is facing any issue, she first approaches the concerned intermediary for resolution of the issue/complaint. If she is not satisfied with the resolution, the investor lodges a complaint with the SCORES portal. If she is still unsatisfied the investor may opt for MII based mediation and/or arbitration for resolution of her complaint, for specific intermediaries only.

The Market Infrastructure Institutions (stock and commodities exchanges and depositories) presently have an effective process in place. MIIs have laid down a three step time-bound process for resolving disputes concerning their constituents including brokers, depository participants, and their clients, and more recently, Listed Companies, and Registrar and Transfer Agents. This includes mediation/ conciliation undertaken by the Investor Grievance Redressal Committee (IGRC), and if necessary followed by arbitration, and if required followed by appellate arbitration. The other intermediaries also have a grievance redressal process, distinct from the MII-run grievance redressal process. here is scope to make the processes followed by the MIIs themselves more efficient and accessible, especially given the improvement in grievance redressal processes worldwide post the COVID-19 pandemic.

This consultation paper seeks inputs on:

- (1) Strengthening the existing MIIs administered mediation/conciliation and arbitration mechanism, by making these processes more accessible and effective:
 - a. By suggesting that these processes are conducted online on an end-to-end basis using the capacity, technology, and other assistance of online dispute resolution institutions;
 - b. By modifying these processes for the benefit of the investor.
- (2) Extending the MIIs administered mediation/conciliation and arbitration mechanism as modified in (1) above for resolution of investor/client grievances against all specified securities market intermediaries. This will make the grievance redressal process more simplified, streamlined and efficient for the investors.

The comments/ suggestions were to be provided as per the prescribed format latest by January 9, 2023 (within 21 days from date of publication of this consultation paper on SEBI website) through email or by post.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/dec-2022/consultation-paper-on-strengthening-the-investor-grievance-redressal-mechanism-in-the-indian-securities-market-by-harnessing-online-dispute-resolution-mechanisms_66361.html

- **Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors.**

(Circular No. SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022)

Securities and Exchange Board of India (SEBI), vide circular number IMD/FPI&C/CIR/P/2019/124 dated November 05, 2019, had issued the Operational Guidelines (hereinafter referred to as OG) for FPIs, DDPs and Eligible Foreign Investors under the Securities and Exchange Board of India (Foreign Portfolio Investors), Regulations 2019. Subsequently, further guidelines pertaining to FPIs, DDPs and EFIs have been issued by SEBI through various circulars.

The provisions of the aforesaid circulars are incorporated in this Master Circular which supersedes the earlier OG issued vide circular dated November 05, 2019.

The circulars mentioned in Annexure A of the Master Circular shall stand rescinded with the issuance of this Master Circular. With respect to the directions or other guidance issued by SEBI, as specifically applicable to FPIs, shall continue to remain in force in addition to the provisions of any other law for the time being in force. Terms not defined in this Master Circular shall have the same meaning as provided under the Regulations.

For details:

https://www.sebi.gov.in/legal/master-circulars/dec-2022/master-circular-for-foreign-portfolio-investors-designated-depository-participants-and-eligible-foreign-investors_66356.html

- **Consultation paper on Regulatory Framework for Index Provider (December 28, 2022)**

SEBI has invited the Public comments for the proposal on the proposed regulatory framework for Index Providers with the objective of furthering transparency and accountability in governance and administration of the financial benchmarks / indices in the Indian securities market.

In stock market, an index is essentially a method of measuring a change in value of a group of securities forming part of such index. An index performs several functions such as assisting the investors in understanding the health of the market and also enabling them to study the market sentiment, enabling performance measurement, benchmarking etc.

There are several indices that are linked to creation of financial products such as exchange traded derivatives, index funds, exchange traded funds (ETFs) and market linked debentures etc. Indices are also used as benchmark for actively managed mutual funds. It is generally seen that the broad market indices are a yard stick to

measure performance of actively managed funds as the same are constructed to represent the performance of large universe of companies traded on an exchange (domestic or foreign).

Thus, there exists a continuum of indices. While at one end are the broad market indices that reflect the general health and performance of the market and are tracked as benchmark by the actively managed mutual funds, the other end comprises of specific purpose or customized or bespoke indices.

As a result of investigations and enforcement actions by regulators due to manipulation of major interest rate benchmarks in 2012, there were serious concerns regarding the integrity of benchmark administration process and this impacted the market confidence negatively. Against this backdrop, the International Organization of Securities Commissions (IOSCO) prescribed an overarching framework of 'Principles for Financial Benchmarks' to promote the reliability of benchmark (including indices) determinations, and address benchmark governance, quality and accountability mechanisms. A summary of IOSCO Principles is placed at Annexure-A.

The comments/ suggestions were to be provided as per the prescribed format latest by January 27, 2023.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/dec-2022/consultation-paper-on-regulatory-framework-for-index-provider_66703.html

DIRECT TAX

Notifications

- **Partial relaxation with respect to electronic submission of Form 10F by select category of taxpayers in accordance with the DGIT (Systems) Notification No. 3 of 2022 [Notification Forms 2022/9227 Dated December 12, 2022]**

Reference is invited to Notification No. 03/2022 dated 16th July 2022 issued by Directorate of Income Tax (Systems) New Delhi mandating furnishing of Form 10F electronically.

On consideration of the practical challenge being faced by non-resident (NR) taxpayers not having PAN in making compliance as per the above notification, and with a view to mitigate genuine hardship to such taxpayers, it has been decided by the Competent Authority that such category of Nonresident taxpayers who are not having PAN and not required to have PAN as per relevant provisions of the Income-tax Act, 1961 read with Income-tax Rules, 1962, are exempted from mandatory electronic filing of Form 10F till 31st March 2023. For the sake of clarity, it is reiterated that such category of taxpayers may make statutory compliance of filing Form 10F till 31st March 2023 in manual form as was being done prior to issuance of the DGIT (Systems) Notification No. 3 of 2022.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-e-filing.pdf>

- **Pension fund “Ontario Inc” as specified person for Section 10 (23FE) [Notification No. 128 Dated December 28, 2022]**

The Central Government specifies the pension fund, namely, 1000242244 Ontario Inc. (PAN: AACCZ0457B), (hereinafter referred to as the assessee) as the specified person for the purposes of the sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as the said investments) subject to the fulfillment of the certain condition.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-128-2022.pdf>

Circulars

- **Clarification for the purposes of clause (c) of Section 269ST of the Income-tax Act, 1961 in respect of dealership/distributorship contract in case of Co-operative Societies [Circular No. 25 Dated December 30, 2022]**

Section 269ST inter-alia prohibits receipt of an amount of two lakh rupees or more (hereinafter referred to as 'the prescribed limit ') by a person, in the circumstances specified therein, through modes other than by way of an account payee cheque or an account payee bank draft or use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed.

References have been received in respect of Milk Producers' Cooperative as to whether under the provisions of Section 269ST of the Act, receipt(s) in cash in a day of bank holiday/closure of bank day within 'the prescribed limit' from a distributor against sale of milk when payments were through bank on all other days is to be considered as a single transaction or whether all such receipts in cash in a previous year would be aggregated in respect of transactions with a distributor to treat it as one event or occasion.

it is clarified that in respect of Co -operative Societies, a dealership/distributorship contract by itself may not constitute an event or occasion for the purposes of clause (c) of Section 269ST. Receipt related to such a dealership/distributorship contract by the Co-operative Society on any day in a previous year, which is within 'the prescribed limit' and complies with clause (a) as well as clause (b) of Section 269ST, may not be aggregated across multiple days for purposes of clause (c) of Section 269ST for that previous year.

For details:

<https://incometaxindia.gov.in/communications/circular/circular-25-2022.pdf>

INDIRECT TAX LAWS

Goods and Services Tax

- **Central Goods and Services Tax (Fifth Amendment) Rules, 2022. (Notification No. 26/2022 – Central Tax dated December 26, 2022)**

The CBIC has issued notification to amend the CGST Rules, 2017 called the Central Goods and Services Tax (Fifth Amendment) Rules, 2022. Some of following rules are here as amended namely;

- Rule 8, 9 and 12
- Inserted Rule 37A
- Inserted Rule 88B
- Inserted Rule 109C and others

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1009584/ENG/Notifications>

- **Clarification to deal with difference in ITC availed in FORM GSTR-3B as compared to that detailed in FORM GSTR-2A for FY 2017-18 and 2018-19 (Circular No. 183/15/2022-GST dated December 27, 2022)**

During the initial period of implementation of GST, during the financial years 2017-18 and 2018-19, in many cases, the suppliers have failed to furnish the correct details of outward supplies in their FORM GSTR-1, which has led to certain deficiencies or discrepancies in FORM GSTR-2A of their recipients. In case, where difference between the ITC claimed in FORM GSTR-3B and that available in FORM GSTR 2A of the registered person in respect of a supplier for the said financial year exceeds Rs. 5 lakh, the proper officer shall ask the registered person to produce a certificate for the concerned supplier.

Further, in order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Board hereby clarifies as follows:

<i>Issue</i>	<i>Clarification</i>
<ul style="list-style-type: none"> • Where the supplier has failed to file FORM GSTR-1 for a tax period but has filed the return in FORM GSTR-3B for said tax period, due to which the supplies made in the said tax period do not get reflected in FORM GSTR-2A of the recipients. • Where the supplier has filed FORM GSTR-1 as well as return in FORM GSTR-3B for a tax period, but has failed to report a particular supply in FORM GSTR-1, due to which the 	<ul style="list-style-type: none"> • In such cases, the difference in ITC claimed by the registered person in his return in FORM GSTR-3B and that available in FORM GSTR-2A may be handled by following the procedure provided. • In such cases, the difference in ITC claimed by the registered person in his return in FORM GSTR-3B and that available in FORM GSTR-2A may be handled by following the procedure provided in para 4

said supply does not get reflected in FORM GSTR-2A of the recipient.	below.
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For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003135/ENG/Circulars>

- **Clarification on the entitlement of Input Tax Credit where the place of supply is determined in terms of the proviso to sub-section (8) of section 12 of the IGST Act, 2017 (Circular No. 184/16/2022-GST dated December 27, 2022)**

As per provision of sub-section (8) of section 12 of Integrated Goods and Services Tax Act, 2017 which provides for the place of supply of services by way of transportation of goods, including by mail or courier to,—

- a registered person, shall be the location of such person;
- a person other than a registered person, shall be the location at which such goods are handed over for their transportation:

Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods.

CBIC clarifies the issues and to ensure uniformity in the implementation of the provisions of law across the field formations. Some clarifications are as under:

<i>Issue</i>	<i>Clarification</i>
<ul style="list-style-type: none"> • In case of supply of services by way of transportation of goods, including by mail or courier, where the transportation of goods is to a place outside India, and where the supplier and recipient of the said supply of services are located in India, what would be the place of supply of the said services? • Further, what state code has to be mentioned by the supplier of the said service of transportation of goods, where the transportation of goods is to a place outside India, while reporting the said supply in FORM GSTR-1? 	<ul style="list-style-type: none"> • The place of supply of services by way of transportation of goods, including by mail or courier, where both the supplier and the recipient are located in India, is determined in terms of sub-section (8) of section 12 of the IGST Act which reads as follows: <i>“(8) The place of supply of services by way of transportation of goods, including by mail or courier to,—</i> <i>(a) a registered person, shall be the location of such person;</i> <i>(b) a person other than a registered person, shall be the location at which such goods are handed over for their transportation:</i> <i>Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods”</i> • The supplier of service shall report place of supply of such service by

	selecting State code as '96-Foreign Country' from the list of codes in the drop-down menu available on the portal in FORM GSTR-1 .
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For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003136/ENG/Circulars>

- **Clarification with regard to applicability of provisions of section 75(2) of Central Goods and Services Tax Act, 2017 and its effect on limitation (Circular No. 185/17/2022-GST dated December 27, 2022)**

In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168(1) of the CGST Act, 2017, clarified issues. Some clarifications are as under:

<i>Issue</i>	<i>Clarification</i>
<ul style="list-style-type: none"> • In some of the cases where the show cause notice has been issued by the proper officer to a noticee under sub-section (1) of section 74 of CGST Act, 2017 for demand of tax not paid/ short paid or erroneous refund or input tax credit wrongly availed or utilized, the appellate authority or appellate tribunal or the court concludes that the said notice is not sustainable under sub-section (1) of section 74 of CGST Act, 2017 for the reason that the charges of fraud or any wilful-misstatement or suppression of facts to evade tax have not been established against the noticee and directs the proper officer to re-determine the amount of tax payable by the noticee, deeming the notice to have been issued under sub-section (1) of section 73 of CGST Act, 2017, in accordance with the provisions of sub-section (2) of section 75 of CGST Act, 2017. What would be the time period for re-determination of the tax, interest 	<ul style="list-style-type: none"> • Sub-section (3) of section 75 of CGST Act, 2017 provides that an order, required to be issued in pursuance of the directions of the appellate authority or appellate tribunal or the court, has to be issued within two years from the date of communication of the said direction. • Accordingly, in cases where any direction is issued by the appellate authority or appellate tribunal or the court to re-determine the amount of tax payable by the noticee by deeming the notice to have been issued under sub-section (1) of section 73 of CGST Act in accordance with the provisions of sub-section (2) of section 75 of the said Act, the proper officer is required to issue the order of redetermination of tax, interest and penalty payable within the time limit as specified in under sub-section (3) of section 75 of the said Act, i.e. within a period of two years from the date of communication of the said

<p>and penalty payable by the noticee in such cases?</p> <ul style="list-style-type: none"> How the amount payable by the noticee, deeming the notice to have been issued under sub-section (1) of section 73, shall be re-computed/ re-determined by the proper officer as per provisions of sub-section (2) of section 75? 	<p>direction by appellate authority or appellate tribunal or the court, as the case may be.</p> <ul style="list-style-type: none"> In cases where the amount of tax, interest and penalty payable by the noticee is required to be re-determined by the proper officer in terms of sub-section (2) of section 75 of CGST Act, the demand would have to be re-determined keeping in consideration the provisions of sub-section (2) of section 73, read with sub-section (10) of section 73 of CGST Act.
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The sub-section (2) of section 75 of Central Goods and Services Tax Act, 2017 which provides that in cases where the appellate authority or appellate tribunal or court concludes that the notice issued by proper officer under sub-section (1) of section 74 is not sustainable for reason that the charges of fraud or any wilful-misstatement or suppression of facts to evade tax have not been established against the person to whom such notice was issued.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003137/ENG/Circulars>

- Clarification on various issue pertaining to GST (Circular No. 186/18/2022-GST dated December 27, 2022)**

In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 clarifies the issues. Some clarifications are as under:

<i>Issue</i>	<i>Clarification</i>
<ul style="list-style-type: none"> Whether the deduction on account of No Claim Bonus allowed by the insurance company from the insurance premium payable by the insured, can be considered as consideration for the supply provided by the insured to the insurance company, for agreeing to the obligation to refrain from the act of lodging insurance claim during the previous year(s)? Whether No Claim Bonus provided by the insurance company to the insured can be 	<ul style="list-style-type: none"> As per practice prevailing in the insurance sector, the insurance companies deduct No Claim Bonus from the gross insurance premium amount, when no claim is made by the insured person during the previous insurance period(s). The customer/ insured procures insurance policy to indemnify himself from any loss/ injury as per the terms of the policy, and is not under any contractual obligation not to claim insurance claim during any period covered under the policy, in lieu of No Claim Bonus.

<p>considered as an admissible discount for the purpose of determination of value of supply of insurance service provided by the insurance company to the insured?</p>	<p>It is, therefore, clarified that there is no supply provided by the insured to the insurance company in form of agreeing to the obligation to refrain from the act of lodging insurance claim during the previous year(s) and No Claim Bonus cannot be considered as a consideration for any supply provided by the insured to the insurance company.</p> <ul style="list-style-type: none"> • As per clause (a) of sub-section (3) of section 15 of the CGST Act, 2017 value of supply shall not include any discount which is given before or at the time of supply if such discount has been duly recorded in the invoice issued in respect of such supply. <p>The insurance companies make the disclosure of the fact of availability of discount in form of No Claim Bonus, subject to certain conditions, to the insured in the insurance policy document itself and also provide the details of the no claim Bonus in the invoices also. The pre-disclosure of NCB amount in the policy documents and specific mention of the discount in form of No Claim Bonus in the invoice is in consonance with the conditions laid down for deduction of discount from the value of supply under clause (a) of sub-section (3) of section 15 of the CGST Act.</p>
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As per practice prevailing in the insurance sector, the insurance companies deduct No Claim Bonus from the gross insurance premium amount, when no claim is made by the insured person during the previous insurance period(s). The customer/ insured procures insurance policy to indemnify himself from any loss/ injury as per the terms of the policy, and is not under any contractual obligation not to claim insurance claim during any period covered under the policy, in lieu of No Claim Bonus.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003138/ENG/Circulars>

- **Clarification regarding the treatment of statutory dues under GST law in respect of the taxpayers for whom the proceedings have been finalised under Insolvency and Bankruptcy Code, 2016 (Circular No. 187/19/2022-GST dated December 27, 2022)**

As per Section 84 of CGST Act, if the Government dues against any person under CGST Act are reduced as a result of any appeal, revision or other proceedings in respect of such government dues, then an intimation for such reduction of government dues has to be given by the Commissioner to such person and to the appropriate authority with whom the recovery proceedings are pending. Further, recovery proceedings can be continued in relation to such reduced amount of government dues.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003139/ENG/Circulars>

- **Prescribing manner of filing an application for refund by unregistered persons (Circular No. 188/20/2022-GST dated December 27, 2022)**

The unregistered person, who wants to file an application for refund under sub-section (1) of section 54 of CGST Act, in cases where the contract/agreement for supply of services of construction of flat/ building has been cancelled or where long-term insurance policy has been terminated, shall obtain a temporary registration on the common portal using his Permanent Account Number (PAN). While doing so, the unregistered person shall select the same state/UT where his/her supplier, in respect of whose invoice refund is to be claimed, is registered. Thereafter, the unregistered person would be required to undergo Aadhaar authentication in terms of provisions of rule 10B of the CGST Rules. Further, the unregistered person would be required to enter his bank account details in which he seeks to obtain the refund of the amount claimed. The applicant shall provide the details of the bank account which is in his name and has been obtained on his PAN.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003140/ENG/Circulars/>

Custom

- **CBIC Notifies Postal Export (Electronic Declaration and Processing) Regulations, 2022 and implementation of PBE Automated System (Circular No. 25/2022 - Customs dated December 09, 2022)**

The Central Board of Indirect Taxes and Customs (CBIC) has notified the Postal Export (Electronic Declaration and Processing) Regulations, 2022 applicable to export of goods by any person, holding a valid Import-Export Code issued by the Director General of Foreign Trade, in furtherance of business through a foreign post office appointed by the Board under Section 7(1)(e) of the Customs Act, 1962. As per the regulations, the postal authorities shall set up, operate and maintain the PBE Automated System for filing of electronic declarations for export of goods through post. An exporter who wishes to export goods through post or his authorized agent shall register himself on the PBE Automated System. The PBE Automated System shall validate and

recognize the registered person and enable him to file electronic declaration and upload supporting documents on the said system.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003134/ENG/Circulars>

BANKING LAWS

- **Review of norms for classification of Urban Co-operative Banks (UCBs) as Financially Sound and Well Managed (FSWM) (Notification no. RBI/2022-23/143DOR.REG.No.85/07.01.000/2022-23 dated December 01, 2022)**

In order to ensure a financially sound and stable Co-operative sector, select UCBs are termed as Financially Sound and Well Managed (FSWM) subject to fulfillment of certain parameters. It has been decided to revise the criteria for UCBs to be classified as FSWM. The revised criteria, for determining the FSWM status have been given as under:

- The Capital-to-Risk weighted Assets Ratio (CRAR) shall be at least 1 percentage point above the minimum CRAR applicable to an UCB as on the reference date;
- Net Non-Performing Assets (NPA) of not more than 3%;
- Net profit for at least three out of the preceding four years subject to it not having incurred a net loss in the immediate preceding year;
- No default in the maintenance of Cash Reserve Ratio (CRR) / Statutory Liquidity Ratio (SLR) during the preceding financial year;
- Sound internal control system with at least two professional directors on the Board;
- Core Banking Solution (CBS) fully implemented; and
- No monetary penalty should have been imposed on the bank on account of violation of RBI directives / guidelines during the last two financial years.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12415&Mode=0>

- **Revised Regulatory Framework - Categorization of Urban Co-operative Banks (UCBs) for Regulatory Purposes (Notification no. RBI/2022-23/144 DOR.REG.No.84/07.01.000/2022-23 dated December 01, 2022)**

Given the heterogeneity in the cooperative sector, a tiered regulatory framework is required to balance the spirit of mutuality and co-operation more prevalent in banks of smaller sizes and those with limited area of operation vis-à-vis the growth ambitions of the large-sized UCBs to spread their area of operation and undertake more complex business activities. The Reserve Bank of India had constituted the Expert Committee on Urban Co-operative Banks to examine the issues in urban cooperative banking sector and to review regulatory/ supervisory approach for strengthening the sector. Based on the recommendations of the Expert Committee, RBI had released the Revised Regulatory Framework for Urban Co-operative Banks (UCBs) on July 19, 2022. Accordingly, it has been decided to adopt a four-tiered regulatory framework, as against the existing two-tiered framework, for categorization of UCBs. Going forward, this categorization may be used for differentiated regulatory prescriptions aimed at strengthening the financial soundness of the UCBs.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12416&Mode=0>

- **Revised Regulatory Framework for Urban Co-operative Banks (UCBs) – Net Worth and Capital Adequacy (Notification no. RBI/2022-23/146 DOR.CAP.REC.No.86/09.18.201/2022-23 dated December 01, 2022)**

The Reserve Bank of India has issued a notification on the Revised Regulatory Framework for Urban Co-operative Banks (UCBs) – Net Worth and Capital Adequacy. The RBI, in its notification, said given the heterogeneity in the cooperative sector, a tiered regulatory framework is required, adding such framework is needed to balance the spirit of mutuality and co-operation more prevalent in banks of smaller sizes and those with limited area of operation vis-a-vis the growth ambitions of the large-sized UCBs and undertake more complex business activities. The instructions come into effect from April 1, 2023.

For details: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12418&Mode=0>

- **RBI Extends Market Trading Hours (Press Release: 2022-2023/1324 dated December 07, 2022)**

The trading hours for various markets regulated by the Reserve Bank were amended with effect from April 7, 2020 in view of the operational dislocations and elevated levels of health risks posed by COVID-19. Restoration of market hours in a phased manner was commenced with effect from November 09, 2020 with the easing of pandemic-related constraints, and the opening time for regulated market hours were restored to the pre-pandemic timing of 9:00 AM with effect from April 18, 2022. It has now been decided to restore market hours in respect of call/notice/term money, commercial paper, certificates of deposit and repo in corporate bond segments of the money market as well as for rupee interest rate derivatives. Accordingly, with effect from December 12, 2022.

For details: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54822

- **Review of SLR holdings in HTM category ((Notification no. RBI/2022-23/150DOR.MRG.REC.89/21.04.141/2022-23 dated December 08, 2022)**

At present, banks have been granted a special dispensation of enhanced Held to Maturity (HTM) limit of 23 per cent of Net Demand and Time Liabilities (NDTL), for Statutory Liquidity Ratio (SLR) eligible securities acquired between September 01, 2020 and March 31, 2023, until March 31, 2023. On a review, it has been decided to further extend the dispensation of enhanced HTM limit of 23 per cent of NDTL upto March 31, 2024 and allow banks to include securities acquired between September 01, 2020 and March 31, 2024 under the enhanced limit of 23 per cent.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12422&Mode=0>

- **Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022 (Notification no. RBI/2022-2023/94A. P. (DIR Series) Circular No. 20 dated December 12, 2022)**

Resident entities in India are currently not permitted to hedge their exposure to price risk of gold in overseas markets. On a review, it has been decided to permit eligible entities to hedge their exposure to price risk of gold on exchanges in the International Financial Services Centre (IFSC) recognised by the International Financial Services Centres Authority (IFSCA). The Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022 have been issued on December 12, 2022.

For details:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12423&Mode=0>

- **Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of material items (Notification no. RBI/2022-23/155 DOR.ACC.REC.No.91/21.04.018/2022-23 dated December 13, 2022)**

In order to ensure greater transparency, it has been decided that banks shall also disclose the particulars of all such items in the notes to accounts wherever any item under the Schedule 5(IV)-Other Liabilities and Provisions-“Others (including provisions)” or Schedule 11(VI)-Other Assets-“Others” exceeds one per cent of the total assets. Payments Banks shall also disclose particulars of all such items in the notes to accounts, wherever any item under the Schedule 14(I)-Other Income-“Commission, Exchange and Brokerage” exceeds one per cent of the total income. These instructions are applicable to all commercial banks. These instructions shall come into effect for disclosures in the notes to the annual financial statements for the year ending March 31, 2023 and onwards.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12426&Mode=0>

- **Central Payments Fraud Information Registry – Migration of Reporting to DAKSH (Notification no. RBI/2022-23/158CO.DPSS.OVRST.No.S1619/06-08-005/2022-2023 dated December 26, 2022)**

The Reserve Bank of India (RBI) had operationalised the Central Payments Fraud Information Registry (CPFIR) in March 2020 with reporting of payment frauds by scheduled commercial banks and non-bank Prepaid Payment Instrument (PPI) issuers. To streamline reporting, enhance efficiency and automate the payments fraud management process, the fraud reporting module is being migrated to DAKSH – Reserve Bank’s Advanced Supervisory Monitoring System. The migration will be effective from January 01, 2023, i.e., entities shall commence reporting of payment frauds in DAKSH from this date.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12431&Mode=0>

- **Launch of Utkarsh 2.0 – Reserve Bank of India’s Medium-term Strategy Framework (Press Release: 2022-2023/1472 dated December 30, 2022)**

The Reserve Bank of India’s Medium-term Strategy Framework for the period 2023-2025 – ‘Utkarsh 2.0’ – was launched on December 30, 2022 by Shri Shaktikanta Das, Governor, RBI. The first strategy framework (Utkarsh 2022) covering the period 2019-2022 was launched in July 2019. It became a medium-term strategy document guiding the Bank’s progress towards realisation of the identified milestones. Utkarsh 2.0 harnesses the strengths of Utkarsh 2022 by retaining the six Vision statements as well as Core Purpose, Values, and Mission statement. Collectively, they create a strategic guiding path.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54970

- **Individual Housing loans – Revised limits under four-tiered regulatory framework ((Notification no. RBI/2022-23/159DOR.CRE.REC.92/07.10.002/2022-23 dated December 30, 2022)**

It has been decided to specify the limits on housing loans sanctioned by Urban Co-operative Banks (UCBs) to an individual borrower as ₹60 lakh for Tier-1 UCBs and ₹140 lakh for UCBs categorised in Tier-2 to 4. Other terms and conditions of the circular ibid, remain unchanged. The limits prescribed under this circular are effective from the date of this circular. However, existing housing loans sanctioned prior to the date of this circular, which may be in breach of the ceiling, will be allowed to run off till maturity.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12432&Mode=0>



Legal Maxims

S.No.	Legal Maxim	Meaning	Usage & Example
1.	<i>Ab extra</i>	From outside	Concerning a case, a person may have received some funding from a 3rd party. This funding may have been considered <i>ab extra</i> . Example: <i>Ab extra</i> considerations may also be valid under Contract Law.
2.	<i>Ad hominem</i>	At the person	Attacking an opponent's character rather than answering his argument. Example: <i>The arguments should be made on the merits of the case in place of Ad hominem.</i>
3.	<i>Animus nocendi</i>	Intention to harm	The subjective state of mind of the author of a crime, with reference to the exact knowledge of illegal content of his behaviour, and of its possible consequences. Example: <i>A doubt of commission of a crime may be made against a person having Animus nocendi.</i>
4.	<i>Cadit quaestio</i>	The question falls	Indicates that a settlement to a dispute or issue has been reached, and the issue is now resolved. Example: <i>The status of the matter is at final stage, it has reached to Cadit quaestio.</i>
5.	<i>De lege ferenda</i>	Of the law as it should be	Used in the context of "how the law should be", such as for proposed legislation. Example: <i>The proposed legislation made by the parliament is De lege ferenda.</i>



Legal World

CORPORATE LAWS

Landmark Judgement

KUSUM INGOTS AND ALLOYS LTD v. PENNAR PETERSON SECURITIES LTD & ORS [SC]

Appeal (Crl.) 212-216 of 2000

K.T. Thomas & D.P. Mohapatra, JJ. [Decided on 23/02/2000]

Equivalent citations: 2000 (1) SCR 1120; (2000) 100 Comp Cas 755.

Section 138 of the Negotiable Instruments Act, 1882 read with section 22 of the SICA- sick company- cheque issued before the company became sick but at the time of due date of payment the company became sick- said cheque was dishonoured – whether the company and directors are liable to be prosecuted- Held, Yes.

Brief facts : The common question that arose for consideration in these appeals was whether a company and its Directors could be proceeded against for having committed an offence under section 138 of the Negotiable Instruments Act, 1881 (for short 'the NI Act') after the company has been declared sick under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (for short 'SICA') before the expiry of the period for payment of the cheque amount. The answer to the question depends on interpretation of section 138 of the NI Act and its interaction with the relevant provisions of SICA. Since the relevant facts involved in all the cases are similar and a common question of law arises in all the cases they were heard together and they are being disposed of by this judgment.

Decision : Dismissed.

Reason : In our considered view section 22 SICA does not create any legal impediment for instituting and proceeding with a criminal case on the allegations of an offence under section 138 of the NI Act against a company or its Directors. The section as we read it only creates an embargo against disposal of assets of the company for recovery of its debts. The purpose of such an embargo is to preserve the assets of the company from being attached or sold for realisation of dues of the creditors. The section does not bar payment of money by the company or its directors to other persons for satisfaction of their legally enforceable dues.

The question that remains to be considered is whether section 22 A of SICA affects a criminal case for an offence under section 138 NI Act. In the said section provision is made enabling the Board to make an order in writing to direct the sick industrial company not to dispose of, except with the consent of the Board, any of its assets - (a) during the period of preparation or consideration of the scheme under section 18; and (b) during the period beginning with the recording of opinion by the Board for winding up of the company under sub-section (1) of section 20 and up to commencement of the proceedings relating to the winding up before the concerned High Court. This exercise of the power by the Board is conditioned by the prescription that the Board is of the opinion that such a direction is necessary in the interest of the sick industrial company or its creditors or shareholders or in the public interest. In a case in which the BIFR has submitted its report declaring a company as 'sick' and has also issued a direction under section 22-A restraining the company or its directors not to dispose of any of its assets except with consent of the Board then the contention raised on behalf of the appellants that a criminal case for the alleged offence under section 138 NI Act cannot be instituted during the period in which the restraint order passed by the BIFR remains

operative cannot be rejected outright. Whether the contention can be accepted or not will depend on the facts and circumstances of the case. Take for instance, before the date on which the cheque was drawn or before expiry of the statutory period of 15 days after notice, a restraint order of the BIFR under Section 22-A was passed against the company then it cannot be said that the offence under section 138 NI Act was completed. In such a case it may reasonably be said that the dishonouring of the cheque by the bank and failure to make payment of the amount by the company and/or its Directors is for reasons beyond the control of the accused. It may also be contended that the amount claimed by the complainant is not recoverable from the assets of the company in view of the ban order passed by the BIFR. In such circumstances it would be unjust and unfair and against the intent and purpose of the statute to hold that the Directors should be compelled to face trial in a criminal case.

Except in the circumstances noted above we do not find any good reason for accepting the contentions raised by the learned counsel for the appellants in favour of the prayer for quashing the criminal proceedings or for keeping the proceedings in abeyance. It will be open to the appellants to place relevant materials in this regard before the learned Magistrate before whom the cases are pending and the learned Magistrate will ex-amine the matter keeping in mind the discussions made in this judgment. We make it clear that we have not considered the question whether in the facts and circumstances of a particular case Section 138 NI Act is attracted or not, for that is a question to be considered by the Court at the appropriate stage of the case in the light evidence on record. The appeals are disposed of on the terms aforesaid.

DURGA BUILDERS PVT LTD v. REGISTRAR OF COMPANIES & ANR [NCLAT]

Company Appeal (AT) No. 154 of 2021

Anant Bijay Singh & Kanthi Narahari. [Decided on 15/12/2022]

Companies Act, 2013- section 252- restoration of the name of the company- company was in litigation- not able to file financial statements -name struck off from the register without hearing the company – name restoration application was also rejected- whether correct - Held, No.

Brief facts : The present Appeal was filed by the Appellant being aggrieved and dissatisfied by the order passed by the National Company Law Tribunal whereby Appeal filed by Directors of the Company named Durga Builders Pvt Ltd (“the Company” for short) invoking the provisions of Section 252 of the Companies Act, 2013 (the Act) for restoration of the name of the Company in the Register maintained by the Registrar of Companies (the RoC) has been rejected.

Decision : Allowed

Reason: After hearing the parties and going through the pleadings made on behalf of the parties, we observe that the Appellant Company is in litigation therefore, the Company has not filed the financial statements and also without giving opportunity of hearing, the Respondent No. 1/Registrar of Companies struck off the name of the Appellant Company's from the Register maintained by him, but in view of the fact and also the Bank Statements of the Appellant Company from 2015 -2018 shows that the Appellant Company is having substantial movable as well as immovable assets. Therefore, it cannot be said that the Appellant Company is not carrying on any business or operations. Hence, we are of the view that the order passed by the National Company Law Tribunal (Court-V, New Delhi) as well as Registrar of Companies, NCT Delhi & Haryana is not sustainable in law.

In view of the aforementioned, we set aside the impugned order passed by the National Company Law Tribunal. The name of the Appellant Company be restored to the Register of Companies subject to the following compliances.

- i) Appellant shall pay costs of Rs. 50,000/- (Rupees Fifty Thousand) to the Registrar of Companies, NCT Delhi & Haryana within 08 (Eight) weeks from passing of this Judgment.
- ii) After restoration of the Company's name in the Register maintained by the RoC, the Company shall file all their Annual Returns and Balances Sheets. The Company shall also pay requisite charges/fee as well as late fee/charges as applicable within 08 (Eight) weeks thereafter.
- iii) In spite of present orders, RoC will be free to take any other steps punitive or otherwise under the Companies Act, 2013 for non-filing/late filing of statutory returns/documents against the Company and Directors. The instant Appeal is allowed to the above extent.

ANDHRA PRADESH STATE FINANCIAL CORPORATION v. KALPTARU STEEL ROLLING MILLS LTD & ORS [NCLAT]

Company Appeals (AT) (Insolvency) No. 584 of 2020 & 68 of 2021

Ashok Bhushan & Barun Mitra. [Decided on 13/12/2022]

Insolvency and Bankruptcy Act, 2016 read with State Financial Corporations Act, 1959 - corporate debtor had mortgaged the property and handed over the title deeds to the appellant- approval of resolution plan by NCLT and direction to the appellant to release the titled deeds of the property- whether NCLT was correct- Held, Yes.

Brief facts : These two Appeals have been filed by the same Appellant challenging order passed by the Adjudicating Authority (National Company Law Tribunal), Principal Bench, New Delhi approving the Resolution Plan of the Corporate Debtor - Kalptaru Steel Rolling Mills Ltd. and another order allowing the application filed by the Resolution Professionals seeking direction to the Appellant for releasing original title deeds of the property mortgaged with the Appellant by the Corporate Debtor.

Decision : Dismissed.

Reason : Now coming to the submission of learned counsel for the Appellant that objections raised by the Appellant have not been adequately considered by the Adjudicating Authority, suffice it to say that the objection was filed by the Appellant raising ground that Resolution Plan is not in accordance with the Code which objection has been rejected on 31.01.2020 by the Adjudicating Authority, which order has never been challenged. The Adjudicating Authority in the impugned order has also noticed certain objection raised by the Appellant Financial Creditor and the Adjudicating Authority has returned a finding that there has been equitable treatment between both the similarly situated secured creditors, CoC had approved the Resolution Plan by the requisite majority. The submission of the Appellant that Corporate Debtor was not a going concern, hence, there was no question of approving the Resolution Plan, also need to be rejected. In Para 52 of the impugned order the Adjudicating Authority has referred to the reply submitted by the Resolution Professional where it was mentioned that the Resolution Plan contains the provision for takeover of the Corporate Debtor as going

concern and amalgamation of the Corporate Debtor with the Resolution Applicant. The Resolution Plan also contains provision for implementation of the plan through a monitoring committee. The Adjudicating Authority rightly observed that resolution is the rule and the object of the Code is to promote resolution. The Adjudicating Authority in detail considered the various parts of the plan which has been held to be compliant to the Section 30 of the Code.

The submission of the Appellant that the order passed by the Adjudicating Authority is nullity since it is passed on an application which is barred by time, need no acceptance for the reasons as we have indicated above. The challenge to the order initiating CIRP on Section 7 application has been rejected by the Hon'ble Supreme Court in the Special Leave Petition filed by the Appellant, hence, it is no more open for the Appellant to contend that the order passed by the Adjudicating Authority was without jurisdiction. Learned counsel for the Resolution Professional has rightly placed reliance on the judgment of Hon'ble Supreme Court in *India Resurgence ARC Pvt. Ltd. vs. Amit Metaliks Ltd. & Anr* (Civil Appeal No. 1700 of 2021) , where the Hon'ble Supreme Court has held that distribution of the amount to the Financial Creditors as per the decision of the CoC cannot be permitted to be challenged.

We, thus, are satisfied that there are no grounds made out to interfere with the order approving the Resolution Plan. Now, coming to the order dated 19.11.2020 passed by the Adjudicating Authority allowing I.A. No.2123 (PB)/2019, suffice it to say that the order dated 19.11.2020 is a consequential order to the approval of the plan dated 14.02.2020 which needs no interference by this Appellate Tribunal. In result, both the Appeals are dismissed.

SHAH PAPER MILLS LTD v. SHREE RAMA NEWSPRINT & PAPERS LTD [NCLAT]

Company Appeal (AT) (Ins.) No. 1088 of 2022

Ashok Bhushan, Barun Mitra & Alok Srivastava. [Decided on 21/12/2022]

Insolvency and Bankruptcy Act, 2016-section 9- CIRP petition by operational creditor- corporate debtor raised the issue of pre-existing dispute- NCLT accepted the contention of the corporate debtor and dismissed the CIRP- whether correct-Held, No.

Brief facts : The present was appeal filed by the Appellant against the order ('the Impugned Order' for short) passed by the Adjudicating Authority (National Company Law Tribunal, Ahmedabad, Division Bench Court-I). By the Impugned Order, the Adjudicating Authority dismissed the CIRP application filed under Section 9 of the IBC by the Operational Creditor (the appellant herein) for initiation of Corporate Insolvency Resolution Process ('CIRP' in short) against the Corporate Debtor (the respondent herein).

Decision : Allowed.

Reason : We have duly considered the arguments and submissions advanced by the Learned Counsel for both the parties and perused the records carefully. The issue in the present case before our consideration is whether any operational debt above the threshold limit had become due and payable to the Operational Creditor and a default in payment thereof had arisen and whether any pre-existing dispute can be deciphered.

It is well settled that in Section 9 proceeding of IBC, the Adjudicating Authority is not to enter into final adjudication with regard to existence of disputes between the parties regarding the operational debt but what has to be looked into is whether the defence raised by the Corporate Debtor is moonshine defence or not.

It has been noted by the Adjudicating Authority that there is no prior dispute regarding quality of goods or material supplied. What however has been held as dispute by the Adjudicating Authority is the difference of views on the actual amount payable by the Corporate Debtor to the Operational Creditor. One reason for this difference to have cropped up is on account of express unwillingness on the part of the Corporate Debtor to clear the liability of outstanding debt for the period prior to change of management. The other reason for the difference has been attributed by the Corporate Debtor to non- reconciliation of accounts.

Since the Adjudicating Authority has come to the conclusion of a "serious dispute" between the Operational Creditor and Corporate Debtor on the quantum of operational debt due and payable by placing reliance on the reply of the Corporate Debtor to the Section 8 notice, after perusing the above reply, we find that the Adjudicating Authority has glossed over the fact that the Corporate Debtor has not controverted the outstanding liability which it had admitted on 15.04.2017. Furthermore, claiming that no amount is due and payable to the Operational Creditor, we find that the Corporate Debtor has made this statement with the caveat that only invoices, post change in management, have been paid in full. To our mind, this caveat needs to be examined to find out whether it supports the claims of there being a pre-existing dispute.

We are of the considered view that the stand taken by the Corporate Debtor in their reply to the Demand Notice that they are not liable for the claims of the Operational Creditor prior to change in management is not a tenable argument. Change in management is an internal matter of the Corporate Debtor in which the Operational Creditor had no role to play. Change in management of the Corporate Debtor cannot be a ground for extinguishing/wiping off the past liabilities that they owed to the Operational Creditor. Therefore, it is not open for the Corporate Debtor to contend that they were not liable for the outstanding liability which had accrued during the period of the previous management and hold this as a ground of dispute. The untenability of this contention is reinforced by the fact that they had already categorically acknowledged and admitted their outstanding liability in their communication dated 15.04.2017.

From the facts of the present case and the material on record, it also appears that the Corporate Debtor has tried to take advantage of their own wrong of being lackadaisical in reconciling the accounts in spite of nearly 30 requests made by the Operational Creditor to do so. In the entire discussion by the Adjudicating Authority, we find that no notice has been taken in respect of repeated and multiple reminders sent by the Operational Creditor to the Corporate Debtor in this regard. In the result, we are thus of the view that ground for rejection of the Application under Section 9 of IBC was erroneous. Appeal is allowed.

INDUSTRIAL & LABOUR LAWS

D. N. KRISHNAPPA v. THE DEPUTY GENERAL MANAGER [SC]

Civil Appeal No. 9008 of 2022 (@ SLP(C) No. 18635 of 2022)

M.R. Shah & C.T. Ravikumar, JJ. [Decided on 12/12/2022]

Industrial Disputes Act, 1947- reinstatement ordered with full wages on 18/07/2007- the award was stayed but later the stay got vacated when the award was finally confirmed- the employee

was reinstated on 20/09/2013- full wages were paid from the date of actual reinstatement- whether full wages to be paid from the date of award-Held, Yes.

Brief facts : The short question, which was posed for consideration of the Court, in the present appeal, was whether the appellant shall be entitled to the full wages from the date of award of reinstatement i.e., 18.07.2007 passed by the CGIT to the actual date of reinstatement i.e., 23.09.2013?

Decision : Allowed

Reason : Having heard learned counsel appearing on behalf of the respective parties and considering the facts narrated hereinabove, it emerges that the order of reinstatement vide award dated 18.07.2007 has been confirmed up to the Division Bench of the High Court and even by this Court. What was modified by the High Court was the back wages from the date of termination till the date of award passed by the CGIT. It was the bank – employer who obtained the stay order against the order of reinstatement which ultimately came to be terminated on 12.07.2013 when the Division Bench of the High Court dismissed the writ appeals. As observed hereinabove, it was the employer – bank who obtained the stay against reinstatement and ultimately order of reinstatement attained the finality. Why should the employee be made suffer, when the bank obtained the stay of reinstatement and when the order of reinstatement subsequently came to be confirmed and attained the finality?

So far as the submissions on behalf of the bank that the interim order merged with final order dated 12.07.2013 and therefore, the appellant is not entitled to claim the back wages for the period between 18.07.2007 and 12.07.2013 is concerned, at the outset, it is required to be noted that the interim order is always subject to the final order that may be passed finally while terminating the proceedings. Interim orders are always subject to the final decision. Therefore, merely because there was an interim order/stay of the order of reinstatement during the pendency of the proceedings, the employee – appellant cannot be denied the back wages/wages when ultimately the order of reinstatement came to be confirmed by the Court.

Similarly, the submission on behalf of the bank applying the principle of merger has also no substance. In the present case as such the order of award of reinstatement has been confirmed by the Division Bench of the High Court. Therefore, the order of reinstatement will rely back to the original order passed by the Labour Court. Merely because the reinstatement order was under challenge and there was a stay of the order of reinstatement during the pendency of the proceedings before the High Court, it cannot be a ground to deny the wages to the employee when ultimately the order of reinstatement came to be confirmed and attained the finality.

Now so far as the submissions on behalf of the bank that as during the pendency of the proceedings before the High Court and for the period during the stay of order of reinstatement, the appellant was paid the last drawn wages under Section 17B of the ID Act and therefore he is not entitled to any wages for the period during the stay is concerned, there is no substance. At the most, whatever is held to be entitled to pay the appellant – employee as wages from the order of award of reinstatement till actual reinstatement, whatever is paid under Section 17B of the ID Act, the same is to be deducted and/or adjusted.

Now reliance placed upon the decision of this Court in the case of Bombay Chemical Industries (supra) considered by the High Court is concerned, as such the High Court has misapplied the said decision to the facts of the case on hand. In the present case, the claim of the appellant was adjudicated upon. The appellant approached the Industrial Tribunal by way of an application under Section 33-C(2) of the ID Act for implementation of award dated 18.07.2007. Therefore, so far as the order of reinstatement and the wages claimed on the

order of reinstatement is concerned, the same were already adjudicated upon. In the case of Bombay Chemical Industries (supra), it is observed and held that un-adjudicated claim cannot be the subject matter of proceedings under Section 33-C(2) and in the proceedings under Section 33-C(2), the Tribunal can only interpret the award or settlement on which the claim is based. Under the circumstances, the said decision shall not be applicable to the facts of the case on hand.

In view of the above and for the reasons stated above, the impugned judgment and order passed by the Division Bench of the High Court allowing the writ petition preferred by the respondent – bank and quashing and setting aside the order passed by the CGIT under Section 33-C(2) of the ID Act directing the bank to pay the wages from 18.07.2007 to 23.09.2013 is unsustainable and the same deserves to be quashed and set aside and is accordingly quashed and set aside. It is held that the appellant shall be entitled to the full wages with all emoluments from the date of order of reinstatement i.e., 18.07.2007 to the date of actual reinstatement i.e., 23.09.2013, however, after adjusting/deducting the amount already paid under Section 17B of the ID Act. Present appeal is allowed accordingly to the aforesaid extent. No costs.

CHANDRAMMA v. MANAGER REGIONAL OFFICE NCC LTD & ORS[SC]

Civil Appeal No. 9069 of 2022 (@ SLP(C) No. 32347 of 2018)

Krishna Murari & S. Ravindra Bhat ,JJ. [Decided on 09/12/2022]

Employees Compensation Act, 1923- functional disability- not able to lift anything by hand- whether disability to be assessed at 100%- Held, yes.

Brief facts : The present appeal was directed against the final order passed by the High Court of Karnataka (hereinafter referred to as “High Court”), wherein the High Court partly allowed the appeal of the Appellant and assessed the income as Rs.8000/- per month and accordingly reduced the compensation to Rs. 2,19,512/-. Hence the challenge against the reduction of compensation.

Decision : Allowed.

Reason : We have carefully considered the rival contentions of the learned counsel appearing for the parties and perused the entire records. The issue involved in the instant matter primarily relates to the determination of quantum of compensation awarded under various heads by the Commissioner and the High Court.

Taking the type of disability into concern, just compensation should be awarded to the person aggrieved. “Just Compensation” should include all elements that would go to place the victim in as near a position as she or he was in, before the occurrence of the accident. Whilst no amount of money or other material compensation can erase the trauma, pain, and suffering that a victim undergoes after a serious accident, (or replace the loss of a loved one), monetary compensation is the manner known to law, whereby society assures some measure of restitution to those who survive, and the victims who have to face their lives.

In the case at hand, the appellant is a skilled labour, who was involved in the work of construction of hospital building. On 22.07.2015, the appellant fell down from second floor to ground floor when the centering plate collapsed on her head. It is pertinent to mention that doctors who treated the appellant have held that she sustained fracture of spinal bone and compound fracture on various parts of the body. Appellant herein, contended that the

contractor had not provided any safety gears, instead he allowed the labourer to take the cement on the head. The negligence of the contractor lead to appellant's permanent partial disablement.

Predominantly, it is to be noted that the appellant is suffering from permanent partial disablement which also implies that she will not be able to do anything manually such as unloading building materials or using hand tools like shovels or picks or operating other machinery. Therefore, on the issue of disability, what is relevant is the statement of the Dr. Mallikarjun who examined the appellant for making an assessment of the disability. The disability report showed that there is Permanent Partial Disability of about 58% of the limb, which corresponds with 26% whole body.

There is no dispute that the appellant suffered from disablement of permanent nature. The disablement has incapacitated her from doing the work which she was capable of doing. The said work was of that of a labourer. Therefore, the Commissioner for Workmen's Compensation was wrong in holding that the disability of the appellant will have to be treated as 20% disability as the work of an appellant involves lifting heavy weights and the appellant has been rendered incapable from doing such work due to her disability. Hence, the case of the appellant will be covered by the definition of 'total disablement', therefore, being 100% disabled.

Having considered the aforesaid facts of the present case and the dictum of the judicial pronouncements referred to above and the position of the appellant after the accident, incapacitated her from carrying out her vocation as a labourer, we are of the opinion that the impugned order passed by the High Court is not liable to be sustained. The functional disability of the appellant is liable to be assessed as 100% and, accordingly, the compensation is to be determined. The functional disability of the appellant being 100%, her age being 40 years and income being Rs.8000/-, 60% whereof works out to be Rs.4800/- and applying the multiplier of 184.17, as per Schedule IV of the 1993 Act, the compensation works out to be Rs.8,84,016/-. Adding an amount of Rs.42,200/- towards medical expenses for which the bills were presented, the total compensation works out to be Rs.9,26,216/- rounded of to Rs. 9,30,000/-. The appellant shall also be entitled for payment of interest @ 9% per annum, from the date of making the application till the date of actual payment. The respondent Insurance Company is directed to pay the enhanced amount of compensation to the appellant along with 9% interest, calculated from the date of making of the application till the date of payment within six weeks from today.

KIRLOSKAR BROTHERS LTD v. RAMCHARAN & ORS[SC]

Civil Appeal Nos. 8446-8447 of 2022

M.R. Shah & Hima Kholi, JJ. [Decided on 05/12/2022]

Contract Labour (Regulation & Control) Act, 1975- principal employer terminated the labour contract with the contractor- contract labourers claimed reinstatement with the principal employer - whether tenable-Held, No.

Brief facts : Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the learned Single Judge of the High Court of Madhya Pradesh and the impugned judgment and order passed by the Division Bench of the High Court, by which the High Court has dismissed the appeal(s) preferred by the appellant herein – employer confirming the judgment and order passed by the Industrial Tribunal ordering reinstatement and directing that the concerned employees / workmen (who were contract labourers) were the

employees of the appellant principal employer. The appellant principal employer had preferred the present appeals.

Decision : Allowed

Reason : Having heard learned senior counsel appearing on behalf of the appellant and the material on record, it appears that the contesting respondents herein were the contractual labourers of the respondent No. 7 – contractor, who was a contractor engaged by the appellant in terms of the contract dated 22.04.1995, which was renewed from time to time. It is an admitted position in the present case that no notification under Section 10 of the CLRA Act has been issued by the State Government / appropriate Government, prohibiting the contract labour. It also appears that upon entering into the contract, necessary compliance under the CLRA Act was also completed by the appellant and the respondent No. 7 – contractor. On the labour contract coming to an end, the services of the contesting respondents were dispensed with by the contractor.

On going through the entire material on record, no documentary evidence was produced, by which it can be said that the contesting respondents were the employees of the appellant. There is no provision under Section 10 of the CLRA Act that the workers/employees employed by the contractor automatically become the employees of the appellant and/or the employees of the contractor shall be entitled for automatic absorption and/or they become the employees of the principal employer. It is to be noted that even the direct control and supervision of the contesting respondents was always with the contractor. There is no evidence on record that any of the respondents were given any benefits, uniform or punching cards by the appellant.

Under the contract and even under the provisions of the CLRA, a duty was cast upon the appellant to pay all statutory dues, including salary of the workmen, payment of PF contribution, and in case of non- payment of the same by the contractor, after making such payment, the same can be deducted from the contractor's bill. Therefore, merely because sometimes the payment of salary was made and/or PF contribution was paid by the appellant, which was due to non-payment of the same by the contractor, the contesting respondents shall not automatically become the employees of the principal employer – appellant herein.

Even otherwise, as observed hereinabove, in the absence of a notification under Section 10 of the CLRA Act unless there are allegations or findings with regard to a contract being sham, private respondents herein, who are as such the workmen/employee of the contractor, cannot be held to be employees of the appellant and not of the contractor.

Applying the law laid down by this Court in the aforesaid two decisions [*Steel Authority of India Ltd & Ors. Vs. National Union Waterfront Workers and Ors (2001) 7 SCC 1* and *International Airport Authority of India Vs. International Air Cargo Workers' Union and Anr (2009) 13 SCC 374*] to the facts of the case on hand and in the absence of any notification under Section 10 of the CLRA Act and in the absence of any allegations and/or findings that the contract was sham and camouflage, both the Industrial Tribunal as well as the High Court have committed a serious error in reinstating the contesting respondents and directing the appellant – principal employer to absorb them as their employees. The parties shall be governed by the CLRA Act and relief, if any, could have been granted under the provisions of the CLRA Act and not under the MPIR Act.

In view of the above and for the reasons stated above, the present appeals are allowed. The impugned judgment(s) and order(s) passed by the High Court as well as the judgment and order passed by the Industrial Tribunal are hereby quashed and set aside. The judgment and award passed by the Labour Court is hereby restored. Present appeals are accordingly allowed.

TAX LAWS

SANSERA ENGINEERING LTD v. DEPUTY COMMISSIONER [LPU] BENGALURU [SC]

Civil Appeal No. 8717 of 2022

M.R. Shah & M.M. Sundresh, JJ. [Decided on 29/11/2022]

Central Excise Act, 1944- section 11B- limitation to claim refund of tax- appellant exported goods- claimed rebate after the expiry of the prescribed limitation period- Revenue rejected the claim of rebate as time barred - whether correct-Held, Yes.

Brief facts : the present appeal was directed against the impugned judgment and order passed by the High Court of Karnataka, whereby the Division Bench of the High Court has dismissed the appeal preferred by the appellant herein and has confirmed the common judgment and order passed by the learned Single Judge dismissing the writ petitions, upholding the order passed by the respondent rejecting the claim of the appellant for rebate on the ground that the claim was barred by time/limitation prescribed under Section 11B of the Central Excise Act, 1944 (hereinafter referred to as the 'Act').

Decision: Dismissed.

Reason: The short question which is posed for consideration of this Court is, "whether the claim for rebate of duty provided under Rule 18 of the Central Excise Rules, 2002, the period of limitation prescribed under Section 11B of the Central Excise Act, 1994 shall be applicable or not?"

On a fair reading of Section 11B of the Act, it can safely be said that Section 11B of the Act shall be applicable with respect to claim for rebate of duty also. As per Explanation (A) to Section 11B, "refund" includes "rebate of duty" of excise. As per Section 11B(1) of the Act, any person claiming refund of any duty of excise (including the rebate of duty as defined in Explanation (A) to Section 11B of the Act) has to make an application for refund of such duty to the appropriate authority before the expiry of one year from the relevant date and only in the form and manner as may be prescribed. The "relevant date" is defined under Explanation (B) to Section 11B of the Act, which means in the case of goods exported out of India where a refund of excise duty paid is available in respect of the goods themselves or, as the case may be, the excisable materials used in the manufacture of goods..... Thus, the "relevant date" is relatable to the goods exported. Therefore, the application for rebate of duty shall be governed by Section 11B of the Act and therefore shall have to be made before the expiry of one year from the "relevant date" and in such form and manner as may be prescribed. The form and manner are prescribed in the notification dated 6.9.2004. Merely because in Rule 18 of the 2002 Rules, which is an enabling provision for grant of rebate of duty, there is no reference to Section 11B of the Act and/or in the notification dated 6.9.2004 issued in exercise of powers conferred by Rule 18, there is no reference to the applicability of Section 11B of the Act, it cannot be said that the provision contained in the parent statute, namely, Section 11B of the Act shall not be applicable, which otherwise as observed hereinabove shall be applicable in respect of the claim of rebate of duty.

At this stage, it is to be noted that Section 11B of the Act is a substantive provision in the parent statute and Rule 18 of the 2002 Rules and notification dated 6.9.2004 can be said to be a subordinate legislation. The subordinate legislation cannot override the parent statute. Subordinate legislation can always be in aid of the parent statute. At the cost of repetition, it is observed that subordinate legislation cannot override the parent statute. Subordinate legislation which is in aid of the parent statute has to be read in harmony with the parent statute. Subordinate legislation cannot be interpreted in such a manner that parent statute may become otiose or nugatory. If the submission on behalf of the appellant that as there is no mention/reference to Section 11B of the Act either in Rule 18 or in the notification dated 6.9.2004 and therefore the period of limitation prescribed under Section 11B of the Act shall not be applicable with respect to claim for rebate of duty is accepted, in that case, the substantive provision – Section 11B of the Act would become otiose, redundant and/or nugatory. If the submission on behalf of the appellant is accepted, in that case, there shall not be any period of limitation for making an application for rebate of duty. Even the submission on behalf of the appellant that in such a case the claim has to be made within a reasonable time cannot be accepted. When the statute specifically prescribes the period of limitation, it has to be adhered to.

It is required to be noted that Rule 18 of the 2002 Rules has been enacted in exercise of rule making powers under Section 37(xvi) of the Act. Section 37(xxiii) of the Act also provides that the Central Government may make the rules specifying the form and manner in which application for refund shall be made under section 11B of the Act. In exercise of the aforesaid powers, Rule 18 has been made and notification dated 6.9.2004 has been issued. At this stage, it is required to be noted that as per Section 11B of the Act, an application has to be made in such form and manner as may be prescribed. Therefore, the application for rebate of duty has to be made in such form and manner as prescribed in notification dated 6.9.2004. However, that does not mean that period of limitation prescribed under Section 11B of the Act shall not be applicable at all as contended on behalf of the appellant. Merely because there is no reference of Section 11B of the Act either in Rule 18 or in the notification dated 6.9.2004 on the applicability of Section 11B of the Act, it cannot be said that the parent statute – Section 11B of the Act shall not be applicable at all, which otherwise as observed hereinabove shall be applicable with respect to rebate of duty claim.

As such, the issue involved in the present appeal is squarely covered by the decision of this Court in the cases of Mafatlal Industries Ltd. (supra) and Uttam Steel Limited (supra). After taking into consideration Section 11B of the Act and the notification and procedure under Rule 12, it is specifically observed and held that rebate of duty of excise on excisable goods exported out of India would be covered under Section 11B of the Act. After referring to the decision of this Court in the case of Mafatlal Industries Ltd. (supra), it is further observed in the case of Uttam Steel Limited (supra) that such claims for rebate can only be made under Section 11B within the period of limitation stated therefor. On the argument based on Rule 12, this Court has specifically observed that such argument has to be discarded as it is not open to subordinate legislation to dispense with the requirements of Section 11B. The aforesaid observations made by this Court in the case of Uttam Steel Limited (supra) clinches the issue. The said decision has been subsequently rightly followed by the Madras High Court in the case of Hyundai Motors India Limited (supra).

In view of the above and for the reasons stated above, it is observed and held that while making claim for rebate of duty under Rule 18 of the Central Excise Rules, 2002, the period of

limitation prescribed under Section 11B of the Central Excise Act, 1944 shall have to be applied and applicable. In the present case, as the respective claims were beyond the period of limitation of one year from the relevant date, the same are rightly rejected by the appropriate authority and the same are rightly confirmed by the High Court. We see no reason to interfere with the impugned judgment and order passed by the High Court. Under the circumstances, the present appeal fails and deserves to be dismissed and is accordingly dismissed. However, there shall be no order as to costs.

GENERAL LAWS

MEENAKSHI SOLAR POWER PVT LTD v. ABHYUDAYA GREEN ECONOMIC ZONES PVT LTD & ORS [SC]

Civil Appeal No. 8818 of 2022 (@ SLP (Civil) No. 11570 of 2021)

B. R. Gavai & B.V. Nagarathna, JJ. [Decided on 23/11/2022]

Arbitration and Conciliation Act, 1996 - section 11(6) - share purchase agreement containing arbitration clause - novation of share purchase agreement- dispute arose post-novation- whether the dispute arbitrable - Held, Yes.

Brief facts : This Civil Appeal was filed assailing the impugned judgment and order passed by the High Court of Judicature for the State of Telangana at Hyderabad whereby the High Court dismissed the arbitration application under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'Act of 1996', for short) filed by the appellant herein.

Decision : Allowed.

Reason : The plea taken by the respondent herein is that owing to novation of share purchase agreement, the arbitration clause no longer existed so as to resolve the dispute between the parties through arbitration. On the other hand, the plea of the appellant is that there was no such novation of the share purchase agreement and the arbitration clause was very much available and hence, the High Court ought to have referred the matter to arbitration.

In *Vidya Drolia (supra)*, it has been further observed in relation to the aforesaid three categories in *Boghara Polyfab Pvt. Ltd (supra)*. The first category of issues, namely, whether the party has approached the appropriate High Court, whether there is an arbitration agreement and whether the party who has applied for reference is party to such agreement would be subject to a more thorough examination in comparison to the second and third categories/issues which are presumptively, save in exceptional cases, for the arbitrator to decide. In the first category, the question or issues are relating to whether the cause of action relates to action *in personam or rem*; whether the subject matter of the dispute affects third - party rights, have *erga omnes* effect, requires centralised adjudication; whether the subject - matter relates to inalienable sovereign and public interest functions or by necessary implication nonarbitrable as per mandatory statutes. On the other hand, issues relating to contract formation, existence, validity and non-arbitrability would be connected and intertwined with the issues underlying the merits of the respective disputes/claims. They would be factual and disputed and for the Arbitral Tribunal to decide.

Further, this Court observed that the court at the referral stage can interfere only when it is manifest that the claims are *ex facie* time barred and dead, or there is no subsisting dispute. In the context of issue of limitation period, it should be referred to the Arbitral Tribunal for decision on merits. Similar would be the position in case of disputed "noclaim certificate" or defence on the plea of novation and "accord and satisfaction".

In view of the aforesaid discussion, we find that High Court was not right in dismissing the petition under Section 11(6) of the Act of 1996 filed by the appellant herein by giving a finding on novation of the Share Purchase Agreement between the parties as the said aspect would have a bearing on the merits of the controversy between the parties. Therefore, it must be left to the Arbitrator to decide on the said issue also. Hence, the impugned judgment and order passed by the High Court has to be set aside. In the result, the appeal filed by the appellant is allowed and the impugned judgment and order passed by the High Court is hereby quashed and set aside.



Case Snippets

COMPANY LAW

<i>July 07, 2022</i>	<i>Adjudication order passed in respect of M/s. Roopya Finbizz Limited.</i>	<i>Registrar of Companies of Gujarat, Dadra & Nagar Haveli, Ahmedabad (ROC -Guj/Adj. Order/ Roopyaa/ Sec. 64)</i>
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Delayed compliance doesn't save a company from violation committed and it attracts penalty under the Companies Act, 2013

Facts of the Case: M/s. Roopya Finbizz Limited was incorporated on 15th July 2008 having its registered office in Ahmedabad, Gujarat. The company had five directors on its board. The company was involved in the area of providing logistics services of D2C businesses which affects the customer experience, brand image, delivery economics and more. The company is unlisted public company. The company delayed in filing e-form SH-7 amounting to violation of section 64 of the Companies Act, 2013. The delayed period for filing the form was 36 days beyond the due date. The company filed an application in e-form GNL-1 *suo-moto* on 19th May 2022 for the delay in filing of form SH-7 to the Registrar of Companies stating that the company had violated the provisions of section 64 of the Companies Act 2013 and would like the matter to be adjudicated admitting their violation and agreeing for paying the applicable penalty.

The Registrar of Companies being the Adjudication Officer issued notice on 14th June 2022 to the company and its directors in default by giving an opportunity of being heard in the matter on 20th June, 2022. The authorized representative of the company along with two of its directors appeared for the adjudicating process and the company and its directors accepted that the default has been committed by them unintentionally and that it has happened due to oversight from their part and requested the Adjudicating Officer to levy a minimum penalty.

Order: The Adjudicating Officer had taken note of the submissions made by the company in the application and as well as at the time of personal hearing and having regard to the facts and circumstances imposed a total penalty of Rs. 54,000/- on the company and two of its director i.e. Rs. 18,000/- each on company and its two directors. The company and the directors shall have to pay the amount of penalty individually by way of form No. INC-28 of e-payment under "Pay miscellaneous fees" category in MCA fees category within 90 days of this order and the Challan/SRN generated after payment of penalty through online mode shall have to be forwarded to the Registrar office along with the copy of form No. INC- 28. The order also states that in the event of non-compliance of this order prosecution will be filed under section 454(8)(ii) of the Companies Act, 2013 at the risk and cost of the company's responsibility without any further notice.

For details;

<https://www.mca.gov.in/bin/dms/getdocument?mds=b8KsfwyM32onbf%252FIL7hF2Q%253D%253D&type=open>

BANKING LAWS

<i>January 05, 2023</i>	<i>Kotak Mahindra Bank Ltd. (Appellant) vs. Girnar Corrugators (P.) Ltd. (Respondents)</i>	<i>Supreme Court of India</i>
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Recoveries under SARFAESI Act with respect to secured assets would prevail over recoveries under MSMED Act to recover amount under award/decree passed by Facilitation Council

Fact of the Case:

One Mission Vivacare advanced various credit facilities by the appellant bank – secured creditor. In order to secure the various credit facilities, Plot situated in SEZ Area of Dhar were mortgaged along with certain movable fixed assets. On account of default in payment of loan / debt, the bank-initiated recovery proceedings in respect of the secured assets contemplated under Section 13(2) of the SARFAESI Act. The bank – secured creditor filed an application before the District Magistrate on 17.06.2014 under Section 14 of the SARFAESI Act seeking assistance from taking possession of the secured assets. By order dated 24.09.2014, the District Magistrate allowed the said application by directing the SDM, District: Dhar to take vacant possession of the secured assets. However, no action was taken and therefore, the bank submitted applications to the District Magistrate and the SDM complaining non-compliance of the order to take possession of the secured assets. Finally, SDM issued direction to the Naib Tehsildar to comply the order of the District Magistrate and obtain the possession by taking police assistance. Thereafter, Naib Tehsildar refused to take possession and to comply the order on the ground that one recovery proceeding is pending for recovery of certain amounts from the secured assets and on the ground that the recovery certificate issued in favour of respondent No.1 was already pending for recovery of certain amounts from the aforesaid two secured assets. At this stage, it is required to be noted that the recovery certificates were issued in favour of respondent No.1 pursuant to the award passed by the Facilitation Council on 11.09.2014 which was in favour of respondent No.1 herein, which was under provisions of MSMED Act. The order passed by the Naib Tehsildar refusing to take possession of the secured assets pursuant to the order passed by the District Magistrate was the subject matter of writ petition before the learned Single Judge of the High Court by way of Writ Petition. While refusing to take possession of the secured assets pursuant to the order passed by the District Magistrate under Section 14 of the SARFAESI Act, Naib Tehsildar observed that MSMED Act being a special enactment enacted subsequent to SARFAESI Act would have overriding effect and therefore, MSMED Act would prevail over the SARFAESI Act.

Decision:

SARFAESI Act has been enacted to regulate securitization and reconstruction of financial assets and enforcement of security interest and to provide for a central debts of security interest created on property rights, and for matters connected therewith or incidental thereto. Therefore, SARFAESI Act has been enacted providing specific mechanism /

provision for financial assets and security interest. It is a special legislation for enforcement of security interest which is created in favour of secured creditor – financial institution. MSMED Act does not provide any priority over debt dues of secured creditor akin to section 26E of SARFAESI Act. At the most, decree / order / award passed by Facilitation Council shall be executed as such and micro or small enterprise in whose favour award or decree has been passed by Facilitation Council shall be entitled to execute same like other debts / creditors.



Student Services

IMPORTANT ALERTS / ANNOUNCEMENTS FOR STUDENTS

- Announcement regarding Digital Professional Programme Pass Certificate
https://www.icsi.edu/media/webmodules/Announcement_03012023.pdf
- Opportunity for students to validate their registration three months prior to Expiry of Registration
https://www.icsi.edu/media/webmodules/14112022_Denovo3monthspriortoexpiryofRegistration.pdf
- Paper wise Exemption for June 2023 session of Examination
https://www.icsi.edu/media/webmodules/Attention_Students_paperwise_exemption.pdf
- Cut-Off Dates for the year 2023
Please visit : *https://www.icsi.edu/media/webmodules/CUT_off.pdf*
- Chartered Secretary Journal
The “Chartered Secretary” Journal is published by the ICSI, with a view to ensure continuous up-gradation of the knowledge of the Members and students. Visit : *<https://www.icsi.edu/cs-journal/>*
- Details Regarding conduct of Class Room Teaching Centres at Regional Councils/Chapters
Visit: *<https://www.icsi.edu/crt>*
Pre-exam test is exempted for students who undergo Classes at Regional and Chapter offices (Subject to meeting the conditions)
- Number of Class Room Teaching Centres at Regional Councils/Chapters
Visit: *<https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>*
- “Join CSEET classes at ICSI Regional/Chapter Offices”
Visit:
https://www.icsi.edu/media/webmodules/28102022_SCHEDULE_OF_CSEET_JAN23_classes_at_RO_CHAPTERS.pdf
**For any clarification/Assistance/Guidance you may mail to r.bhandari@icsi.edu
- Study Centres: Visit Given Link for Details:
https://www.icsi.edu/media/webmodules/Study_Centre.pdf
- Fee Schedule: Visit Given Link for Details
https://www.icsi.edu/media/webmodules/student/FeeDetails_Concession.pdf

- Donate for the Noble Initiative of the Institute - "SHAHEED KI BETI SCHEME"
Visit: https://www.icsi.edu/media/webmodules/Shahheed_ki_beti.jpg
- Concession in Fee for Registration to CS Course to the Widows and Wards of Martyrs, Permanent Disability cases, Serving / Retired Personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces. Visit the given link
<https://www.icsi.edu/media/webmodules/student/Concession%20in%20Fee%20to%20the%20Serving%20and%20Retired%20Personnel%20of%20Indian%20Armed%20Forces.pdf>
- YUVOTSAV 2023 - Details of 23 Competitions
https://www.icsi.edu/media/webmodules/14112022_1Competition.pdf

REGISTRATION

1. Registration for CS Executive Programme:

For details please visit:

https://www.icsi.edu/media/webmodules/11112022_ICSI_Students_leaflet.pdf

2. Registration For CS Executive Test :

Link to register: https://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

For details visit:

https://www.icsi.edu/media/webmodules/18102022_CSEET_January_2023.pdf

3. Renewal of Registration

Registration Denovo (for Executive Programme & Professional Programme Students)

Registration of students registered upto and including January, 2018 stands terminated on expiry of five-year period on 31st December, 2022. All such students whose registration has been expired are advised to seek Registration De novo via <https://smash.icsi.edu/Scripts/login.aspx>.

Kindly visit the following link to check the process of Denovo:

https://www.icsi.edu/media/webmodules/user_manual_for_reg_denovo.pdf

4. Continuation of Registration w.e.f. 3rd February 2020

Students will have to keep their registration renewed from time to time even after passing Professional Programme Stage till completion of all the training requirements so as to become entitled to be enrolled as member of the Institute. Guidelines and process are available at the following url:

https://www.icsi.edu/media/webmodules/student/Guidelines_ContinuationRegistration.pdf

https://www.icsi.edu/media/webmodules/Detailed_notification_continuation_of_reg_profpass_stud.pdf

5. Re-Registration to Professional Programme

Students who have passed Intermediate Course/ Executive Programme under any old syllabus and are not eligible for seeking Registration Denovo may resume CS Course from Professional Programme Stage. Detailed FAQ, Prescribed Application Form, etc. may be seen at <https://www.icsi.edu/media/webmodules/REREGISTRATION.pdf>

6. Registration to Professional Programme

Students who have passed/completed both modules of Executive examination are advised to seek registration to Professional Programme through online mode.

The prescribed registration fee is Rs. 12,000/- .Students are also required to remit Rs. 1000/- towards Pre-exam test at the time of registration. Eligibility of students for appearing in the Examinations shall be as under: -

Session	Modules	Cut-off date for Registration	Illustrative Example
June	All	30th November (Previous Year)	All students registered upto 30th November, 2022 shall be eligible to appear in examination of All Modules in June, 2023 Session.
	One	31st January (Same Year)	All students registered upto 31st January, 2023 shall be eligible to appear in examination of any One Module in June, 2023 Session.
December	All	31st May (Same Year)	All students registered upto 31st May, 2023 are eligible to appear in examination of All Modules in December, 2023 Session
	One	31st July (Same year)	All students registered upto 31st July, 2023 are eligible to appear in examination of any One Module in December, 2023 Session.

While registering for Professional Programme, students are required to submit their option for the Elective Subject under Module 3.

Notwithstanding the original option of Elective Subject, students may change their option of Elective Subject at the time of seeking enrolment to the Examinations. There will be no fee for changing their option for elective subject, but the study material if needed will have to be purchased by them against requisite payment. Soft copies of the study materials are available on the website of the Institute. Guidelines for Option to change the Elective Subject under module-3 of Professional Programme are available at URL: https://www.icsi.edu/media/website/Guidelines_Switchover.pdf

Important: The students shall also be required qualify online pre-exam test in such manner and mode as may be determined by the Council.

EXEMPTIONS AND SWITCHOVER

1. Clarification Regarding Paper wise Exemption

- (a) Paperwise exemption based on the higher qualifications (ICAI Cost/LLB) acquired by student(s) are granted only on the basis of specific request received online through website from a registered student and complying all the requirements. There is one time payment of Rs. 1000/- (per subject). For details and Process please visit:

https://www.icsi.edu/media/webmodules/Paperwise_exemption_syllabus17.pdf

https://smash.icsi.edu/Documents/Qualification_Based_Subject_ExemptionandCancellation_Student.pdf

- (b) Last date of for submission of requests for exemption, complete in all respects, is 9thApril for June Session of examinations and 10th October for December session of Examinations. Requests, if any, received after the said cut-off dates will be considered for the purpose of subsequent sessions of examinations only.
- (c) The paper wise exemption once granted holds good during the validity period of registration or passing/completing the examination, whichever is earlier.
- (d) Paper-wise exemptions based on scoring 60% marks in the examinations are being granted to the students automatically and in case the students are not interested in availing the exemption they may seek cancellation of the same by submitting request through the Online facility available at <https://smash.icsi.edu> 30 days before commencement of examination.

Session	Cut-off date for Cancellation of Exemption/ Re-submitting the Call-For Documents for Granting Exemption
June Session	01st May
December Session	20th November

User manual for cancellation of Exemption

<https://www.icsi.edu/media/webmodules/USER%20MANUAL%20FOR%20CANCELLATION%20OF%20EXEMPTION.pdf>

If any student appears in the examinations disregarding the exemption granted on the basis of 60% marks and shown in the Admit Card, the appearance will be treated as valid and the exemption will be cancelled.

- (e) It may be noted that candidates who apply for grant of paper wise exemption or seek cancellation of paper wise exemption already granted, must see and ensure that the exemption has been granted/cancelled accordingly. Candidates who would presume automatic grant or cancellation of paper wise exemption without obtaining written confirmation on time and absent themselves in any paper(s) of examination and/or appear in the exempted paper(s) would do so at their own risk and responsibility and the matter will be dealt with as per the above guidelines.
- (f) Exemption once cancelled on request in writing shall not be granted again under any circumstances.
- (g) Candidates who have passed either module of the Executive/Professional examination under the old syllabus shall be granted the paper wise exemption in the corresponding subject(s) on switchover to the new/latest syllabus.
- (h) No exemption fee is payable for availing paper wise exemption on the basis of switchover or on the basis of securing 60% or more marks in previous sessions of examinations.

2. **Switchover to Syllabus**

Revision of syllabus is a constant exercise by the Institute to ensure up-gradation of knowledge amongst the student community. As per Notification, all Executive & Professional Programme Students of old syllabus (2012) whose registrations are valid but have not cleared the Executive & Professional Programme examination have automatically been switched over to the Syllabus 2017.

Please Note:-

1. That, all switchover students are eligible to appear in Online Pre-Examination Test which is compulsory under the syllabus 2017 before enrolling for any examinations. Process For Remitting the Fee For Pre-Examination Test is available in the URL:
<https://www.icsi.edu/media/webmodules/PreExamTestProcess.pdf>
2. Study material is not issued free of cost to the switchover students. Therefore, the student need to obtain study material, at a requisite cost.
3. Revert Switchover is not Permissible.
4. Other details regarding Exemptions and Switchover are available at the student page at the website of the Institute.

User manual on switchover Process:

https://www.icsi.edu/media/webmodules/switchover_process.pdf

Corresponding paper-wise exemptions on Switchover:

https://www.icsi.edu/media/webmodules/Correspondingexemptionafterswitchover%20-Fnd_ExePrg.pdf

https://www.icsi.edu/media/webmodules/Switchover_17092016.pdf

Professional Programme Elective Subjects under New syllabus

<https://www.icsi.edu/media/webmodules/ICSI%20New%20Syllabus%202022.pdf>

Enrollment to Executive & Professional Programme Examination (Regulation 35)

- (i) The examinations for the Executive & Professional Programme Stage of CS Course are conducted in June and December every year.
- (ii) The schedule for submission of online application along with the prescribed examination fee for enrolment to June and December Sessions of Examinations are as under :

Session	Period during which the students can submit examination form and fee	Period during which the students can submit examination form and fee (with prescribed fee)
June	The online examination enrollment window is opened tentatively on 26th February and the students may submit the forms upto 25th March without late fee	Students may submit the examination form during 26th March to 9th April with Late Fee.
December	The online examination enrollment window is opened tentatively on 26th August and the students may submit the forms upto 25th September without late fee	Students may submit the examination form during 26th September to 9th October with Late Fee.

The eligibility conditions for seeking enrollment to Executive & Professional Programme Examination are as per the cut off available at https://www.icsi.edu/media/webmodules/CUT_off.pdf

- (iii) Students who have registered in Foundation/Executive Programme on or after 1st June, 2019 are required to complete a One Day Orientation Programme in order to become eligible for enrollment to June/December Examinations.
- (iv) Students who have registered in Executive/Professional Programme are required to complete Pre-Examination Test in order to become eligible for enrolment to June/December Examinations.

PROCEDURAL COMPLIANCE

CHANGE OF ADDRESS/CONTACT DETAILS/CREATION OF PASSWORD

Process 1: Manual for Change of Mobile number, Email Id

Step 1: Log in with valid credentials at <https://smash.icsi.edu/scripts/login.aspx>

Step 2: Change Mobile Number and Email address

Process 2: Process to change correspondence /permanent address

Step 1: Log in with valid credentials at <https://smash.icsi.edu/scripts/login.aspx>

Step 2: To change Correspondence address

Step 3: Click on Save Button

Process 3: Change/Reset Password

Step 1: Log in with valid credentials on smash.icsi.edu

Step 2: Click on Profile > Change Password

Or

Forget password/Reset Password: <https://smash.icsi.edu/scripts/GetPassword.aspx>

Process 4: Change Name/Photograph/Signature

https://www.icsi.edu/media/webmodules/Change_of_name_photograph_signature_requests_for_students_are_payable_now.pdf

STUDENT IDENTITY CARD

Identity Card can be downloaded after logging into the Student Portal at :
www.icsi.edu.

Step 1: Log in with valid credentials on smash.icsi.edu

Step 2: Click on Module >Student Services>Identity Card

DEDUCTION OF 30% OF THE TOTAL FEE REMITTED BY THE APPLICANT IN RESPECT OF REGISTRATIONS LYING PENDING FOR MORE THAN A YEAR

Visit for details:

https://www.icsi.edu/media/webmodules/Fees_Refund_Guidelines_Admission_Fees.pdf

“शहीद की बेटी” (Martyr's Daughter)

Dear Students,

It is indeed an honour to be a part of an Institute which has attained institutional excellence and is a torch bearer for the cause of Good Corporate Governance.

As part of social responsibility and in alignment towards the initiatives of Government of India the scheme “Shaheed Ki Beti” was launched during the Golden Jubilee ceremony and the Institute got the privilege to confer the first certificate under this scheme to the Prime Minister of India, Sh. Narendra Modi on 4th October 2017.

Under 'Shaheed Ki Beti' scheme, the Institute is providing financial support to the girl child of martyrs for her higher education.

A separate fund has been created and the amount accumulated under the Fund “Shaheed ki Beti” is donated to the concerned wing of Ministry of Defence. Institute has already donated Rs. 15 lac under the scheme in the recent past.

The Institute acknowledges the contribution of the stakeholders who are generously donating towards the “Shaheed Ki Beti” initiative of the Institute on their Birthdays or otherwise.

Shaheed Ki Beti scheme has given us an opportunity to support our courageous martyred soldiers and their bereaved families. Through this unique scheme, Institute will definitely bring a radical change in the life of families of the valiant martyrs who have laid their lives while upholding the sovereignty and integrity of the country.

We request all other members and students of ICSI to come forward and contribute for this noble initiative.

The amount can be transferred online as per details given below.

National Electronic Fund Transfer (NEFT) Mandate Form	
(Mandate for Receiving Payment Through NEFT/RTGS)	
Vendor Name	THE INSTITUTE OF COMPANY SECRETARIES OF INDIA
Address of Vendor	C-36-37, ICSI HOUSE, INSTITUTIONAL AREA, SECTOR 62 NOIDA UP 201309
Permanent Account Number (PAN)	AAATT1103F
Particulars of Bank Account	
A. Name of Bank	Indian Bank
B. Name of Branch	Sector 61
C. Address	D-211/2 SECTOR 61 NOIDA 201301
D. City Name	NOIDA
E. IFSC Code (11 digits)	IDIB000N108
F. 9 digit MICR Code appearing on the Cheque Book	110019035
G. Type of Account (10/11/13)	SAVINGS (10)
H Account No.	706959465

Our small gesture can bring smile to the faces of many bereaved families.

Team ICSI.

!! Attention Students !!

Guidelines for Concession in Fee for Registration to CS Course to the Widows and Wards of Martyrs, Permanent Disability cases, Serving / Retired Personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces

The sacrifice of the personnel of Indian Armed forces and para military forces for maintaining the security and sovereignty of the country is commendable.

In a humble endeavor of the Institute in recognizing the contribution of the serving and retired personnel and as a goodwill gesture to the families of martyrs, the Institute has decided to grant the following concessions for registration to the CS Course :

- i. 100% concession in full Fee payable at the time of Registration to various Stages of CS Course and Examination Fee to the wards and widows of martyrs of Indian Army, Indian Air Force, Indian Navy and all para military forces
- ii. 100% concession in full Fee payable at the time of Registration to various Stages of CS Course and Examination Fee to the personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces with permanent disability as a result of participating in act of war and other missions.
- iii. 50% concession in full Fee payable at the time of Registration to various Stages of CS Course and Examination Fee to all In Service/ Retired personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces.
- iv. All other fee payable by the aforesaid category of students shall be as per the rates applicable to the general category students.

These guidelines shall be applicable effective from 1st April, 2019.



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

**Join online classes at the Regional/Chapter offices & Study Centres of
The ICSI and excel in Examination**

Pre-exam test is exempted for Class Room Teaching Students (Condition apply)

Dear Student,

As you are aware, the CS Course allows the flexibility of undergoing professional education as per the convenience of the students through distance learning mode.

However, keeping in view the requests of the students, the institute has been arranging Class Room Teaching facility as its Regional Offices and many of the Chapter Offices and Study Centres. A list of Offices presently providing the Class Room Teaching facility may be seen at the following link of the Institute's website:

<https://www.icsi.edu/crt>

We recommend the students of the Institute to join the classes conducted by the Regional & Chapter Offices and Study Centres for quality education at nominal fee.

Most of the Regional Chapter offices have commenced classes for June 2023 session of examination. Kindly contact your nearest Regional/Chapter Office/ Study Centre. The contact details are available at the following link.

<https://www.icsi.edu/media/webmodules/websiteClassroom.pdf>

Besides regular classes, Institute is also conducting demo classes, mock tests, revision classes, classes on individual subjects which help students in preparing for the main examination.

The Coaching Classes are organized throughout the year corresponding with each session of CS Examination held in June and December every year.

As you are aware Pre Examination Test is compulsory for all students of Executive and Professional Programme under new syllabus. The students undergoing the Class Room Teaching and pass the requisite tests forming part of the coaching are exempted from appearing in the Pre-Exam Test. The standard procedure for joining the coaching classes at the Regional/Chapter Offices is as under:

Step - 1	Contact the nearest Regional/Chapter Office of the Institute from the list given at the link <i>https://www.icsi.edu/media/webmodules/websiteClassroom.pdf</i>
Step - 2	Ascertain the Date of Commencement of Coaching Class and the timings of the classes
Step - 3	Enquire about the availability Demo Classes and if available attend the same as per the schedule
Step - 4	Remit the applicable fess at the Regional/Chapter Office
Step - 5	Attend the Coaching Classes as per the schedule and appear in the CS Main examinations

The Institute shall be able to commence Class Room Teaching facility at the remaining Chapter Offices also subject to the participation of students.

Team ICSI

Watch Yuvotsav-2023 at social media handles of ICSI

YouTube ICSI : <https://youtu.be/pZq1Gd8jV30>

Facebook ICSI : <https://fb.watch/i4GZeuuYQI/>

Twitter ICSI :

https://twitter.com/icsi_cs/status/1613408201743159300?s=20&t=3s43P7RdF6Ef8lqcWKY9tg



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



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

Motto
सत्यं वद। धर्मं चर।
इप्रेझर द्द ट्रुथ: बीकेटु ड्यु द्द लव

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

**23 Competitions
(in Physical Mode)**

- 1 Business Idea Pitch (2 Minute Mein)
- 2 Essay Writing Competition
- 3 Tongue Twister (Zuban Sambhal Kar)
- 4 Poetry Competition
- 5 Quiz (Prashnavali)
- 6 Legal Puzzle (Uta Pulta)
- 7 Best Out of Waste (Rangoli)
- 8 Slogan Writing Competition
- 9 Arm Wrestling
- 10 Hindi Songs (Solo Performance) (Har Dil Ki Pukaar)
- 11 Fashion show- Ethnic Indian
- 12 Know your state Competition (20 facts about your state)
- 13 Calligraphy Writing Competition
- 14 Debate (Tol Mol ke Bol)
- 15 Elocution (Bol Bindaas)
- 16 Musical Chair
- 17 Storytelling Competition
- 18 Photo Competition with caption
- 19 Group Dance (Payal ki Jhankaar)
- 20 Best Participant (Uttam Sarvottam)
- 21 Acting Competition (Dekho Mera Abhinay)
- 22 Poster Making Competition (Poster Kala Pradarshan)
- 23 Number game



Future Meets Present
12th January, 2023* | Noida
*Preliminary round will be held on 11th January, 2023



Or Click
<https://tinyurl.com/5ec88ft5>

160th Birth Anniversary of

Swami Vivekananda

For participating in competitions,
contact your nearest Chapter/ Regional Office

 Travelling and Boarding expenses* for Team of RCs/Chapters shall be borne by The ICSI
* As per guidelines

Category	Delegate Fee Early Bird Incentive (From 12.11.22 to 31.12.22)	Delegate Fee (From 01.01.23 to 10.01.23)
Student of ICSI	500/- per delegate	600/- per delegate
Others	600/- per delegate	700/- per delegate

For queries, please write to yuvotsav@icsi.edu

CS Devendra V. Deshpande
President, The ICSI

CS Ranjeet Pandey
Former President, The ICSI,
Programme Director, Yuvotsav-2023

CS Asish Mohan
Secretary, The ICSI

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Hurry up! Registration open for Company Secretary Executive Entrance Test (CSEET) May 2023 Session



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



**75
Azadi Ka
Amrit Mahotsav**

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

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

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



"UGC Recognises CS Qualification as Equivalent to a Post Graduate Degree."

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

Hurry Up

LAST DATE for REGISTRATION
SATURDAY
15TH APRIL 2023

MINIMUM ELIGIBILITY
Passed or appearing in the Senior Secondary (10+2) Examination or equivalent.

EXEMPTED FROM CSEET
(Eligible to Take Direct Admission In CS Executive Programme)
Foundation passed of ICSI/Final passed of ICAI/
Final passed of ICMAI/Graduates
(having minimum 50% marks)/Post Graduates

MAY 2023 SESSION OF CSEET
is proposed to be held on Saturday, 6th May 2023.



Register Now: https://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

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Online Helpdesk : <http://support.icsi.edu>



Examination



TIME TABLE FOR COMPANY SECRETARIES EXAMINATIONS - JUNE, 2023

 THE INSTITUTE OF Company Secretaries of India भारतीय कम्पनी सचिव संस्थान <small>IN PURSUIT OF PROFESSIONAL EXCELLENCE Statutory body under an Act of Parliament (Under the jurisdiction of Ministry of Corporate Affairs)</small>		
COMPANY SECRETARIES EXAMINATIONS - JUNE, 2023		
TIME - TABLE		
Examination Timing : 09:00 AM to 12:00 Noon		
<i>Date & Day</i>	<i>Executive Programme</i>	<i>Professional Programme</i>
01.06.2023 Thursday	Jurisprudence, Interpretation and General Laws <i>(Module-I)</i>	Governance, Risk Management, Compliances and Ethics <i>(Module - I)</i>
02.06.2023 Friday	Securities Laws and Capital Markets <i>(Module-II)</i>	Secretarial Audit, Compliance Management and Due Diligence <i>(Module - II)</i>
03.06.2023 Saturday	Company Law <i>(Module-I)</i>	Corporate Funding and Listings in Stock Exchanges <i>(Module - III)</i>
04.06.2023 Sunday	NO EXAMINATION	NO EXAMINATION
05.06.2023 Monday	Economic, Business and Commercial Laws <i>(Module-II)</i>	Advanced Tax Laws <i>(Module - I)</i>
06.06.2023 Tuesday	Setting up of Business Entities and Closure <i>(Module-I)</i>	Corporate Restructuring, Insolvency, Liquidation and Winding - up <i>(Module - II)</i>
07.06.2023 Wednesday	Corporate and Management Accounting <i>(OMR Based) (Module-II)</i>	Multidisciplinary Case Studies <i>[Open Book Exam.] (Module - III)</i>
08.06.2023 Thursday	Tax Laws <i>(OMR Based) (Module-I)</i>	Drafting, Pleadings and Appearances <i>(Module - I)</i>
09.06.2023 Friday	Financial and Strategic Management <i>(OMR Based) (Module-II)</i>	Resolution of Corporate Disputes, Non Compliances and Remedies <i>(Module - II)</i>
10.06.2023 Saturday	NO EXAMINATION	Elective 1 out of below 5 subjects <i>[Open Book Exam.] (Module - III)</i>
		(i) Banking - Law and Practice
		(ii) Insurance - Law and Practice
		(iii) Intellectual Property Rights - Laws and Practices
		(iv) Labour Laws and Practice
		(v) Insolvency - Law and Practice

Note: The Institute reserves 11th, 12th, 13th and 14th June, 2023 to meet any exigency.





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ICSI SECRETARIAL EXECUTIVE CERTIFICATE

The ICSI Secretarial Executive Certificate is a unique initiative of the Institute of Company Secretaries of India (ICSI) for the CS Students to create a pool of semi qualified professionals.

ELIGIBILITY

A student who has:-

- passed the Executive Programme;
- completed EDP or any other equivalent programme;
- completed Practical Training as prescribed or exempted therefrom; and
- made an application along with such fee as applicable.

VALIDITY OF CERTIFICATE

- One calendar year from the date of issue
- Renewable on completion of 4 PDP Hours and payment of annual renewal fee of Rs.1000/-.
- The certificate will be renewed for a maximum period of two years only.

BENEFITS



Entitled to use the description "ICSI Secretarial Executive".



Seek employment with Practising Company Secretaries



Gain relevant experience with India Inc.



Serve the nation while preparing to become a full-fledged professional.



Eligible to receive the coveted ICSI Journal 'Chartered Secretary'.

Procedure to apply shall be available at <http://bit.do/secicsi>

For queries, please write to member@icsi.edu or contact on Phone No.: **0120-4522000**

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LAUNCHING OF ONLINE LICENTIATE ENROLLMENT



ELIGIBILITY

A student who has:-

- (i) A person who has completed the Final examination or Professional Programme examination of the Institute may, within six months from the date of declaration of results in which he has passed the Final examination or Professional Programme examination can apply for enrolment as a licentiate.
- (ii) An Online application for enrolment as a Licentiate is to be made along with annual subscription of Rs. 1180/- (Rs. 1000/- Licentiate subscription + Rs. 180/- towards GST @18% applicable w.e.f. 1st July, 2017)

VALIDITY OF CERTIFICATE

- (i) A licentiate shall not ordinarily be allowed to renew his enrolment for more than five years after passing the Final examination or Professional Programme examination.
- (ii) The annual subscription of a licentiate shall become due and payable on the first date of April every year
- (iii) Non-payment of annual subscription on or before the thirtieth of June of a year shall disentitle the person to use the descriptive letters Licentiate ICSI & from 1st July of that year, until his annual subscription for the year is received by the Institute. The name of the person so disentitled shall be published in the Journal

The Institute of Company Secretaries of India launches the online module of Licentiate enrollment as a Licentiate of The Institute of Company Secretaries of India in accordance with Regulation 29 of the Company Secretaries Regulations, 1982.

BENEFITS

Recognition as
'Licentiate ICSI
or entitled to use the
descriptive letters
Licentiate ICSI

Subscription of
Chartered Secretary
Journal

Participate in the activities
of the Institute, its Regional
Council or Chapter as the
case may be, subject to such
conditions as may be imposed
by the Council, Regional Council
or Chapter, as the case may be

Entitled to use
Library facilities
of the Institute,
Regional Council
or Chapter

Procedure to apply shall be available at <http://stimulate.icsi.edu/>

For queries, please write to member@icsi.edu or contact on phone number 0120-4522000

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News From Regions

SIRC



**THE INSTITUTE OF
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SOUTHERN
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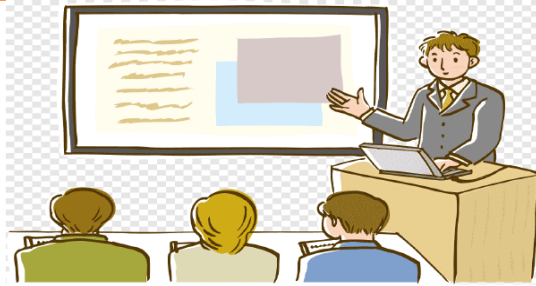
Vision
"To be a global leader in
promoting good
corporate governance"

Motto
सत्यं वद। धर्मं चर। इष्टाकं कुरु। तदापिः श्रेयसेतुं त्रयं तेषु।

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

Announce

The Institute of Company Secretaries of India, Southern India Regional Council is conducting 2nd Batch of Class Room Teaching (in Physical Mode) for CS Executive Programme Students of Module I & II who are appearing in June, 2023 Examination from Tuesday, 24th January, 2023 at ICSI-SIRC House, No.9, Wheat Crofts Road, Nungambakkam, Chennai – 600 034.



Date of Commencement of 2nd Batch
Tuesday, 24th January, 2023 for Both Modules
(Classes may end by 3rd Week of May, 2023)

**Experienced
Faculties**



**2nd Batch of Class Room Teaching
for CS Executive Programme
for June, 2023 Examination**

(Physical Mode)

Fees: Rs. 9,000/- (Per Module)

(Fees will not be refunded once
classes commenced)

Module - I Timing:
6.30 AM to 8.30 AM
(Monday to Saturday)

Module - II Timing:
6.00 PM to 8.00 PM
(Monday to Saturday)

Students attending the Physical Classes conducted by SIRC are exempted from pre examination test. Students have to pass the test to be conducted by SIRC.

Mode of Payment (Online Transfer)

HDFC Bank: Poonamallee High Road Branch
Account Name: SIRC of the ICSI
SB Account No: 04921110000013
IFSC Code: HDFC0000492

Students are required to enter the details in the link after making the payments.

Google Form Link: <https://forms.gle/QQfbggmXay8uAoRi8>

For Further Details Contact:

Mr. C. Murugan, Southern India Regional Office, The Institute of Company Secretaries of India
ICSI-SIRC House, No.9, Wheat Crofts Road, Nungambakkam, Chennai-600034.
044-28268685/28279898 / siro@icsi.edu; chelliah.murugan@icsi.edu

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Motto
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Announces

ICSI-SIRC is conducting Online Classes for CSEET for May, 2023 Examination. Students who have registered for CSEET may join the Online Classes. So far 20 Batches completed successfully with 1081 Students.



**21st Batch of Online Classes
for
CSEET**
(Company Secretary Executive Entrance Test)
for May, 2023 Examination



Fees: Rs. 3,500/-
(Fees once paid, will not be refunded)

Date of Commencement
Tuesday, 24th January, 2023
(Classes may end by Tuesday, 28th February, 2023)

Timing of Classes
7.00 A.M. to 9.00 A.M.
&

06.00 P.M. to 08.00 P.M.
(Monday to Saturday)

(Subject to Minimum 15 Students)

**2 Online Mock Tests
will be conducted.**

**Experienced
Faculties**



Mode of Payment (Online Transfer)

HDFC Bank : Poonamallee High Road Branch; Account Name: SIRC of the ICSI
SB Account No: 04921110000013; IFSC Code : HDFC0000492

Students are required to enter their details in the link after making the payment.

Google Form Link: <https://forms.gle/TMnx6Yyd4wTA9fhN9>

Above registered students will be provided the log in ID & Password for online classes separately by email.

For further details contact :

Mr. C Murugan, Executive (Admin), Southern India Regional Office, The Institute of Company Secretaries of India
ICSI-SIRC House, No.9, Wheat Crofts Road, Nungambakkam, Chennai – 600034.
Phone: 044-28268685/28222212 / Email ID : siro@icsi.edu; chelliah.murugan@icsi.edu

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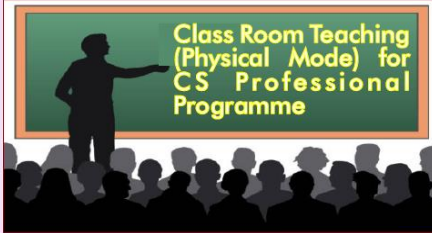
Vision
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Announces



**Class Room Teaching
(Physical Mode) for
CS Professional
Programme**

The Institute of Company Secretaries of India, Southern India Regional Council is conducting of Class Room Teaching (in Physical Mode) for CS Professional Programme Students of Module I & II who are appearing in June 2023 Examination from Wednesday, 1st March, 2023 at ICSI-SIRC House, No.9, Wheat Crofts Road, Nungambakkam, Chennai - 600034

**Class Room Teaching
for CS Professional Programme
for June 2023 Examination**

Module-I:

Timing: 6.30 am to 8.30 am

Module-II:

Timing: 6.00 pm to 8.00 pm

**(Batch will commence if minimum
12 Students registered)**



**Batch starts on Wednesday, 1st March, 2023
(Classes may end by 2nd Week of May, 2023)**

Fees: Rs. 8,800/- (per module)

Fees will not be refunded once classes commenced.



**Experienced
Faculties**

Mode of Payment of Fees (Online Transfer)

HDFC Bank : P. H. Road Branch;
Account Name: SIRC of the ICSI
SB Account No: 04921110000013
IFSC Code : HDFC0000492

Students attending the Physical Classes conducted by SIRC are exempted from pre examination test. Students have to pass the test to be conducted by SIRC.

Students are required to enter the details in the Link after making the payment.

Google Form Link: <https://forms.gle/bYyRJGsqTaFmbMiu7>

For further details contact :

Mr. C. Murugan, Southern India Regional Office, The Institute of Company Secretaries of India
ICSI-SIRC House, No.9, Wheat Crofts Road, Nungambakkam, Chennai-600034.
044-28268685/28222212 / siro@icsi.edu; chelliah.murugan@icsi.edu

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EIRC



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ICSI Motto
speak the truth; abide by the law

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

EXECUTIVE DEVELOPMENT PROGRAMME

12th Batch

(15 Days Classroom Mode)

Tuesday, 24th January, 2023 to Friday, 10th February, 2023

Venue

"ICSI-EIRC House", 3A, Ahiripukur 1st Lane, Kolkata 700 019

- For registration, please go through: <https://stimulate.icsi.edu/>
- The Participation Fee is Rs.7, 000/- (including tea, snacks etc.)
- The outstation participants have to arrange accommodation on their own.
- Duration of training shall be 15 days and attendance on all the days is compulsory.
- Only 50 students will be registered on first cum first basis.
- Wearing mask and social distance to be follow strictly.
- There will be two sessions each day from 10am to 5pm.
- Formal dress code to be maintain on each and every day.
- The duration of the programme may be altered/extended/changed depending upon other programme of ICSI-EIRC and the participants have to adhere with such modifications.
- The schedule is tentative, please take written confirmation from us before proceeding.
- In case by any reason if not able to attend the programme, the information should be made in written before 5 days of commencement of programme. Accordingly refund will be processed after deduction of bank charges.

For More details please contact:

For any assistance, guidance and clarification please call Ms. Rukmani Nag
on 033-22901065 / 22902179 / 22832973 or email at rukmani.nag@icsi.edu

P.S. Please adhere to the Guidelines and National Directives for COVID-19 management issued by the Government.



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ADMISSION OPEN

Join **CS EXECUTIVE** classes
(Both modules) for June
2023 session by ICSI-EIRC

Batch commencing from
07th December, 2022
(Wednesday)
in physical mode



● Students attending classes at EIRC
are exempted from Pre-exam Test

KEY HIGHLIGHTS

- Experienced Faculties
- Doubt Clearing Sessions
- Nominal Fees
- Revision Classes
- Exam Oriented Preparation
- Attractive welcome kit

Fees: ₹ 8,000/- for each module
₹ 15,000/- for both modules
₹ 3,500/- for single paper



Link for online payment:

<https://paytm.com/education?src=1&q=fees>

* Students desirous to pay through online transfer pay in the below
mentioned account:

A/c. Name: The Institute of Company Secretaries of India-EIRC
Bank name: Punjab National bank
Branch: Shakespeare Sarani, Kolkata
A/c. No. 319000100070126
IFSC: PUNB0319000

Students are required to send their details with Payment Transaction Id
at sumanta.dutta@icsi.edu after payment of fees.

Students can also pay in cash at ICSI-EIRC counter.

Registered students will be provided the schedule and timing of classes
by email.

For further details, please contact:

Mr. Sumanta Dutta / Mr. Bipin Kumar Choudhary
ICSI- EIRC HOUSE 3A, Ahipukur 1st Lane, Kolkata- 700019

Ph: (033) 22902973 / 22901065

Email Id: sumanta.dutta@icsi.edu; bipin.choudhary@icsi.edu

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 post-graduate education"

ICSI Motto
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MISSION
 "Sustaining high-calibre professionals,
 by lifelong post-graduate education"



Join Online Classes for

CSEET

Conducted by ICSI-EIRC

MAY 2023 SESSION OF CSEET

Date of Commencement :
24th January, 2023 (Tuesday)

Fees:
Rs. 2000/-*

Admission going on

Link for online payment:
<https://paytm.com/education?src=1&q=fees>

Payment may also be made by Cash at ICSI-EIRC House

* Students who have already paid Rs. 1,000/- during CSEET registration and opted for Oral Tuition Classes at ICSI-EIRC need to pay the balance amount Rs. 1,000/- in the below mentioned account:

A/c. Name:
 The Institute of Company Secretaries of India-EIRC
Bank name:
 Punjab National bank
 Branch: Shakespeare Sarani, Kolkata
A/c. No.
 3190000100070126
IFSC: PUNB0319000

Highlights



Online Coaching



Revision Classes

Affordable Fees



Exam Oriented



Renowned Faculty



Exclusive Doubt Clearing Sessions

ACHIEVE YOUR DREAMS WITH US



Students are required to send their details with Payment Transaction Id at uma.joarder@icsi.edu after payment of fees.

Registered students will be provided the log in Id & password for online classes separately by email.

For further details, please contact:
 Ms. Uma Banik Joarder/ Mr. Bipin Kumar Choudhary
 ICSI- EIRC HOUSE 3A, Ahiripukur 1st Lane, Kolkata- 700019
 Ph: (033) 22902179 / 22901065
 Email Id: uma.joarder@icsi.edu; bipin.choudhary@icsi.edu

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**ONE DAY ORIENTATION
PROGRAMME**

**FOR EXECUTIVE
PROGRAMME STUDENTS**



**Tuesday
24th January, 2023**



**10:00am to
4:00pm**



**Last Date for Registration
23rd January, 2023
(till 1 p.m.)**

Applicability:
One day Orientation programme is applicable to all the newly registered students who have registered in Executive programme after 1st June, 2019. The students are required to attend the One Day Orientation programme within 15 days of Registration in CS course.

**NO
Participation
Fee**

Interested and eligible students are required to submit response for registering in ODOP

Please follow the link given below to register for ODOP.
 <https://forms.gle/VaJZy9i7wSzD6Zcj7>


Note: Invitation for attending ODOP will only be sent to the registered students only

Address:
ICSI-EIRC House, 3A,
Ahiripukur 1st Lane,
Beckbagan, Kolkata-700019

For further query please contact:
Mr. Sumanta Dutta
at sumanta.dutta@icsi.edu;
Student Services, EIRO of ICSI,
Phone: 033-2290 2179/ 2290 1065

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E-Library
Facility
Available

ICSI-EIRC LIBRARY

Dear Students & Members,

Keeping in view for the benefit of Students & Members the EIRC of ICSI is promoting the revamped Library at ICSI-EIRC, House. The EIRC library is equipped with English and Hindi News Papers, Latest Books, Reference Materials & Subscriptions of Leading Journals. You all are requested to please come forward with the suggestions for new inclusions.

Books Available.

⦿ ICSI Publications ⦿ ICSI Study Materials ⦿ Books on Case Laws ⦿ Bare Acts ⦿ Taxation ⦿ Scanners ⦿ Reference Books ⦿ Guideline Answers ⦿ Chartered Secretary

Library facilities is open from 10:30am to 6:30pm on working days

Particulars	Securities Deposit	Annual Subscription	Documents
Students	Rs.500/-	Rs.200/-	Student's / Member's ID Card & 2 Passport size photograph
Member	Rs.2500/-	Rs.200/-	
OTC Students	Rs.500/-	Exempted	

Terms & Conditions:-

- Two books from the general section will be issued at a time for two weeks.
 - If the issued book is not returned by the due date, the library member may be required to pay a fine of Rs.5/- for each day of default.
 - Where a book is lost or damaged current publisher's price and a surcharge of not exceeding 25% of the price to meet the cost of acquisition shall be charged.
- The security deposit shall be refundable on cessation of membership of library provided there is no book standing in the name of the person and there are no outstanding dues.
- The annual library subscription once paid shall not be refunded under any circumstances.
- The library membership shall be valid for the financial year and may be renewed on the 1st of April each year by paying annual fee.
- Each member of the Library shall observe necessary and due care while handling books and other material.
- Members or readers shall maintain strict discipline inside and around the Library and conduct themselves in a manner conducive to congenial atmosphere for study.
- Every member of the library shall intimate in writing, changes if any, in his/her professional or residential address and contact number or status i.e. a registered student becoming a licentiate or member or a licentiate becoming a member of the Institute within 14 days

For further details and registration, please contact:

Ms. Rukmani Nag, ICSI-EIRC Library

Phone: 033-2290 1065 / 2283 2973 or mail at rukmani.nag@icsi.edu

ICSI Vision
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corporate governance"

ICSI Motto
सत्यं वद। धर्मं चर।
इच्छते तेऽपि सन्तः श्रेष्ठेऽपि तेऽपि ह्यः

ICSI Mission
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Motto

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"To develop high calibre professionals facilitating good corporate governance"



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